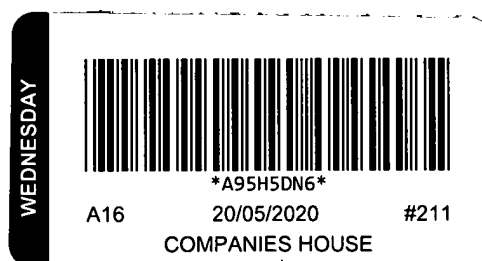


Company Registration No. 07691324 (England and Wales)

THE PIONEER ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



THE PIONEER ACADEMY

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THE PIONEER ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members

N Beal
J Pepper (resigned 31 January 2019)
D Robinson
J Sawyer (Resigned 17 September 2018)
J Fox (Resigned 17 September 2018)
P Birdsall (Appointed 17 September 2018)
A McCormick (Appointed 17 September 2018)
R Kellaway (appointed 31 January 2019)

Directors

R Lockyer
L Mason-Ellis (Accounting Officer)
D Robinson (Chair)
A Wright
W Andrews
J Brown
J Sawyer (Appointed 17 September 2018 and resigned 19 September 2019)
J Bouwens (Appointed 14 May 2019)
K Cong (Appointed 14 May 2019)
J Tanner (Appointed 19 September 2019)

Senior management team

L Mason-Ellis	- Chief Executive Officer
J Lakey	- Director of Education
A Slade	- Chief Operating Officer/ Chief Finance Officer
I McManus	- Head of Assessment and Curriculum
R Hipkins	- Head of CPD and Recruitment
C Hitchens	- Head of Educational Support
C Money-Chappelle	- Head of IT
E Pape	- Head of School at Stewart Fleming Primary School
R Lomax	- Head Teacher at Belvedere Junior School
V Denham	- Head Teacher at Burnt Oak Junior School
R Owen	- Head Teacher at Chatsworth Infant School
N Crockatt	- Head Teacher at Red Hill Primary School
S Hunter	- Head Teacher at Broadmead Primary School
C Butcher	- Head Teacher at Edenbridge Primary School
M Berthoud	- Head of School at South Norwood Primary School

Company registration number

07691324 (England and Wales)

THE PIONEER ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

Witham Road
Anerley
London
SE20

Academies operated

Edenbridge Primary School
Stewart Fleming Primary School
Belvedere Junior School
Burnt Oak Junior School
Broadmead Primary School
Red Hill Primary School
Chatsworth Infant School
South Norwood Primary School

Location

Kent
Bromley
Belvedere
Sidcup
Croydon
Chislehurst
Sidcup
Croydon

Chief Executive Officer

C Butcher
E Pape
R Lomax
V Denham
S Hunter
N Crockatt
R Owen
M Berthoud

Independent auditor

Wilkins Kennedy Audit Services
Greytown House
221-227 High Street
Orpington
BR6 ONZ

Bankers

Lloyds Bank
East Croydon Branch
George Street
Croydon
CR9 2NS

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

THE PIONEER ACADEMY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates 8 primary academies in the South East, with a combined pupil capacity of 4,720 and had a roll of 3,880 in the school census in October 2019.

Structure, governance and management

Constitution

The Pioneer Academy is a company limited by guarantee with no share capital (registration no. 07691324) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Directors act as the Trustees for the charitable activities of The Pioneer Academy and are also Directors of the charitable company for the purposes of company law. The charitable company is known as The Pioneer Academy. Details of the Directors who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

The Trust was incorporated on 4 August 2011 and became operational immediately.

Members' liability

Each Member of the company undertakes to contribute the net 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.

Directors' indemnities

Directors and Governors' liability is covered under the Trust's comprehensive insurance policy.

Principal activities

The principle activity of the Trust is the operation of The Pioneer Academy schools to provide education for pupils of different abilities between the ages of 5 and 11.

Method of recruitment and appointment or election of Directors

The members of The Pioneer Academy shall comprise the signatories to the Memorandum, also the Chairman of the Directors and any person appointed under Article 15A, provided that at any time the minimum number of Members shall not be less than five.

The number of Directors shall be not less than 3, but shall not be subject to a maximum. The Academy Trust shall have the following Directors: up to 9 Directors appointed by the members under Article 46, the Chief Executive Officer, a minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no Local Governing Bodies are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A.

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Director shall be 4 years, save that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Director, Directors may be reappointed or re-elected.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Policies and procedures adopted for the induction and training of Directors

During the year under review the Board of Trustees met seven times. The training and induction provided for new trustees and governors will depend on their existing experience. All trustees and governors are provided with the induction pack, copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role either as trustees and directors of the charitable company, or governors to the individual schools within the Trust.

Organisational structure

The trust has established a management structure to enable its efficient running, which include separate governing bodies for each school. The Trustees have considered their roles thoughtfully and decided that the role of the Trustees is to approve the strategic direction and objectives of the charitable company and, along with the local governing bodies, monitor its progress towards these objectives.

The Trustees have approved policies which set out the system of internal control, responsibilities, a scheme of delegation and terms of reference.

Trustees and governors are responsible for setting out general policy, adopting an annual plan and budget, monitoring the charitable company by use of budgets and making major decisions about the direction of the company, including capital expenditure and senior staff appointments.

Arrangements for setting pay and remuneration of key management personnel

In accordance with the pay policy "The pay panel will review pay in accordance with the relevant paragraphs of the STPC Document and award up to two points where there has been sustained high quality of performance having regard to the results of the recent appraisal, and to any recommendation on pay progression recorded in the most recent appraisal report.

The Board of Directors will review and, if necessary, re-determine the pay ranges where there has been a significant change in the responsibilities.

The Board of Directors may determine the pay ranges at any time in accordance with the provisions of the STPC Document."

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	1.50

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	486
Total pay bill	12,996,000
Percentage of the 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	-
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THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Related parties and other connected charities and organisations

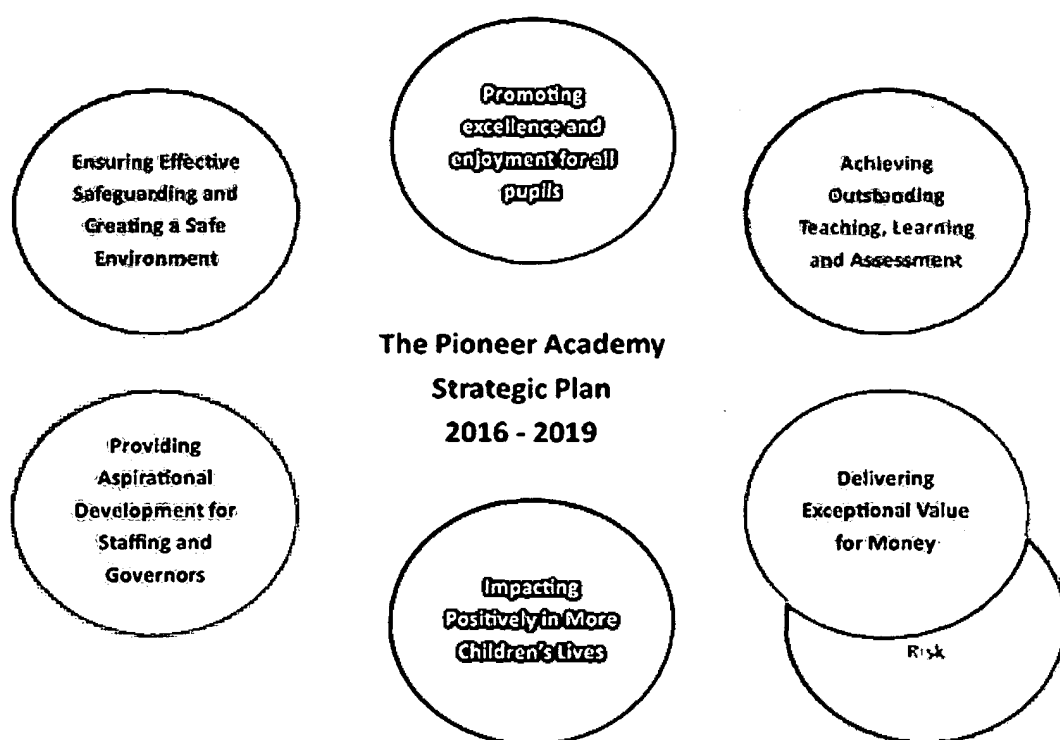
The Pioneer Academy works closely with Jariram Ltd which provides coaching and continued professional development to senior and middle leaders. One of the directors of Jariram Ltd is also a Trustee of The Pioneer Academy.

