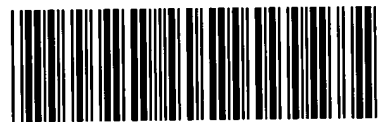


Company Registration No. 07691324 (England and Wales)

THE PIONEER ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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THE PIONEER ACADEMY

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THE PIONEER ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Directors

J Fox (Resigned 16 October 2017)
J Judd (Resigned 12 July 2018)
C Kinsley (Resigned 12 July 2018)
J Lakey (Resigned 31 October 2017)
R Lockyer
L Mason-Ellis (Accounting Officer)
D Robinson (Chair)
A Wright
W Andrews
J Brown
J Sawyer (Appointed 17 September 2018)
A Slade (Chief Finance Officer)

Members

N Beal
G Mallard (Resigned 1 February 2018)
J Pepper
D Robinson
J Sawyer (Resigned 17 September 2018)
J Fox (Appointed 1 February 2018, Resigned 17 September 2018)
P Birdsall (Appointed 17 September 2018)
A McCormick (Appointed 17 September 2018)

Senior leadership 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
R Hipkins	- Head of CPD
C Hitchens	- Head of Educational Support
C Money-Chappelle	- Head of IT
N Marchant	- Head of Governor Services
L Knox	- Head of School at Stewart Fleming Primary School
R Lomax	- Head Teacher at Belvedere Junior School
J Ivil	- 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

Company registration number

07691324 (England and Wales)

Registered office

Stewart Fleming Primary School
Witham Road
London
SE20

THE PIONEER ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

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

Location

Kent
Bromley
Belvedere
Sidcup
Croydon
Chislehurst
Sidcup

Head Teacher

C Butcher
L Knox
R Lomax
J Ivil
S Hunter
N Crockatt
R Owen

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 2018

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates 7 primary academies in the South east, with a combined pupil capacity of 3,210 and had a roll of 3,021 in the school census in October 2018.

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 reelected.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Policies and procedures adopted for the induction and training of Directors

During the year under review the Board of Trustees met ten 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."

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.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Objectives, strategies and activities

Strategic Plan 2016-19

Promoting excellence and enjoyment for all pupils

Ensuring effective safeguarding and creating a safe environment

Achieving outstanding teaching, learning and assessment

Providing aspirational development for staff and governors

Impacting positively in more children's lives

Delivering exceptional value for money

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 2018

Strategic report

Achievements and performance

Charitable activities

2017/18 has been another successful year for The Pioneer Academy; not only have the three existing schools continued to improve but the new schools have also made progress.

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. Ofsted inspected in 2016 when the school was judged to be outstanding in all areas. In 2018, Stewart Fleming Primary School's performance continues to be outstanding. Teaching and learning across the school was once again very strong with over 60% of outstanding teaching. Pupils' attainment data at the end of key stage two was well above national and progress measures significantly above the national average – Reading +2.1, writing +2.4 and mathematics +2.1. In key stage one all attainment outcomes at the expected standard were above 80%, the proportion of year one pupils meeting the phonic check standard was over 90% and at the end of the early years foundation stage more than 80% of children reached a good level of development (GLD).

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 January 2015 the school was judged to be good. At the most recent review in the summer 2018, 85% of all teaching was good or better. In 2018 Belvedere Junior School's attainment and progress continued to be outstanding with all progress measures at the end of key stage two being significantly plus (Reading +2.3, Writing +1.6, Maths +1.8). The school is due an Ofsted inspection in the next academic year and it is expected that the school will be judged to demonstrate strong practice and marked improvement in a number of areas. Thus indicating that the school is improving towards being outstanding.

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:

The school receives strong support from the multi-academy trust. It provides support practically, financially and in the allocation of resources to meet learning needs. Trust leaders hold the headteacher to account and provide good-quality external verification of progress. This has had a very positive impact on outcomes.' (Ofsted report, July 2018)

The pupils' attainment in 2018 was not as strong as it had been in 2017, nonetheless the Reading, Writing and Maths combined (expected level) continued to be above national at 69%. Significant improvements had been made for disadvantaged pupils, such that they all met expected standards in writing and mathematics. This ensured that progress rates were in line with national figures.

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 2018 continued to be above national for expected outcomes and well above for greater depth - Reading 30%, Writing 22%, Maths 27%. Phonics outcomes continue to be an area of success for the school with 98% of the 2018 cohort meeting the expected standard by the end of key stage one.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 at both key stage one and key stage two at greater depth/higher scaled score were above national in 2018, progress rates have also improved, in particular for writing increasing from -0.05 in 2016 to +1.9 in 2018. The quality of teaching has been enhanced, so that 88% of teaching observed during the 2018 summer term review was good or better.

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. It has experienced a period of stability and rapid improvement resulting in over 70% good or better teaching in summer 2018. Rapid improvements seen in pupils' attainment with twice the proportion of pupils gaining reading, writing and maths combined in 2018 than in 2017.

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. A member of the central team became the Head Teacher in September 2018 and further capacity was added to both the senior leadership team and governance. This extended team is determined to secure swift improvements for the children and their families in this very vulnerable school.

South Norwood Primary School transferred into our MAT on 1st September 2018, re-brokered from another MAT following an inadequate inspection in January 2018. Only one member of the senior leadership team, who was in post at the time of the inspection, was still in post in September 2018. The new team is enthusiastic about driving standards forward. The support and challenge provided by TPA helped the leaders bring the new team together during the summer term 2018 to set high expectations and have high aspirations for pupils, parents and staff.