Objectives and activities

Objects and aims

The Pioneer Academy promotes and achieves excellence for children. It recognises the importance of outstanding teaching and learning by actively encouraging creativity and innovation, whilst having consistent standards of behaviour and attendance. Treating everyone as equal, whilst celebrating diversity, is a non-negotiable; protecting all through safeguarding, health and safety and welfare is paramount.

Objectives, strategies and activities



THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Our Mantra – P RACES

Positivity – Staff have a responsibility to be positive in their relationships with pupils and supportive of each other.

Rigour – We have a responsibility to ensure every moment a child is in our school will be spent productively. Through thorough use of evidence we will enable all children to make excellent progress.

Aspiration – Our motto is “and the main thing is learning.” All members of staff aim to promote an extraordinary school day to develop independence and creativity.

Commitment – We put children first.

Energy – Staff are prepared to go the extra mile to provide the best possible education for their pupils. Our aim should always be to provide for the pupils of our school what we would want for our own children.

Standards – We will maintain a relentless focus on raising standards of achievement so that all pupils have opportunities to achieve their full potential. We expect all staff to maintain the highest professional standards at all times.

Public benefit – In setting objectives, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. In accordance with its charitable objectives, The Pioneer Academy strives to advance the education of the pupils attending the Academies that operate through the Academy Trust. The Academy Trust's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education through all of the Academy Trust's academies, within their local areas.

Public benefit

The Directors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

For the Academy Trusts Admission policy please see www.thepioneeracademy.co.uk. Each school has its own policy that can be accessed through the website.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report

Achievements and performance

Charitable activities

2018/19 has been another successful year for The Pioneer Academy.

Stewart Fleming Primary School is the original school within The Pioneer Academy (TPA) which moved from inadequate to good in 11 months (2008) under the current CEO's leadership. The school became an academy in 2011. Pupils' attainment data at the end of key stage two was again well above national and progress measures significantly above the national average – Reading +3.3, writing +1.8 and mathematics +2.7.

The Pioneer Academy became a sponsor in 2012 and was approached by London Borough of Bexley to support Belvedere Junior School. Under the guidance of TPA it moved from special measures to RI in 7 months. The school became a sponsored academy in April 2013. In March 2019 the school was judged to be Good by Ofsted. In 2019 Belvedere Junior School's attainment and progress continued to be good with all progress measures at the end of key stage two being in line with National (Reading +0.2, Writing +0.9, Maths +0.0).

In 2014, TPA was approached by the Governing Body of Burnt Oak Junior School because the school had been judged as Requiring Improvement. The school became a sponsored academy in July 2015. In July 2018 the school was judged outstanding: Burnt Oak's attainment at the end of Key Stage two for 2019 was significantly above National; progress rates were Reading +0.3, Writing +0.2, Maths -0.7.

In 2016 Chatsworth Infant School, the infant feeder school for Burnt Oak Junior School, entered into a partnership with TPA. The school became a full member of TPA in September 2016. Attainment levels in 2019 continued to be above national for expected outcomes and well above for greater depth.

Red Hill Primary School sought additional support and capacity from TPA following a requires improvement judgement in June 2015. The school joined our MAT in September 2016. All attainment levels were significantly above National and progress rates have also improved significantly (Writing +2.7, Maths +2.2).

Broadmead Primary School transferred into our MAT in 2017, re-brokered from another MAT; a school with significant concerns. The school achieved an RI Ofsted inspection within weeks of the re-brokerage. Pupils' attainment in reading, writing and maths continues to improve and progress rates have improved significantly (Reading +1.2, Writing +3.5, Maths -0.2).

Edenbridge Primary School was inspected in November 2017 and judged to require special measures. The school converted to a sponsored academy into our MAT from 1st July 2018 following a short period of support from TPA's central team. Attainment at the end of key stage two is improving but progress rates remain a concern.

South Norwood Primary School transferred into our MAT on 1st September 2018, re-brokered from another MAT following an inadequate inspection in January 2018. The school has now stabilised and is showing signs of rapid progress with attainment and progress rates improving.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Key performance indicators

The Pioneer Academy uses four classification ratings - RAGG (red, amber, light green and dark green) to identify the strengths and weaknesses within each of the schools, so that the strengths can be disseminated. Where weaknesses are evident, resulting in the school's vulnerability, the classification will help identify the degree of challenge and support required.

The classification rating is based on the capacity of the school leaders to make rapid and sustained improvements. From time to time circumstances may arise which result in a school experiencing difficulties, and this might impair its ability to sustain normal progress and performance. An example might be where there are significant changes to leadership which might result in a period of instability for the school. In such cases the school will be identified for additional support during this period of vulnerability.

- Dark green schools are those deemed to be 'self-improving', which have the capacity to share effective practice with others across The Pioneer Academy. These schools would be rated outstanding in an Ofsted inspection
- Light green schools are those with one or two weaknesses, which have been identified accurately by the school leaders. They can demonstrate the capacity to bring about improvements quickly, therefore the school will be given a 'light touch' approach to monitoring to ensure that improvements are being secured. These schools would be rated good in an Ofsted inspection.
- Amber schools are those considered to need additional support to ensure they are good at the next inspection and will receive regular visits in order to ensure they have the support needed to secure rapid improvement. These schools would be rated requires improvement in an Ofsted inspection.
- Red schools are those with serious concerns about the quality of provision and outcomes for pupils. These schools will receive weekly visits including enhanced monitoring and support. These schools would be rated inadequate in an Ofsted inspection.