Key performance indicators

Stewart Fleming Primary School

Effectiveness leadership and management – OUTSTANDING

- Leaders and governors have created a culture that enables staff and pupils to excel
- Governors systematically challenge senior leaders to secure the best outcomes for every pupil
- Leaders have a deep and accurate understanding of the school and project a clear shared inspirational vision
- Rigorous self-evaluation and incisive performance management challenges all staff to strive to excel
- Safeguarding – excellent procedures throughout the school
- Rich, broad and balanced curriculum inspires pupils to learn

Quality of teaching, learning and assessment – OUTSTANDING

- Teachers demonstrate a deep knowledge and understanding of the subjects they are teaching - focussing on open questioning
- Teachers are determined that pupils achieve well
- Teachers set challenging homework to ensure consolidation and deepening of learning
- Incisive feedback and use of Assessment for Learning enable precise and individualised targets that enables all pupils to make rapid progress
- Parents/Carers are given clear guidance of how to support their child to improve
- Pupils are eager to learn and are resilient to failure
- Pupils thrive in lessons and are keen to join booster classes before and after school

Personal development, behaviour and welfare – OUTSTANDING

- Pupils value their education and rarely miss school - attendance is currently 96.6%
- Pupils feel exceptionally safe and can explain accurately and confidently how to stay safe, including on-line
- Standards of behaviour are excellent - no permanent exclusions in the last five years
- Pupils work hard with the school to prevent all forms of bullying
- Pupils are confident, self-assured learners
- The schools' open culture actively promotes all aspects of pupil welfare

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Outcomes for pupils– OUTSTANDING

- Pupils make substantial and sustained progress throughout the year
- Pupils from all different starting points are making and exceeding expected progress when compared with national figures

Belvedere Junior School

Effectiveness leadership and management – GOOD

- *All our leaders have high expectations of themselves, the pupils and all staff. They lead by example in both formal and informal situations, creating a culture of respect and tolerance within the whole school community.*
- *Safeguarding procedures and protocols are excellent, safety and well-being are at the heart of everything the school does. These are evident throughout the school and all decisions are made that put the children first.*
- *Leaders and governors have an accurate understanding of the quality of education in the school. This enables them to plan, monitor and refine all aspects of the schools work including taking action to secure improvement of disadvantaged pupils and to work towards diminishing the differences between groups of pupils.*
- *Performance management is rigorous, linked closely to the School Development Plan and is used effectively to improve teaching standards. This is complimented by our focus on coaching for teachers.*
- *A broad and balanced curriculum provides wide opportunities for children to learn and includes the provision of specialist teachers in Computing, P.E, Music and Spanish.*
- *Leaders consistently promote British values and SMSC and children are exposed to this widely across the curriculum.*

'Children's learning is at the centre of what we do', is an often-repeated phrase." (Ofsted January 2015)

Quality of teaching, learning and assessment – GOOD

- *Teachers use planning effectively to help pupils learn well. Pupils focus on their learning because of consistent reinforcement and support for achieving personal goals.*
- *Teachers use secure subject knowledge to challenge children's thinking. They identify and support effectively those pupils who start to fall behind and intervene quickly in a variety of ways.*
- *As a result of teachers' feedback which challenges and supports next steps, children are aware of what they need to do to improve.*
- *Teachers expect and encourage positive attitudes and learning behaviours in the classroom*
- *Teachers set appropriate homework which reinforces basic skills and encourages creativity.*
- *Pupils develop the capacity to learn from mistakes and become keen learners who want to find out more.*
- *Teachers challenge stereotypes and promote equality of opportunity and diversity in teaching. The introduction of 'Educate and Celebrate' has allowed this to be evident.*
- *The school gives parents accurate and informative information regarding their child's progress through regular parent meetings, Learning Together Partnership and informal opportunities at the end of each school day.*

"Teachers, including the specialist teachers for modern foreign languages, physical education, art and computing, have good subject knowledge, enabling them to provide clear and accurate explanations." (Ofsted January 2015)

Personal development, behaviour and welfare – GOOD

- *Pupils' good conduct reflects the school's nurturing and supportive ethos alongside the expectation of high standards.*
- *Learning environments and classrooms are bright, vibrant and culturally diverse.*
- *Pupils respond quickly to instructions and requests with low level disruption being rare. All adults take joint responsibility for promoting positive behaviours in and around the school.*
- *Pupils value their education and enjoy coming to school.*
- *Pupils feel safe and can explain accurately and confidently how to stay safe including on line. 98% of parents report that their child feels safe at school (Parent View 2017/18).*
- *Pupils work hard with the school to prevent all forms of bullying and are reflective and responsible for their actions. They understand that they are part of a wider class, school, local area and world community.*

"The behaviour of pupils is good. At times it is outstanding, in lessons and around the school." (Ofsted January 2015)

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Outcomes for pupils– OUTSTANDING by End of KS2

- Pupils make outstanding progress from on-entry baseline assessment in year 3 to end of key stage 2 outcomes. In 2016 the school was in the top 2% across the country in writing progress and top 3% for maths. The KS1 assessments for this cohort were heavily moderated by the local authority to ensure they reflected an accurate starting point. For the past 2 years end of KS2 progress outcomes have been in the top 20% nationally in reading, writing and maths. The 2017 cohort's progress in writing and mathematics was not as strong as reading due to higher starting points (a consequence of no external moderation in the partner infant school).
- Pupils make sustained progress across the school throughout the year developing secure subject knowledge, deep understanding and a range of skills.

Pupil progress is above average in all subject areas. Progress of disadvantaged pupils, disabled pupils or those with special educational needs is above national. Girls' progress in 2017 was higher than boys in reading and writing. Strategies are in place to close this in-school gap.

Burnt Oak Junior School

Effectiveness leadership and management – OUTSTANDING

- Leaders and governors have high expectations of pupils and staff
- Leaders and governors are uncompromising in their ambition for all pupils and promote improvement effectively which enables all staff and pupils to excel
- Governors systematically challenge senior leaders to secure the best outcomes for every pupil
- Rigorous self-evaluation and incisive performance management challenges all staff to strive to excel
- Leaders have a deep and accurate understanding of the school and project a clear shared inspirational vision
- Safeguarding – Excellent procedures throughout the school. Leaders have created a culture of vigilance where pupil's welfare is actively promoted. This ensures pupils feel safe and listened to.
- Rich, broad and balanced curriculum inspires pupils to learn
- Pupil's spiritual, moral, social and cultural development is at the heart of all the school's work.
- Leaders promote equality of opportunity and diversity exceptionally well. Leaders, staff and pupils do not tolerate prejudiced behaviour.

"The executive head teacher and the head of school are inspirational. They have created a cohesive and highly ambitious work force... The governing body gives a high level of challenge to the current leadership team. As a result, improvements have been swift and effective." (Ofsted March 2015)

Quality of teaching, learning and assessment – OUTSTANDING

- Learning time is used productively - maximised to its full potential, which enables learning pace to produce outstanding outcomes.
- Questioning across the school is strong. Teachers challenge, extend and scaffold their questions to enable pupils to deepen their learning.
- Teachers across the school demonstrate secure subject knowledge to plan and develop learning, to sustain pupil's interests and challenge their thinking.
- Teachers are skilled in using technical and subject specific language in all subjects and they have high expectations for pupils to do the same.
- Teachers are determined for their pupils to achieve well. They encourage pupils to try hard, be resilient to failure and recognise their efforts. Pupil's behaviour is managed highly effectively with clear rules that are consistently reinforced.
- Pupils are motivated to learn, eager to improve their work and they challenge themselves and each other through collaboration and cooperation to move on in their learning. They capitalise on opportunities to use feedback, written or oral to improve.

"Teaching is now good. Teachers plan high quality lessons." (Ofsted March 2015)

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Personal development, behaviour and welfare – OUTSTANDING

- Pupils' impeccable conduct reflects the school's efforts to promote the highest standards
- Pupils are confident and self-assured learners who are not afraid to take risks.
- The school's open culture actively promotes all aspects of pupils' welfare. Pupils trust leaders to take rapid action and to resolve any concerns they have.
- Pupils value their education and rarely miss school - attendance 96.4%
- Pupils feel exceptionally safe and can explain accurately and confidently how to stay safe, including on-line
- Pupils work hard with the school to prevent all forms of bullying and are reflective about and responsible for their actions as good citizens.
- Pupil's spiritual, moral, social and cultural development equips them to be thoughtful, caring and active citizens in school and in wider society.
- Personal goals are interwoven throughout the curriculum to support SMSC.

"Pupils feel safe. Senior Leaders make sure that all safety procedures are fully in place" (Ofsted March 2015)

Outcomes for pupils – OUTSTANDING

- Pupils make consistently strong progress throughout the year and develop excellent subject knowledge, understanding and skills.
- Pupils from all different starting points are making and exceeding expected progress when compared with national figures.
- Pupils read widely to a high standard with fluency and comprehension appropriate to their age.
- Rapid progress means that learning time that has been lost in the past is quickly being caught up and surpassed.
- Pupils are well prepared for the next stage of their education. End key stage attainment results are above national in all areas.
- Due to significantly high KS1 data, progress data appears to show slower progress that is actually not accurate and not the case especially in writing.

Chatsworth Infant School

Effectiveness leadership and management – GOOD/ OUTSTANDING

- Leaders set high expectations of pupils and staff
- Leaders create a culture of respect and tolerance
- Leaders and governors have an accurate and comprehensive understanding of the quality of education at the school
- Leaders and governors use performance management effectively to improve teaching
- Leaders use accurate monitoring to identify and spread good practice across the school
- Leaders consistently promote fundamental British values and pupils' spiritual, moral, social and cultural development
- Safeguarding is effective and leaders and staff take appropriate action to identify pupils who may be at risk
- Leaders ensure that there is a broad and balanced curriculum which provides a wide range of opportunities for pupils to learn

'Leaders are uncompromising in their ambition to ensure the very best outcomes for every child' (T&L Review 2018)

Quality of teaching, learning and assessment – GOOD/OUTSTANDING

- Teachers use effective planning to help pupils learn
- Teachers develop, consolidate and deepen pupils' knowledge, understanding and skills
- Teachers develop pupils' reading, writing and communication well across the curriculum
- Pupils focus well on their learning because teachers reinforce expectations for conduct and set clear tasks that challenge pupils
- Teachers have a secure subject knowledge in order to plan learning that sustains pupils' interests and challenges their thinking
- Teachers use questioning skilfully in order to reshape tasks so that pupils better understand new concepts
- Teachers give pupils feedback so that pupils know what to do in order to improve their learning
- Teachers expect and encourage all pupils to work with positive attitudes so that they make good or better progress
- The school ensures that parents are clearly informed about how well their child is progressing and what they need to do in order to further improve
- The quality of teaching is consistently good or better

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Personal development, behaviour and welfare – OUTSTANDING

- Pupils are confident, self-assured learners
- Pupils develop the capacity to learn from mistakes and they become keen learners who want to find out more
- Pupils have excellent attitudes to their learning which has a strong positive impact on their progress
- Pupils are proud of the many achievements of their school
- Pupils spiritual, moral, social and cultural development ensures that they are thoughtful, caring and active citizens in school and in our wider community
- Pupils impeccable conduct reflects the school's effective strategies to promote high standards of behaviour
- Pupils understand the importance of keeping themselves and others safe in different situations and settings
- Pupils know the importance of attending school and that every day counts - attendance 96.4%
- Standards of behaviour are excellent – Chatsworth has never had permanent or fixed term exclusions
- Pupils work hard with the school to ensure that they keep our code of conduct