Each term, the Director of Education will review the key performance indicators with the school leaders and the Regional Director so that headline areas of success and concern can be easily pinpointed and a RAGG rating assigned to each of the schools. These findings will be reported back to the Education Trust Leader, the Trust Board and the Head Teachers' Board. Strengths and weaknesses of each school will be identified to help ensure any support required is carefully tailored and strong practice is effectively disseminated.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Performance Indicators Majority of the following apply:
Judged outstanding at the last Ofsted inspection, the most recent Teaching and Learning Review or the termly KPI evaluation.
Pupil progress for reading, writing and mathematics for all groups is consistently high (sig+) against National averages over the last 3 years.
Pupil attainment in reading, writing and maths, also RWM combined for all groups is consistently high (sig+) against National averages over the last 3 years.
Progress measures have been +1.5 for the last 3 years.
In-year progress across all groups is consistently strong, (at least 6+) with any gaps (gender, ethnicity) closing.
The progress of disadvantaged pupils and pupils who have special educational needs and/or disabilities matches that of other pupils with the same starting points.
Targets for statutory assessments in previous year were met within 3% (16/18 Primary, 7/8 Infant, 9/10 Junior). RWM combined was well above National, at least 80% exp, 18% exc.
Teaching over time is consistently good with much that is outstanding and no inadequate teaching, (90%+ and 40%+).
Behaviour is managed consistently well and exclusions are rare, (3 or less fixed term exclusions per year).
Attendance is 96%+, and 95%+ for all groups.
Staff absence is low, (teachers and support staff 2% or less).
Demand for pupil places is strong , (97%+ capacity).
Pupils' spiritual, moral, social and cultural development equips them to be thoughtful, caring and active citizens in school and in the wider society, (pupil questionnaires – 90%+ indicate enjoyment).
Pupils have rich learning experiences inside and outside the classroom including termly visits and access to all relevant Pioneer Passport opportunities.
Termly Learning Together Partnership Meetings contribute towards accelerated progress for at least 2 pupils per class eligible for pupil premium funding.
Leadership and management at all levels clearly articulate TPA and school policies, processes and structures which have a significant impact on pupils' achievement and behaviour.
Leaders and governors have a deep, accurate understanding of school effectiveness, informed by robust self-evaluation, (evidenced by Ofsted, T&L Review, governance audit).
The School Board has a full complement of governors to fulfil the ten specific areas of responsibility,(10 non-staff governors).
All governors are making termly visits to the school and complete visit reports.
Provision for safeguarding is very effective, as is site security and staff are vigilant.
Pupils talk confidently about how and why they feel safe and can give many examples of how they are taught to keep safe.
Stakeholder feedback is consistently positive, (Parentview - 95%+ would recommend the school).
The school demonstrates characteristics of the 'outward facing school' and supports another school's development. (Senior leaders are facilitators for central CPD and lead TPA forums, leaders initiate collaborative projects, links to non-academy establishments and work closely with the LA).
There is a clear and effective programme of staff development which links to the school's priorities and ensures professional development pathways are planned for all staff,(use of TPA talent matrix, succession planning tool, staff retention rates are very high).
There is consistent evidence of effective performance management processes taking place termly that impact significantly on pupil achievement, (in-year, KS progress & RWM combined).

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Performance Indicators Majority of the following apply:
Judged good at the last Ofsted inspection, the most recent Teaching and Learning Review or the termly KPI evaluation.
Pupil progress for reading, writing and mathematics is above National averages.
Pupil attainment in reading, writing and maths, also RWM combined is above National averages.
Progress measures are +1.
In-year progress across all groups is consistently good and most gaps are narrowing, (at least 6+).
The progress of disadvantaged pupils and pupils who have special educational needs and/or disabilities is close to or improving towards that of other pupils with the same starting points.
Majority of targets for statutory assessments in previous year were met within 3% (No more than 3 targets not achieved). RWM combined must be above National, at least 70% exp, 15% exc.
Teaching over time is consistently good, where there is a small proportion of teaching which is less than good, this is being addressed effectively, (85%+ and 30%+).
Attendance is 96%+ with 94%+ for all individual groups.
Staff absence is low, (teachers 2% or less and support staff 3% or less).
Behaviour is managed consistently well, and there are no or very few exclusions, (5 or less fixed term exclusions per year).
Positive demand for pupil places, (95%+ capacity).
Pupils' spiritual, moral, social and cultural development ensures that they are prepared to be reflective about and responsible for their actions as good citizens. (pupil questionnaires- 85% + indicate enjoyment).
Pupils have rich learning experiences inside and outside the classroom including termly visits and they have been introduced to most of the Pioneer Passport opportunities.
Learning Together Partnership Meetings take place termly for at least 2 pupils per class eligible for pupil premium funding.
Leadership and management at all levels demonstrate effective use of TPA and school policies, processes and structures which have a good impact on pupils' achievement and behaviour.
There are sufficient governors to fulfil the ten specific areas of responsibility,(at least 8 non-staff governors).
Majority of governors are making termly visits to the school and completing visit reports.
Provision for safeguarding is effective, as is site security and all staff are well-trained and vigilant.
Pupils say they feel safe and can give a range of examples of how they are taught to keep safe.
Stakeholder feedback is consistently positive, (Parentview - 90%+ would recommend the school).
The school demonstrates characteristics of the 'outward facing school' which support the school's development, (Senior leaders act as facilitators for central CPD and/or lead TPA forums, become involved in collaborative projects, links to non-academy establishments and/or LA).
There is an clear and effective programme of staff development which links to the school's priorities,(use of TPA talent matrix, succession planning tool, staff retention rates are high).
There is consistent evidence of effective performance management processes taking place termly that impact positively on pupil achievement, (in-year & KS progress, RWM combined).
Senior leaders are accredited coaches and regular coaching sessions are accessed by all staff.
The budget is balanced and long term financial planning is robust with majority of key benchmarks met for efficient ICFP e.g. cost of teachers, cost of TAs, curriculum bonus etc.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Performance Indicators Majority of the following apply:
Judged to require improvement at the last Ofsted inspection, the most recent Teaching and Learning Review or the termly KPI evaluation.
Pupil progress in reading, writing and mathematics is in-line with or improving towards National averages.
Pupil attainment is close to or on an upward trajectory towards National averages.
In-year pupil attainment is showing improvements towards National averages.
In-year pupil progress is improving (at least +5 and most +6).
For disadvantaged pupils, the progress from their different starting points in reading, writing or mathematics is below that of other pupils nationally.
Many of the targets for statutory assessments in the previous year were met within 3%, (No more than 3 targets not achieved). RWM combined moving towards National, at least 50% exp, 5% exc.
The quality of teaching is improving and any inadequate teaching is being eradicated – less than 10% and decreasing, (50%+ good or better teaching).
Most groups of pupils attend regularly with attendance at 94%+.
Staff absence is no more than 4%.
There are some inconsistencies in the management of behaviour, which are being addressed.
There are few or a reducing number of exclusions (15 or less fixed term exclusions per year).
There are some inconsistencies in pupils' personal development and welfare with less than 85% of pupil questionnaires indicating enjoyment.
Learning Together Partnership Meetings have been introduced for at least one pupil per class eligible for pupil premium funding .
Pupils have interesting learning experiences including termly visits and they have been introduced to some of the Pioneer Passport opportunities.
Growth in demand for pupil places is steady (capacity 85%+).
Leadership and management at all levels are secure and improving which is leading to improvements in pupils' achievement and behaviour.
There are an increasing number of skilled governors to fulfil the ten specific areas of responsibility,(at least 6 non-staff governors).
Many of the governors are making termly visits to the school and completing visit reports.
Provision for safeguarding meets statutory requirement.
Pupils say they feel safe and are taught to keep themselves safe.
Stakeholder feedback is largely positive (Parentview - 80%+ would recommend the school).
The school demonstrates some characteristics of the 'outward facing school' which are beginning to support swift school development.
Some risk factors including a newly appointed head teacher or a high number of NQTs may be limiting the pace of improvement.
There is a clear programme of staff development which links to the school's priorities.
There is consistent evidence of effective performance management processes taking place termly.
Regular coaching sessions are accessed by teaching staff.
The budget is balanced and long term financial planning developing towards some benchmarks being met for efficient ICFP e.g. cost of teachers, cost of TAs, curriculum bonus etc.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Performance Indicators Majority of the following apply:
Judged inadequate at the last Ofsted inspection, the most recent Teaching and Learning Review or the termly KPI evaluation.
The school's performance regularly falls well below National averages. Any improvement is insufficient, fragile or inconsistent.
There are areas of fragility within attainment and progress in specific subjects, with particular groups or in identified year groups.
The progress of pupils in different year groups in reading, writing or mathematics is consistently low and shows little or no improvement.
The progress of disadvantaged pupils from their different starting points in reading, writing or mathematics is well below that of other pupils nationally and shows little or no improvement.
Targets for statutory assessments in previous year were not met within 3% (less than 12/18 were met).
The quality of teaching is not consistently good or better across the school and there may be some elements of inadequate teaching, (more than 10% with less than 50% good or better teaching).
Most groups of pupils do not attend regularly with attendance below 94%.
Staff absence is above 4%.
Provision for safeguarding is improving.
Pupils say they do not always feel safe but can describe what they have been taught about keeping safe.
Behaviour is not consistently well managed. There is a rising number of exclusions,(in excess of 15 fixed term exclusions per year).
Growth in demand for places is slow, (less than 85% capacity).
Stakeholder feedback is not positive enough, (Parentview - less than 80% would recommend the school).
Leadership and management at all levels do not yet consistently utilise effective processes and structures, nor is their self-evaluation accurate.
Governors are reluctant, or do not have the necessary tools, to hold the Head Teacher to account.
There are insufficient governors to fulfil the ten specific areas of responsibility,(less than 6 non-staff governors).
Majority of governors are not making termly visits to the school.
A number of risk factors including a newly appointed Head Teacher, high turnover of staff, a high number of NQTs and other issues are impacting on the pace of improvement, which requires a high level of TPA support.
The school has not engaged effectively in outward facing links and relies on support from within TPA to ensure school development.
CPD for all staff is at an early stage of development and facilitated by TPA central team.
The school budget may not be balanced and long term financial planning is not robust without TPA intervention. Key benchmarks have not been met for efficient ICFP e.g. cost of teachers, cost of TAs, curriculum bonus etc.

Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Directors 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.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 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.

During the year ended 31 August 2019, total expenditure of £20,115k (2018: £15,621k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £2,097k (2018: £2,174k).

At 31 August 2019 the net book value of fixed assets was £47,777k (2018: £38,825k). Movements in tangible fixed assets are shown in Note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The local authorities pension fund, in which the Academy participates, showed a deficit of £7,873k (2018: £3,452k) at 31 August 2019.

Reserves policy

The Trustees review the reserve levels of the Multi Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of free reserves should be 75% of the total monthly salaries £1,100k (2018: £650k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants, and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Multi Academy Trust's current level of unrestricted reserves of £947k (2018: £818k) (total funds less the amount held in fixed assets and restricted funds).

The Trustees acknowledge that increased costs, along with reductions in funding mean that the target amount for reserves may be unreachable in the future but are actively reviewing income streams such as grants and extended school provision to meet the gap.

The Multi Academy Trust held fund balances at 31 August 2019 of £41,501k (2018: £36,582k) comprising £40,554k (2018: £35,764k) of restricted funds and £947k (2018: £818k) of unrestricted general funds. Of the restricted funds, £47,777k (2018: £38,825k) is represented by tangible fixed assets, £625k (2018: £392k) of unspent CIF and SCA grants and £25k (2018: £nil) of unspent restricted grants.

The Pension reserve which is considered part of restricted funds was £7,873k (2018: £3,452k) in deficit.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Investment policy

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements.

Trustees are committed to ensuring that all funds under their control are managed in such a way to maximise return whilst minimising risk. Any cash not required for operational expenses is placed on deposit with its bankers who are members of the Financial Services Compensation Scheme, which provides some assurance regarding the safety of deposits.

Principal risks and uncertainties

The MAT has an online risk register that is monitored and reviewed by the Audit Committee on a termly basis, at each of its meetings. Below is an extract as an example of the risk register for the critical risks identified.

Causes	Consequences	Financial controls				Mitigations	Risk Assurance Activities
Inadequate or lack of financial controls, planning and forecasting	Financial risk Reputational risk Risk to the day to day operation of the MAT	Risk IDs	14	m(3)	Inv > Res 10/05/18 25/09/19 01/09/20 25 > 12	● Scoping by Trust Board	SBM's undertake accurate 3 year forecasting
		Risk Owners	Accounting Officer			● Monthly management accounts prepared and shared with Chair of Trust Board (monthly) and Trust Board (x4 times per year)	SBM's undertake accurate financial profiling
		Manager:	COO			● Finance policy reviewed annually to ensure compliance with Academies Financial Handbook	Willsons Kennedy undertake external audit visits annually
		Residual Evaluation Date:	10/05/18 (Unknown)			● ESFA returns completed and submitted by deadlines	Willsons Kennedy undertake internal audit visits annually
		Last Review Date:	25/09/19 (Unknown)			● Grants identified and applied for	
		Next Review Date:	01/09/20 (Unknown) Ⓢ			● Capital expenditure budgets	
		Location:	Financial			● Budgets linked to business planning and objectives	
						● Timely and accurate monitoring and reporting	
						● Adequate staff base to produce and interpret budgetary and financial report	
						● Procedures to review and action budget/cashflow variances	
						● Policies and procedures for approval of charges and income levels (budgets)	

Legend

Mitigation Effectiveness Levels

- Excellent
- Good
- Unsatisfactory
- Unknown

Other labels

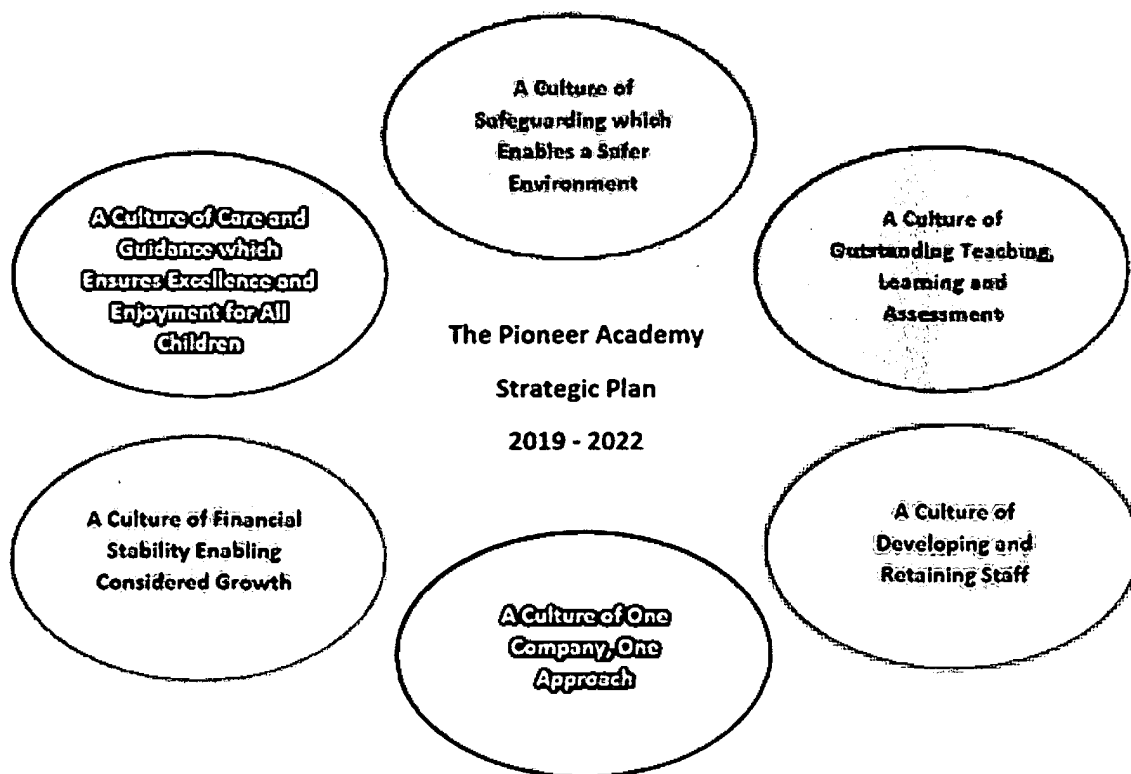
- Ⓢ Risk Key Mitigation
- Ⓢ Critical Risk (rank shown in brackets)