Outcomes for pupils– GOOD

- Pupils progress is good or better across subject areas
- A large majority of pupils in year one achieved the expected standard in the national phonics check (90% 2018)
- Pupils are well prepared for the next of their education
- Most year two pupils have reached the expected standard or above for the end of key stage one in all subjects
- Our EAL (English as an Additional Language) pupils make greater progress than their peers
- The early years curriculum provides a range of interesting and challenging experiences that help children make progress towards the early learning goals

Red Hill Primary School

Effectiveness of leadership and management – GOOD

- Head teacher in post support by three non- teaching deputies
- Leaders and governors create a positive and supportive ethos across the school
- Leaders and governors ensure a focus on quality first teaching
- Governors are able to challenge senior leaders to secure the best outcomes for every pupil
- Leaders, including middle leaders, have an understanding of the school and the next steps needed
- Self-evaluation and performance management challenges all staff
- Safeguarding – effective procedures throughout the school
- The use of the International Primary Curriculum (IPC) ensures a rich, broad and balanced curriculum, enabling all pupils to learn

Quality of teaching, learning and assessment – GOOD

- Teachers demonstrate an understanding of the subjects they are teaching
- Teachers are determined that pupils achieve well
- Feedback and AfL is used to enable all pupils to make better progress
- Pupils are eager to learn and are building skills of resilience through the IPC personal goals

Personal development, behaviour and welfare – GOOD

- Pupils value their education and new measures are in place to improve attendance for all
- Pupils are polite and courteous
- Pupils feel safe and are safe. They can explain how to stay safe, including on-line
- Standards of behaviour are good
- Pupils are aware of different forms of bullying and how to seek help
- Nurture provision to support vulnerable pupils

Outcomes for pupils– REQUIRES IMPROVEMENT

- Progress – 2016 – Reading = 0.39, Writing = -0.05, Maths = 0.05
- Progress – 2017 – Reading = -0.2 , Writing = 0.4, Maths = 0.2
- Progress – 2018 – Reading = -0.2, Writing = 1.9, Maths = -1.1

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Broadmead Primary School

Effectiveness leadership and management – Good

- *Leaders and SLT have high expectations of pupils and staff. They lead by example and create a culture of respect and tolerance*
- *Safeguarding procedures are being put in place throughout the school and staff*
- *Leaders have an accurate understanding of the quality of education in the school. This enables them to plan, monitor and refine all aspects of the schools work including taking action to secure improvement of disadvantaged pupils*
- *Performance management is used effectively to improve teaching standards*
- *Leaders and SLT consistently promote British values and SMSC and children are exposed to this widely across the curriculum.*

Quality of teaching, learning and assessment – Requires Improvement

- *Consistent planning formats are used to support children in a learning journey.*
- *Teachers are embedding secure subject knowledge and look for support where necessary.*
- *A consistent marking policy is being used to give feedback to pupils and engage them in learning conversations*
- *A consistent behaviour policy enables staff to encourage positive attitudes and learning behaviours in the classroom.*
- *The leadership and SLT have good relationships with parents and gives parents accurate and informative information regarding their child's progress.*

Personal development, behaviour and welfare – Requires Improvement

- *The school promotes a consistent and robust, non-confrontational approach to behaviour management*
- *Expectations and guidelines are clear to support the school in is becoming an orderly environment where classrooms are bright, vibrant and culturally diverse.*
- *The safety of pupils is a high priority and key actions have recently been taken to ensure children feel safe at school*

Outcomes for pupils– Requires Improvement

- *Pupils make slower progress in the EYFS but recently progress rates have increased significantly*
- *Pupils make progress in line broadly in line with nations from key stage one to key stage two*
- *Pupils make consistent progress across the year*
- *Progress of DA pupils, disabled pupils or those with special educational needs is below average but is improving.*

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Edenbridge Primary School

Effectiveness of leadership and management – Requires Improvement (3)

- Supported by the Executive Head (CEO, TPA) and Associate Head Teacher (Head of Curriculum, TPA), the senior leaders and governors have high expectations of pupils and staff. They lead by example and create a culture of respect; working with the children at the heart of all decision making.
- Supported by the COO, Associate HT, the office manager, Acting HT, DSL and linked governor are putting in place effective safeguarding and health and safety policies, protocols and procedures.
- Leaders have an accurate understanding of the quality of education in the school. With the support provided by TPA, leaders are developing plans, monitoring and refining all aspects of the school's work. The governing body has worked with Kent LA to identify suitable NLG to complete the governance review, in addition, Kent LA has brokered the support of TPA to undertake the pupil premium review in order to take swift action to secure improvements for disadvantaged pupils.
- Performance management is under review to ensure it is used effectively to improve teaching standards.
- Leaders ensure British values and SMSC are promoted; children are exposed to this widely across the curriculum.
- Pupils' work in the wider curriculum is of a satisfactory quality, including in art and science.

Quality of teaching, learning and assessment – Serious Weaknesses (4)

- Consistent planning strategies have been introduced by TPA in order to support children in their learning journey. Teaching has typically focused more on setting tasks for pupils than on advancing their learning.
- Until recently senior leaders and governors could not rely on the teacher assessment judgements. The Head of Assessment, TPA has worked with Year 6 and Year 2 teachers to secure a valid baseline and forecasts for end of key stage tests in May 2018. (lower than predictions published by LA in Statement of Action (SoA))
- A number of teachers need to enhance their subject knowledge. These teachers have sought support from TPA.
- A consistent marking policy has been introduced to give feedback to pupils.
- A consistent behaviour policy is encouraging teachers to expect, encourage and reinforce positive attitudes and learning behaviours in the classroom.
- The leaders and governors are working closely with the Executive Head (CEO, TPA) and Associate HT, TPA to develop relationships with parents and give parents accurate and informative information regarding their child's progress. Head of Assessment (TPA) will implement Target Tracker in summer term 2018.

Personal development, behaviour and welfare – Serious Weaknesses (4)

- The school now has an effective policy, which promotes a consistent and robust, non-confrontational approach to behaviour management.
- Expectations and guidelines are being implemented to ensure the school is an orderly environment where classrooms are bright, vibrant and culturally diverse.
- The safety of pupils is the highest priority and key actions have recently been taken to ensure children are kept safe and feel safe at school.

Outcomes for pupils– Special Measures (4)

- Pupils make expected progress in the EYFS.
- Pupils make inadequate progress from key stage one to key stage two. In the last three years, pupils' rates of progress by the end of key stage 2 have been in the lowest 10% nationally in reading and mathematics.
- Pupils have made slow progress year on year, due to the fact that the systems in place do not track pupils' progress and monitor the quality of teaching and learning accurately.
- Progress of DA pupils, disabled pupils or those with special educational needs is below average.

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 2018

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 2018 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 2018, total expenditure of £15,621k (2017 restated: £12,628k) 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 £2,174k (2017: £846k).

At 31 August 2018 the net book value of fixed assets was £38,825k (2017 restated: £29,151k). Movements in tangible fixed assets are shown in Note 13 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 £3,452k (2017: £3,531k) at 31 August 2018.

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 £650k (2017: £350k).

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 £818k (2017: £865k) (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 2018 of £36,582k (2017 restated: £26,663k) comprising £35,764k (2017 restated: £25,798k) of restricted funds and £818k (2017: £865k) of unrestricted general funds. Of the restricted funds, £38,825k (2017 restated: £29,151k) is represented by tangible fixed assets, £391k (2017: £25k) of unspent CIF and £nil (2017: £153k) of unspent restricted grants.

The Pension reserve which is considered part of restricted funds was £3,452k (2017: £3,531k) in deficit.

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 monitoring and reviewed by the Audit Committee on a termly basis, at each of its meetings

Overview of Risk	Causes & Consequences	Mitigations & Actions
Loss of key individuals	<p>Causes:</p> <p>Loss of CEO Loss of COO Loss of Director of Education Loss of Head Teacher</p> <p>Consequences:</p> <p>Disruption to the running of the Trust on a mid-term basis should key individuals not be available</p>	<p>Mitigations:</p> <p>Succession planning</p> <p>Actions:</p> <p>Talent matrix completed with all relevant staff appearing on a succession planning structure Recruitment of a Director of Education</p>
Safeguarding	<p>Causes:</p> <p>Safeguarding incident</p> <p>Consequences:</p> <p>Children harmed or life endangered Reputational risk Risk to day to day operation of MAT</p>	<p>Mitigations:</p> <p>Regular security reviews CCTV Regular Safer recruitment training Physical security measures Appropriate policies and procedures in place DBS checking process Annual safeguarding training</p> <p>Actions:</p> <p>Single Central Record regularly audited External safeguarding audit completed biennially at each school</p>
Financial controls	<p>Causes:</p> <p>Inadequate or lack of financial controls, planning and forecasting</p> <p>Consequences:</p> <p>Financial risk Reputational risk Risk to day to day operation of MAT</p>	<p>Mitigations:</p> <p>Regular scrutiny by Trust Board Appropriate policies and procedures Termly internal audit checks Accurate 3 year budget forecasting Accurate financial profiling</p>

A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £3,452k (2017: £3,531k).

THE PIONEER ACADEMY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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.

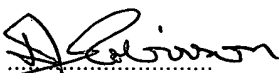
In line with the strategic plan, the Trust Board look to grow to eight schools from 2018/19 with South Norwood Primary School joining the Trust on 1st September 2018. The Trust are also looking at associate partnerships in the future.

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 13.12.18 and signed on its behalf by:



D Robinson
Chair

THE PIONEER ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

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 10 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Directors	Meetings attended	Out of possible
J Fox (Resigned 16 October 2017)	0	0
J Judd (Resigned 12 July 2018)	9	10
C Kinsley (Resigned 12 July 2018)	8	10
J Lakey (Resigned 31 October 2017)	0	0
R Lockyer	6	10
L Mason-Ellis (Accounting Officer)	10	10
D Robinson (Chair)	10	10
A Wright	9	10
W Andrews	7	10
J Brown	6	10
J Sawyer (Appointed 17 September 2018)	0	0
A Slade (Chief Finance Officer)		

The Board of Trustees have completed a governance review and consultation during the year 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 consecutively. These changes have been made to ensure that governance remains effective and allows for future growth.

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 are currently actively recruiting for 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 PIONEER ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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.

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
A Slade (Chief Finance Officer)	3	3

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.

Improved value for money has been achieved in 2016/17 by centrally purchasing stationery resulting in a monetary saving

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 PIONEER ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 2017 to 31 August 2018 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 2017 to 31 August 2018 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 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.

THE PIONEER ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

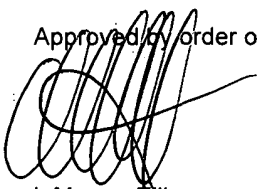
Review of effectiveness

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 13.12.18 and signed on its behalf by:



L Mason-Ellis
Accounting Officer



D Robinson
Chair

THE PIONEER ACADEMY

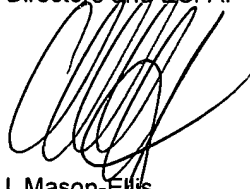
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2018

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 2017.