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Plans for future periods



The Pioneer Academy will continue to ensure that all pupils are able to equally access all areas of school life, including pastoral support, and to ensure that pupil voice is heard and has an impact in the eyes of the child, whilst ensuring excellent learning in and beyond the classroom.

The Pioneer Academy will continue to work with other local Multi Academy Trusts, and those schools aspiring or considering to develop into Multi Academy Trusts as well as working with the DfE and the Regional Schools Commissioner.

In line with the strategic plan, the Trust Board look to grow to ten schools from 2019/20 with The Crescent Primary School and Belvedere Infant School joining the Trust on 1st September 2019. The Trust are also looking at associate partnerships in the future.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Auditor

In so far as the Directors are aware:

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

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 17 December 2019 and signed on its behalf by:



D Robinson
Chair

THE PIONEER ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

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

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Pioneer Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 7 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Directors	Meetings attended	Out of possible
R Lockyer	4	7
L Mason-Ellis (Accounting Officer)	7	7
D Robinson (Chair)	7	7
A Wright	7	7
W Andrews	5	7
J Brown	5	7
J Sawyer (Appointed 17 September 2018 and resigned 19 September 2019)	5	7
J Bouwens (Appointed 14 May 2019)	2	2
K Cong (Appointed 14 May 2019)	2	2
J Tanner (Appointed 19 September 2019)		

The Board of Trustees completed a governance review and consultation during 2017/18 which, with ESFA approval, has resulted in the Articles of Association being amended to rename the local governing bodies as school boards, to introduce sub-committees at Trust Board level and to amend the make-up of the Trust Board so that all Trustees are appointed by Members, and no Trustee can hold the appointment of Chair of School Board and Trustee concurrently. These changes have been made to ensure that governance remains effective and allows for future growth. During 2018/19 this review has been introduced and embedded at each school.

During the year, the Trustees undertook a skills audit, and continued to use the Characteristics of a Successful MAT to review and ensure their own continued effectiveness. The Trust Board continue to actively recruiting for both School Governors and more Trustees to join the Board, to strengthen their skills in finance, legal and marketing.

The Trust Board receives a MAT data summary, KPI evaluations and strategic plan evaluations on a regular basis to ensure there is clear evidence that the outcomes for young people who are educated within the MAT are exceeding previous performance and national expectations.

The Audit Committee is a sub-committee of the main board of trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Board of Trustees and the Accounting Officer as part of the Trust's annual reporting requirements.

THE PIONEER ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

A representative of our Internal Auditors joins this committee. S Eaton is Co-Opted onto this Board and attended all meetings.

Directors	Meetings attended	Out of possible
A Wright	3	3
W Andrews	3	3
J Bouwens (Appointed 14 May 2019)	1	1

Review of value for money

As accounting officer the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to board of trustees where value for money can be improved, including the use of benchmarking data where available. In the past this has resulted in significant savings in accountancy, audit, catering, office supplies and other administrative functions.

Other contracts have also been reviewed such as IT and Governor Services with these being brought in-house. This has enabled a considerable financial saving, as well as standardising the service received.

Trustees approve the annual budget and received detailed income and expenditure reports, including any foreseen variances, termly. In addition, the resources committees meet termly to monitor each schools' budget through robust challenging of spending. The minutes from all these meetings are circulated to all governors.

With the inauguration of the Audit Committee, this has increased the robustness of internal controls and the Trust's ability to handle risk. This has gone hand in hand with the appointment of a Trustee with specific risk handling experience.

In addition, the finalisation of the strategic plan for The Trust has enabled the individual schools' development plans to be linked to an overarching strategic plan with common objectives.

Contracts have been renegotiated, using economies of scale, over all the schools within the Trust in areas such as catering, grounds maintenance and IT support. Purchases are subject to the official ordering process and all orders are signed by the Executive Head Teacher. Any invoices received for which an order has not been placed are investigated and discussed with the budget holder concerned and the Executive Head Teacher. The Financial Manual has been embedded across the Trust.

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 The Pioneer Academy for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Directors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Directors.

THE PIONEER ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The risk and control framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint a Responsible Officer. However, the Directors have appointed Wilkins Kennedy, to complete the internal audit function. Wilkins Kennedy's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

In particular the checks carried out in the current period include:

- Testing of control systems
- Testing of control account/ bank reconciliation
- Review of policies and procedures and adherence thereon
- Review of governance and training of Governors

Wilkins Kennedy reports to the Governing body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The role is carried out by a separate team at Wilkins Kennedy with no connection to the audit team, this is to ensure the reviews are carried out independently.

The Directors confirm the internal auditor has delivered their schedule of work as planned, and no material control issues arose as a result of their work.

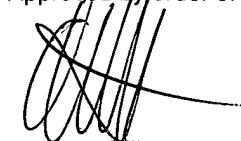
Review of effectiveness

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

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

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

Approved by order of the Board of Directors on 17 December 2019 and signed on its behalf by:



L Mason-Ellis
Accounting Officer



D Robinson
Chair

THE PIONEER ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of The Pioneer Academy I have considered my responsibility to notify the Academy Trust Board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust's Board of Directors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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 Directors and ESFA.



L Mason-Ellis
Accounting Officer

17 December 2019

THE PIONEER ACADEMY

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The directors (who also act as trustees for The Pioneer Academy) are responsible for preparing the Directors' report and the financial statements in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Directors are required to:

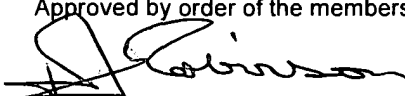
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Directors on 17 December 2019 and signed on its behalf by:



D Robinson
Chair

THE PIONEER ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PIONEER ACADEMY FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the financial statements of The Pioneer Academy for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

Basis for opinion

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

Conclusions relating to going concern

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

Other information

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

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

We have nothing to report in this regard.