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 2017.

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-Elis
Accounting Officer

13.12.18

THE PIONEER ACADEMY

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

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 Annual Accounts Direction issued 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 2017 to 2018;
- 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 13.12.18 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 2018

Opinion

We have audited the financial statements of The Pioneer Academy for the year ended 31 August 2018 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 2017 to 2018 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 2018 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 2017 to 2018.

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. 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 2018

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 2018

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.

Wilkins Kennedy Audit Services

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

18/12/18

Statutory Auditor

Greytown House
221-227 High Street
Orpington
BR6 ONZ

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 2018

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 2017 to 2018, 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 2017 to 31 August 2018 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 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 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 2018

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 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Wilkins Kennedy Audit Services

Reporting Accountant

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

Dated: *18/12/18*...

THE PIONEER ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

		Unrestricted Funds	Restricted funds:		Total 2018	Total 2017 as restated
	Notes	£'000	General	Fixed asset	£'000	£'000
Income and endowments from:						
Donations and capital grants	3	176	-	1,614	1,790	947
Donations - transfer from local authority on conversion	27	45	(377)	9,970	9,638	16,012
Charitable activities:						
- Funding for educational operations	4	-	12,217	-	12,217	10,453
Other trading activities	5	979	-	-	979	623
Investments	6	1	-	-	1	1
Total		<u>1,201</u>	<u>11,840</u>	<u>11,584</u>	<u>24,625</u>	<u>28,036</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	<u>332</u>	<u>14,883</u>	<u>406</u>	<u>15,621</u>	<u>12,628</u>
Total	7	<u>332</u>	<u>14,883</u>	<u>406</u>	<u>15,621</u>	<u>12,628</u>
Net income/(expenditure)		869	(3,043)	11,178	9,004	15,408
Transfers between funds	17	(916)	2,054	(1,138)	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	19	<u>-</u>	<u>915</u>	<u>-</u>	<u>915</u>	<u>913</u>
Net movement in funds		(47)	(74)	10,040	9,919	16,321
Reconciliation of funds						
Total funds brought forward		<u>865</u>	<u>(3,378)</u>	<u>29,176</u>	<u>26,663</u>	<u>10,342</u>
Total funds carried forward		<u>818</u>	<u>(3,452)</u>	<u>39,216</u>	<u>36,582</u>	<u>26,663</u>

THE PIONEER ACADEMY

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

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information Year ended 31 August 2017 As restated	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2017 £'000
Income and endowments from:					
Donations and capital grants	3	148	-	799	947
Donations - transfer from local authority on conversion	27	163	(2,914)	18,763	16,012
Charitable activities:					
- Funding for educational operations	4	-	10,453	-	10,453
Other trading activities	5	623	-	-	623
Investments	6	1	-	-	1
Total		<u>935</u>	<u>7,539</u>	<u>19,562</u>	<u>28,036</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	136	12,098	394	12,628
Total	7	<u>136</u>	<u>12,098</u>	<u>394</u>	<u>12,628</u>
Net income/(expenditure)		799	(4,559)	19,168	15,408
Transfers between funds	17	(462)	1,122	(660)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	19	-	913	-	913
Net movement in funds		<u>337</u>	<u>(2,524)</u>	<u>18,508</u>	<u>16,321</u>
Reconciliation of funds					
Total funds brought forward		<u>528</u>	<u>(854)</u>	<u>10,668</u>	<u>10,342</u>
Total funds carried forward		<u>865</u>	<u>(3,378)</u>	<u>29,176</u>	<u>26,663</u>

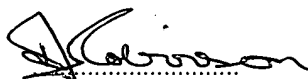
THE PIONEER ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017 as restated	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		38,825		29,151
Current assets					
Debtors	14	456		621	
Cash at bank and in hand		2,396		1,860	
		<u>2,852</u>		<u>2,481</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	<u>(1,643)</u>		<u>(1,438)</u>	
Net current assets			1,209		1,043
Net assets excluding pension liability			40,034		30,194
Defined benefit pension scheme liability	19		<u>(3,452)</u>		<u>(3,531)</u>
Net assets			<u>36,582</u>		<u>26,663</u>
Funds of the Academy Trust:					
Restricted funds	17				
- Fixed asset funds			39,216		29,176
- Restricted income funds			-		153
- Pension reserve			<u>(3,452)</u>		<u>(3,531)</u>
Total restricted funds			35,764		25,798
Unrestricted income funds	17		<u>818</u>		<u>865</u>
Total funds			<u>36,582</u>		<u>26,663</u>

The financial statements on pages 28 to 54 were approved by the Directors and authorised for issue on 13.12.18 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 2018

		2018		2017 as restated	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	20		(1,076)		(21)
Cash funds transferred on conversion			45		163
			<u>(1,031)</u>		<u>142</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE Group		1,606		737	
Capital funding received from Local Authority		70		-	
Purchase of tangible fixed assets		<u>(110)</u>		<u>(114)</u>	
Net cash provided by investing activities			<u>1,567</u>		<u>624</u>
Net increase in cash and cash equivalents in the reporting period			536		766
Cash and cash equivalents at beginning of the year			<u>1,860</u>		<u>1,094</u>
Cash and cash equivalents at end of the year			<u><u>2,396</u></u>		<u><u>1,860</u></u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2018

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 2017 to 2018 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The 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 conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Edenbridge Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds. Further details of the transaction are set out in note 27.

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 2018

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 2018

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 Leasing commitments

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 2018

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 projected unit 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.