THE PIONEER ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PIONEER ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors 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 Directors 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 Directors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

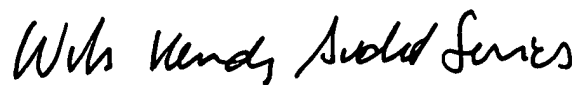
THE PIONEER ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PIONEER ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Use of our report

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



Michelle Wilkes (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services

19 December 2019

Statutory Auditor

Greytown House
221-227 High Street
Orpington
BR6 0NZ

THE PIONEER ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE PIONEER ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 25 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Pioneer Academy during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Pioneer Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Pioneer Academy's funding agreement with the Secretary of State for Education dated 1 August 2011, updated 23 August 2016, and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

THE PIONEER ACADEMY

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

FOR THE YEAR ENDED 31 AUGUST 2019

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Wilkins Kennedy Audit Services
Greytown House
221-227 High Street
Orpington
BR6 ONZ

Dated: 19 December 2019

THE PIONEER ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2019 £'000	Total 2018 £'000
Income and endowments from:						
Donations and capital grants	3	268	-	1,722	1,990	1,790
Donations - transfer from local authority on conversion		-	-	-	-	9,638
Donations - transfer of existing academy into the trust		-	(1,171)	9,460	8,289	-
Charitable activities:						
- Funding for educational operations	4	-	16,207	-	16,207	12,217
Other trading activities	5	998	-	-	998	979
Investments	6	1	-	-	1	1
Total		<u>1,267</u>	<u>15,036</u>	<u>11,182</u>	<u>27,485</u>	<u>24,625</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	<u>425</u>	<u>19,146</u>	<u>544</u>	<u>20,115</u>	<u>15,621</u>
Total	7	<u>425</u>	<u>19,146</u>	<u>544</u>	<u>20,115</u>	<u>15,621</u>
Net income/(expenditure)		842	(4,110)	10,638	7,370	9,004
Transfers between funds	17	(713)	2,165	(1,452)	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	19	<u>-</u>	<u>(2,451)</u>	<u>-</u>	<u>(2,451)</u>	<u>915</u>
Net movement in funds		129	(4,396)	9,186	4,919	9,919
Reconciliation of funds						
Total funds brought forward		<u>818</u>	<u>(3,452)</u>	<u>39,216</u>	<u>36,582</u>	<u>26,663</u>
Total funds carried forward		<u>947</u>	<u>(7,848)</u>	<u>48,402</u>	<u>41,501</u>	<u>36,582</u>

THE PIONEER ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	Notes	Unrestricted	Restricted funds:		Total
		Funds £'000	General	Fixed asset £'000	2018 £'000
Income and endowments from:					
Donations and capital grants	3	176	-	1,614	1,790
Donations - transfer from local authority on conversion		45	(377)	9,970	9,638
Charitable activities:					
- Funding for educational operations	4	-	12,217	-	12,217
Other trading activities	5	979	-	-	979
Investments	6	1	-	-	1
Total		<u>1,201</u>	<u>11,840</u>	<u>11,584</u>	<u>24,625</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	332	14,883	406	15,621
Total	7	<u>332</u>	<u>14,883</u>	<u>406</u>	<u>15,621</u>
Net income/(expenditure)		869	(3,043)	11,178	9,004
Transfers between funds	17	(916)	2,054	(1,138)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	19	-	915	-	915
Net movement in funds		(47)	(74)	10,040	9,919
Reconciliation of funds					
Total funds brought forward		865	(3,378)	29,176	26,663
Total funds carried forward		<u>818</u>	<u>(3,452)</u>	<u>39,216</u>	<u>36,582</u>

THE PIONEER ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2019

		2019	2018
	Notes	£'000	£'000
Fixed assets			
Tangible assets	13	47,777	38,825
Current assets			
Debtors	14	682	456
Cash at bank and in hand		2,898	2,396
		3,580	2,852
Current liabilities			
Creditors: amounts falling due within one year	15	(1,983)	(1,643)
Net current assets		1,597	1,209
Net assets excluding pension liability		49,374	40,034
Defined benefit pension scheme liability	19	(7,873)	(3,452)
Total net assets		41,501	36,582
Funds of the Academy Trust:			
Restricted funds	17		
- Fixed asset funds		48,402	39,216
- Restricted income funds		25	-
- Pension reserve		(7,873)	(3,452)
Total restricted funds		40,554	35,764
Unrestricted income funds	17	947	818
Total funds		41,501	36,582

The financial statements on pages 27 to 51 were approved by the Directors and authorised for issue on 17 December 2019 and are signed on their behalf by:



D Robinson
Chair

Company Number 07691324

THE PIONEER ACADEMY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

		2019		2018	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	20		(1,185)		(1,076)
Cash funds transferred on conversion			-		45
			<u>(1,185)</u>		<u>(1,031)</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE Group		1,722		1,606	
Capital funding received from sponsors and others		-		70	
Purchase of tangible fixed assets		<u>(36)</u>		<u>(110)</u>	
Net cash provided by investing activities			<u>1,687</u>		<u>1,567</u>
Net increase in cash and cash equivalents in the reporting period			502		536
Cash and cash equivalents at beginning of the year			<u>2,396</u>		<u>1,860</u>
Cash and cash equivalents at end of the year			<u><u>2,898</u></u>		<u><u>2,396</u></u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

The Pioneer Academy is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Directors' report.

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

1.1 Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Pioneer Academy meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Conversion to an academy trust

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

1.4 Income

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

Grants

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

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Charitable activities

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

1.6 Tangible fixed assets and depreciation

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

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

The properties other than Edenbridge Primary School have been included at the valuation provided by the ESFA when completing their desktop valuation. Edenbridge Primary School's land and buildings have been valued by the directors based on average value per square metre of other schools in the local area.

On conversion the academies enter into a 125 year lease on their land and buildings with their local authority.

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:

Land and buildings	2%
Computer equipment	33.3%
Fixtures, fittings & equipment	10%

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

1.7 Liabilities

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

1.8 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.9 Financial instruments

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Financial assets

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

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

Financial liabilities

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

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

1.10 Taxation

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

1.11 Pensions benefits

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

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

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

1.12 Fund accounting

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no other key assumptions concerning the future or the other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Capital grants	-	1,722	1,722	1,614
Other donations	268	-	268	176
	<u>268</u>	<u>1,722</u>	<u>1,990</u>	<u>1,790</u>

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	13,262	13,262	10,409
Start up grants	-	95	95	70
Other DfE group grants	-	1,850	1,850	1,312
	<u>-</u>	<u>15,207</u>	<u>15,207</u>	<u>11,791</u>
Other government grants				
Local authority grants	-	1,000	1,000	426
	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>426</u>
Total funding	<u>-</u>	<u>16,207</u>	<u>16,207</u>	<u>12,217</u>

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Hire of facilities	74	-	74	54
Catering income	252	-	252	429
Before/After school clubs	358	-	358	245
Other income	314	-	314	251
	<u>998</u>	<u>-</u>	<u>998</u>	<u>979</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Short term deposits	1	-	1	1
	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

7 Expenditure

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2019 £'000	Total 2018 £'000
Academy's educational operations					
- Direct costs	11,326	402	1,114	12,842	9,779
- Allocated support costs	2,791	2,762	1,720	7,273	5,842
	<u>14,117</u>	<u>3,164</u>	<u>2,834</u>	<u>20,115</u>	<u>15,621</u>
Net income/(expenditure) for the year includes:				2019	2018
				£'000	£'000
Fees payable to auditor for:					
- Audit				17	16
- Other services				13	8
Depreciation of tangible fixed assets				544	406
Net interest on defined benefit pension liability				137	26
				<u>711</u>	<u>450</u>