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 2018

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 2018. 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 2018

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Capital grants	-	1,614	1,614	799
Other donations	176	-	176	148
	<u>176</u>	<u>1,614</u>	<u>1,790</u>	<u>947</u>

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
DfE / EFA grants				
General annual grant (GAG)	-	10,409	10,409	9,019
Start up grants	-	70	70	25
Other DfE / ESFA grants	-	1,312	1,312	1,141
	<u>-</u>	<u>11,791</u>	<u>11,791</u>	<u>10,185</u>
Other government grants				
Local authority grants	-	426	426	268
	<u>-</u>	<u>426</u>	<u>426</u>	<u>268</u>
Total funding	<u>-</u>	<u>12,217</u>	<u>12,217</u>	<u>10,453</u>

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Hire of facilities	54	-	54	70
Catering income	429	-	429	233
Before/After school clubs	245	-	245	175
Other income	251	-	251	145
	<u>979</u>	<u>-</u>	<u>979</u>	<u>623</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'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 2018

7 Expenditure

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2018 £'000	Total 2017 £'000
Academy's educational operations					
- Direct costs	8,733	264	782	9,779	8,313
- Allocated support costs	2,064	2,391	1,387	5,842	4,315
	<u>10,797</u>	<u>2,655</u>	<u>2,169</u>	<u>15,621</u>	<u>12,628</u>

Net income/(expenditure) for the year includes:

	2018 £'000	2017 £'000
Fees payable to auditor for:		
- Audit	16	15
- Other services	8	9
Depreciation of tangible fixed assets	406	394
Net interest on defined benefit pension liability	26	95

8 Central services

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

- payroll services
- 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

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

- Flat percentage of 5% of income

The amounts charged during the year were as follows:

	2018 £'000	2017 £'000
Edenbridge Primary School	12	-
Stewart Fleming Primary School	95	97
Belvedere Junior School	76	76
Burnt Oak Junior School	38	28
Broadmead Primary School	124	60
Red Hill Primary School	140	143
Chatsworth Infant School	16	8
	<u>501</u>	<u>412</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Direct costs				
Educational operations	40	9,739	9,779	8,313
Support costs				
Educational operations	292	5,550	5,842	4,315
	<u>332</u>	<u>15,289</u>	<u>15,621</u>	<u>12,628</u>

	2018 £'000	2017 £'000
Analysis of support costs		
Support staff costs	2,064	1,513
Depreciation	142	158
Technology costs	79	65
Premises costs	2,249	1,458
Other support costs	1,239	1,008
Governance costs	69	113
	<u>5,842</u>	<u>4,315</u>

10 Staff

Staff costs

Staff costs during the year were:

	2018 £'000	2017 £'000
Wages and salaries	7,965	6,760
Social security costs	722	609
Pension costs	1,740	1,337
Staff costs	<u>10,427</u>	<u>8,706</u>
Agency staff costs	320	270
Staff development and other staff costs	50	43
Total staff expenditure	<u>10,797</u>	<u>9,019</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

10 Staff

(Continued)

Staff numbers

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

	2018 Number	2017 Number
Teachers	144	132
Administration and support	260	226
Management	26	19
	<u>430</u>	<u>377</u>

Higher paid staff

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

	2018 Number	2017 Number
60,000-70,000	4	1
70,001-80,000	6	5
80,001-90,000	2	-
90,001-100,000	1	-
130,001-140,000	-	1
140,001-150,000	1	-
	<u>14</u>	<u>7</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 £1,253k (2017: £1,479k).

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 (2017: £120,000-£125,000)
- Employer's pension contributions £15,000 - £20,000 (2017: £15,000-£20,000)

During the year, no reimbursed expenditure was paid to Trustees (2017: £nil).

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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.

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2017	29,156	348	934	30,438
Transfer on conversion	9,970	-	-	9,970
Additions	-	44	66	110
At 31 August 2018	39,126	392	1,000	40,518
Depreciation				
At 1 September 2017	617	298	372	1,287
Charge for the year	264	45	97	406
At 31 August 2018	881	343	469	1,693
Net book value				
At 31 August 2018	38,245	49	531	38,825
At 31 August 2017	28,539	50	562	29,151

Included in land and buildings is £19,044k (2017 (restated): £17,343k) of land which is not depreciated.

14 Debtors

	2018 £'000	2017 £'000
Trade debtors	12	15
VAT recoverable	150	258
Prepayments and accrued income	294	348
	456	621

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

15	Creditors: amounts falling due within one year	2018	2017
		£'000	£'000
	Trade creditors	448	623
	Other taxation and social security	211	196
	Other creditors	172	145
	Accruals and deferred income	812	474
		<u>1,643</u>	<u>1,438</u>
16	Deferred income	2018	2017
		£'000	£'000
	Deferred income is included within:		
	Creditors due within one year	215	185
		<u>215</u>	<u>185</u>
	Deferred income at 1 September 2017	185	55
	Released from previous years	(185)	(55)
	Resources deferred in the year	215	185
		<u>215</u>	<u>185</u>
	Deferred income at 31 August 2018	215	185

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

	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 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 2018.