8 Central services

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

- financial services, including the cost of the financial software
- legal services
- educational support services, including the provision of outstanding teachers from the central team
- pupil welfare support services
- strategic leadership
- school improvement services
- health and safety services
- bespoke CPD
- occupational health services

The Academy Trust charges for these services on the following basis:

- Flat percentage of 1% - 5% of income

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

8 Central services

(Continued)

The amounts charged during the year were as follows:

	2019 £'000	2018 £'000
Edenbridge Primary School	76	12
Stewart Fleming Primary School	204	95
Belvedere Junior School	69	76
Burnt Oak Junior School	47	38
Broadmead Primary School	121	124
Red Hill Primary School	138	140
Chatsworth Infant School	37	16
South Norwood Primary School	99	-
	<u>791</u>	<u>501</u>

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Direct costs				
Educational operations	97	12,745	12,842	9,779
Support costs				
Educational operations	328	6,945	7,273	5,842
	<u>425</u>	<u>19,690</u>	<u>20,115</u>	<u>15,621</u>
			2019 £'000	2018 £'000
Analysis of support costs				
Support staff costs			2,791	2,064
Depreciation			142	142
Technology costs			83	79
Premises costs			2,620	2,249
Other support costs			1,572	1,239
Governance costs			65	69
			<u>7,273</u>	<u>5,842</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

10 Staff

Staff costs

Staff costs during the year were:

	2019 £'000	2018 £'000
Wages and salaries	10,325	7,965
Social security costs	940	722
Pension costs	2,530	1,740
	<hr/>	<hr/>
Amounts paid to employees	13,795	10,427
Agency staff costs	300	320
Staff restructuring costs	22	-
	<hr/>	<hr/>
Amounts paid to staff	14,117	10,747
Staff development and other staff costs	62	50
	<hr/>	<hr/>
Total staff expenditure	14,179	10,797
	<hr/>	<hr/>

Staff restructuring costs comprise:

Redundancy payments	22	-
	<hr/>	<hr/>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is a non-statutory/non-contractual severance payment totalling £10,535 (2018: £nil).

Staff numbers

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

	2019 Number	2018 Number
Teachers	172	144
Administration and support	235	260
Management	28	26
	<hr/>	<hr/>
	435	430
	<hr/>	<hr/>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

10 Staff

(Continued)

Higher paid staff

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

	2019 Number	2018 Number
60,000-70,000	5	4
70,001-80,000	4	6
80,001-90,000	3	2
90,001-100,000	-	1
140,001-150,000	1	1
	<u>14</u>	<u>14</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Academy Trust was £1,360k (2018: £1,253k).

11 Directors' remuneration and expenses

One or more of the Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Chief Executive Officer and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and staff members under their contracts of employment, and not in respect of their services as Directors.

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

L Mason-Ellis (Chief Executive Officer):

- Remuneration £145,000 - £150,000 (2018: £145,000-£150,000)
- Employer's pension contributions £15,000 - £20,000 (2018: £15,000-£20,000)

During the year, reimbursed expenditure amounting to £3,043 was paid to one Trustee (2018: £nil) for mileage, telephone costs and professional body subscriptions.

Other related party transactions involving the Directors are set out within the related parties note.

12 Directors and officers insurance

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2018	39,126	392	1,000	40,518
Transfer on conversion	9,406	-	54	9,460
Additions	-	36	-	36
	<u>48,532</u>	<u>428</u>	<u>1,054</u>	<u>50,014</u>
Depreciation				
At 1 September 2018	881	343	469	1,693
Charge for the year	402	37	105	544
	<u>1,283</u>	<u>380</u>	<u>574</u>	<u>2,237</u>
Net book value				
At 31 August 2019	<u>47,249</u>	<u>48</u>	<u>480</u>	<u>47,777</u>
At 31 August 2018	<u>38,245</u>	<u>49</u>	<u>531</u>	<u>38,825</u>

Included in land and buildings is £19,044k (2018: £19,044k) of land which is not depreciated.

14 Debtors

	2019 £'000	2018 £'000
Trade debtors	119	12
VAT recoverable	166	150
Prepayments and accrued income	397	294
	<u>682</u>	<u>456</u>

15 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	642	448
Other taxation and social security	307	211
Other creditors	260	172
Accruals and deferred income	774	812
	<u>1,983</u>	<u>1,643</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

16	Deferred income	2019 £'000	2018 £'000
	Deferred income is included within:		
	Creditors due within one year	202	215
		<u>202</u>	<u>215</u>
	Deferred income at 1 September 2018	215	185
	Released from previous years	(215)	(185)
	Resources deferred in the year	202	215
		<u>202</u>	<u>215</u>
	Deferred income at 31 August 2019	202	215

At the balance sheet date, the Academy Trust was holding fund received in advance for free school meals and rates relief.

17	Funds	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
	Restricted general funds					
	General Annual Grant (GAG)	-	13,262	(15,427)	2,165	-
	Start up grants	-	95	(70)	-	25
	Other DfE / ESFA grants	-	1,850	(1,850)	-	-
	Other government grants	-	1,000	(1,000)	-	-
	Other restricted funds	-	(51)	51	-	-
	Pension reserve	(3,452)	(1,120)	(850)	(2,451)	(7,873)
		<u>(3,452)</u>	<u>15,036</u>	<u>(19,146)</u>	<u>(286)</u>	<u>(7,848)</u>
	Restricted fixed asset funds					
	DfE group capital grants	391	1,722	-	(1,488)	625
	General Fixed Assets	38,825	9,460	(544)	36	47,777
		<u>39,216</u>	<u>11,182</u>	<u>(544)</u>	<u>(1,452)</u>	<u>48,402</u>
	Total restricted funds	35,764	26,218	(19,690)	(1,738)	40,554
	Unrestricted funds					
	General funds	818	1,267	(425)	(713)	947
		<u>818</u>	<u>1,267</u>	<u>(425)</u>	<u>(713)</u>	<u>947</u>
	Total funds	36,582	27,485	(20,115)	(2,451)	41,501

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Other DfE/ESFA grants: This includes the pupil premium, UIFSM, sports funding grant, regional academy growth fund teacher pay grant and rates relief.

Other government grants: This includes SEN funding, early years and additional pupil premium received from the Local Authority.

DfE/ESFA Capital grants: This includes the devolved formula capital grant and CIF grant.

The transfer of funds relate to the purchase of fixed assets during the period, the transfer of capital grant to match expenditure and to cover the overspend on GAG.

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

	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	153	10,409	(12,616)	2,054	-
Start up grants	-	70	(70)	-	-
Other DfE / ESFA grants	-	1,312	(1,312)	-	-
Other government grants	-	426	(426)	-	-
Pension reserve	(3,531)	(377)	(459)	915	(3,452)
	<u>(3,378)</u>	<u>11,840</u>	<u>(14,883)</u>	<u>2,969</u>	<u>(3,452)</u>
Restricted fixed asset funds					
Transfer on conversion	-	9,970	-	(9,970)	-
DfE group capital grants	25	1,614	-	(1,248)	391
General Fixed Assets	29,151	-	(406)	10,080	38,825
	<u>29,176</u>	<u>11,584</u>	<u>(406)</u>	<u>(1,138)</u>	<u>39,216</u>
Total restricted funds	<u>25,798</u>	<u>23,424</u>	<u>(15,289)</u>	<u>1,831</u>	<u>35,764</u>
Unrestricted funds					
General funds	865	1,201	(332)	(916)	818
Total funds	<u>26,663</u>	<u>24,625</u>	<u>(15,621)</u>	<u>915</u>	<u>36,582</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Total funds analysis by academy

	2019 £'000	2018 £'000
Fund balances at 31 August 2019 were allocated as follows:		
Edenbridge Primary School	1	1
Stewart Fleming Primary School	1	1
Belvedere Junior School	1	1
Burnt Oak Junior School	1	1
Broadmead Primary School	1	1
Red Hill Primary School	1	1
Chatsworth Infant School	1	1
South Norwood Primary School	1	-
Central services	964	811
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	972	818
	<hr/>	<hr/>
Restricted fixed asset fund	48,402	39,216
Pension reserve	(7,873)	(3,452)
	<hr/>	<hr/>
Total funds	41,501	36,582
	<hr/>	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2019 £'000	Total 2018 £'000
Edenbridge Primary School	1,455	99	16	513	2,083	333
Stewart Fleming Primary School	1,427	316	57	436	2,236	2,281
Belvedere Junior School	1,150	162	36	507	1,855	1,803
Burnt Oak Junior School	804	191	29	267	1,291	1,178
Broadmead Primary School	1,832	241	28	780	2,881	2,984
Red Hill Primary School	2,126	329	53	1,199	3,707	3,814
Chatsworth Infant School	636	119	21	310	1,086	1,255
South Norwood Primary School	1,442	405	63	567	2,477	-
Central services	463	929	15	599	2,006	736
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	11,335	2,791	318	5,178	19,622	14,384
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	47,777	47,777
Current assets	947	2,008	625	3,580
Creditors falling due within one year	-	(1,983)	-	(1,983)
Defined benefit pension liability	-	(7,873)	-	(7,873)
Total net assets	947	(7,848)	48,402	41,501

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	38,825	38,825
Current assets	818	1,643	391	2,852
Creditors falling due within one year	-	(1,643)	-	(1,643)
Defined benefit pension liability	-	(3,452)	-	(3,452)
Total net assets	818	(3,452)	39,216	36,582

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £237k (2018: £171k) were payable to the schemes at 31 August 2019 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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

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

The employer's pension costs paid to the TPS in the period amounted to £1,011k (2018: £ 744k).

Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16 to 18.5% for employers and 5.5 to 12.5% for employees.

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

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

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

Total contributions made	2019 £'000	2018 £'000
Employer's contributions	746	606
Employees' contributions	199	148
Total contributions	945	754

Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	3.3	3.5
Rate of increase for pensions in payment/inflation	2.2	2.2
Discount rate for scheme liabilities	1.8	2.8
Inflation assumption (CPI)	2.2	2.2

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

	2019 Years	2018 Years
Retiring today		
- Males	22.8	23
- Females	25.2	25.6
Retiring in 20 years		
- Males	24.9	25.4
- Females	27.2	27.8

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

	2019 £'000	2018 £'000
Discount rate - 0.1%	337	21
CPI rate + 0.1%	314	20
Salary rate + 0.1%	193	18

Defined benefit pension scheme net liability

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations	(Continued)	
Scheme assets	7,795	5,635
Scheme obligations	(15,668)	(9,087)
Net liability	(7,873)	(3,452)

The Academy Trust's share of the assets in the scheme	2019 Fair value £'000	2018 Fair value £'000
Equities	4,126	3,302
Bonds	1,246	836
Cash	806	46
Property	628	472
Other assets	989	979
Total market value of assets	7,795	5,635

The actual return on scheme assets was £540,000 (2018: £313,000).

Amount recognised in the Statement of Financial Activities	2019 £'000	2018 £'000
Current service cost	1,186	960
Past service cost	265	64
Interest income	(174)	(112)
Interest cost	311	138
Benefit changes, curtailments and settlements gains or losses	8	-
Administration expenses	-	15
Total operating charge	1,596	1,065

Changes in the present value of defined benefit obligations	2019 £'000
At 1 September 2018	9,072
Transferred in on existing academies joining the Academy Trust	1,814
Current service cost	1,186
Interest cost	311
Employee contributions	199
Actuarial loss/(gain)	2,817
Benefits paid	(4)
Losses on curtailment	8
Past service cost	265
At 31 August 2019	15,668

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

Changes in the fair value of the Academy Trust's share of scheme assets

	2019 £'000
At 1 September 2018	5,620
Transferred in on existing academies joining the Academy Trust	694
Interest income	174
Actuarial gain	366
Employer contributions	746
Employee contributions	199
Benefits paid	(4)
At 31 August 2019	7,795

20 Reconciliation of net income to net cash flow from operating activities

	2019 £'000	2018 £'000
Net income for the reporting period (as per the statement of financial activities)	7,370	9,004
Adjusted for:		
Net surplus on conversion to academy	-	(9,593)
Net surplus on transfer of academy in the trust	(8,289)	-
Capital grants from DfE and other capital income	(1,722)	(1,614)
Investment income receivable	(1)	(1)
Defined benefit pension costs less contributions payable	713	433
Defined benefit pension scheme finance cost	137	26
Depreciation of tangible fixed assets	544	406
(Increase)/decrease in debtors	(226)	103
Increase in creditors	340	205
Stocks, debtors and creditors transferred on conversion	(51)	(45)
Net cash used in operating activities	(1,185)	(1,076)

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

21 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

22 Commitments under operating leases

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £'000	2018 £'000
Amounts due within one year	14	8
Amounts due in two and five years	21	28
	<u>35</u>	<u>36</u>

23 Capital commitments

	2019 £'000	2018 £'000
Expenditure contracted for but not provided in the financial statements	39	986

24 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Mr R Lockyer, a Director provided the Trust with consultancy services amounting to £19,244 (2018: £14,817). No amounts were due at the year end. The Academy made the purchase at arms' length and ensured the consultancy was charged at cost. Mr R Lockyer had no influence over the decision and in entering into the transaction the trust has complied with the requirements of the ESFA's Academies Financial Handbook.

Mr Mason-Ellis' wife works as a school business manager for the Trust.

25 Post balance sheet events

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

25 Post balance sheet events

(Continued)

As of 1st September 2019 the following schools joined the trust:

Belvedere Infant School
The Crescent Primary School

26 Members' liability

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

27 Transfer of existing academies into the Academy Trust

On 1 September 2018 South Norwood Academy transferred from an existing Trust, Synaptic Trust. The amounts transferred were:

	Value reported by Transferring Trust £'000	Fair Value Adjustments £'000	Transfer in Recognised £'000
Tangible Fixed assets			
Leasehold land and buildings	9,406	-	9,406
Furniture and Equipment	54	-	54
Computer Equipment	-	-	-
Current Assets			
Debtors	-	-	-
Bank	-	-	-
Liabilities			
Creditors due in less than one year	(51)	-	(51)
Creditors Due greater than one year	-	-	-
Pensions			
Pension Liability	(1,120)	-	(1,120)
Net assets / (liabilities)	8,289	-	8,289