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

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

(Continued)

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

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General Annual Grant (GAG)	351	9,019	(10,339)	1,122	153
Start up grants	-	25	(25)	-	-
Other DfE / ESFA grants	-	1,141	(1,141)	-	-
Other government grants	-	268	(268)	-	-
Pension reserve	(1,205)	(2,914)	(325)	913	(3,531)
	<u>(854)</u>	<u>7,539</u>	<u>(12,098)</u>	<u>2,035</u>	<u>(3,378)</u>
Restricted fixed asset funds					
Transfer on conversion	-	18,763	-	(18,763)	-
DfE group capital grants	-	799	-	(774)	25
General Fixed Assets	10,668	-	(394)	18,877	29,151
	<u>10,668</u>	<u>19,562</u>	<u>(394)</u>	<u>(660)</u>	<u>29,176</u>
Total restricted funds	<u>9,814</u>	<u>27,101</u>	<u>(12,492)</u>	<u>1,375</u>	<u>25,798</u>
Unrestricted funds					
General funds	528	935	(136)	(462)	865
Total funds	<u>10,342</u>	<u>28,036</u>	<u>(12,628)</u>	<u>913</u>	<u>26,663</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

(Continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	351	19,428	(22,955)	3,176	-
Start up grants	-	95	(95)	-	-
Other DfE / ESFA grants	-	2,453	(2,453)	-	-
Other government grants	-	694	(694)	-	-
Pension reserve	(1,205)	(3,291)	(784)	1,828	(3,452)
	<u>(854)</u>	<u>19,379</u>	<u>(26,981)</u>	<u>5,004</u>	<u>(3,452)</u>
Restricted fixed asset funds					
Transfer on conversion	-	28,733	-	(28,733)	-
DfE group capital grants	-	2,413	-	(2,022)	391
General Fixed Assets	10,668	-	(800)	28,957	38,825
	<u>10,668</u>	<u>31,146</u>	<u>(800)</u>	<u>(1,798)</u>	<u>39,216</u>
Total restricted funds	<u>9,814</u>	<u>50,525</u>	<u>(27,781)</u>	<u>3,206</u>	<u>35,764</u>
Unrestricted funds					
General funds	<u>528</u>	<u>2,136</u>	<u>(468)</u>	<u>(1,378)</u>	<u>818</u>
Total funds	<u>10,342</u>	<u>52,661</u>	<u>(28,249)</u>	<u>1,828</u>	<u>36,582</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

(Continued)

Total funds analysis by academy

	2018 £'000	2017 £'000
Fund balances at 31 August 2018 were allocated as follows:		
Edenbridge Primary School	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
Central services	811	1,012
Total before fixed assets fund and pension reserve	818	1,018
Restricted fixed asset fund	39,216	29,176
Pension reserve	(3,452)	(3,531)
Total funds	36,582	26,663

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 £'000
Edenbridge Primary School	257	-	5	71	333
Stewart Fleming Primary School	1,326	295	44	616	2,281
Belvedere Junior School	1,224	143	55	381	1,803
Burnt Oak Junior School	702	212	31	233	1,178
Broadmead Primary School	1,894	277	51	762	2,984
Red Hill Primary School	2,101	391	56	1,266	3,814
Chatsworth Infant School	652	123	35	445	1,255
The Pioneer Academy	527	190	19	372	1,108
	8,683	1,631	296	4,146	14,756

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 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
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	29,151	29,151
Current assets	865	1,591	25	2,481
Creditors falling due within one year	-	(1,438)	-	(1,438)
Defined benefit pension liability	-	(3,531)	-	(3,531)
Total net assets	865	(3,378)	29,176	26,663

19 Pensions 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 £171k (2017: £149k) were payable to the schemes at 31 August 2018 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

19 Pensions and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £744k (2017: £ 497k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit 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 24% for employers and % for employees.

The LGPS obligation relates to the employees of the Academy Trust who were employees transferred as part of the conversion from the maintained school (as described in note 27) together with 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.

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Pensions and similar obligations

(Continued)

Total contributions made	2018 £'000	2017 £'000
Employer's contributions	606	610
Employees' contributions	148	136
Total contributions	754	746
Principal actuarial assumptions	2018 %	2017 %
Rate of increases in salaries	3.5	3.5
Rate of increase for pensions in payment	2.2	2.3
Discount rate	2.8	2.5
Inflation assumption (CPI)	2.2	2.3

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

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

	2018 Years	2017 Years
Retiring today		
- Males	23	23.0
- Females	25.6	25.4
Retiring in 20 years		
- Males	25.4	25.6
- Females	27.8	27.8

The Academy Trust's share of the assets in the scheme

	2018 Fair value £'000	2017 Fair value £'000
Equities	3,302	2,879
Bonds	836	533
Cash	46	62
Property	472	237
Other assets	979	433
Total market value of assets	5,635	4,144
Actual return on scheme assets - gain/(loss)	313	(371)

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Pensions and similar obligations

(Continued)

Amounts recognised in the statement of financial activities	2018 £'000	2017 £'000
Current service cost (net of employee contributions)	960	840
Net interest cost	26	95
Administration costs	79	-
Total operating charge	1,065	935
Changes in the present value of defined benefit obligations	2018 £'000	2017 £'000
Obligations at 1 September 2017	7,675	2,787
Obligations acquired on conversion	947	4,403
Current service cost	960	840
Interest cost	138	152
Employee contributions	148	136
Actuarial gain	(714)	(599)
Benefits paid	(146)	(44)
Plan introductions, benefit changes, curtailments and settlements	64	-
At 31 August 2018	9,072	7,675
Changes in the fair value of the Academy Trust's share of scheme assets	2018 £'000	2017 £'000
Assets at 1 September 2017	4,144	1,582
Assets acquired on conversion	570	1,489
Interest income	112	57
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain	201	314
Employer contributions	606	610
Employee contributions	148	136
Benefits paid	(146)	(44)
At 31 August 2018	5,635	4,144

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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

	2018 £'000	2017 £'000
Net income for the reporting period (as per the Statement of Financial Activities)	9,004	15,408
Adjusted for:		
Net surplus on conversion to academy	(9,638)	(16,012)
Capital grants from DfE/ESFA and other capital income	(1,614)	(799)
Investment income receivable	(1)	(1)
Defined benefit pension costs less contributions payable	433	230
Defined benefit pension net finance cost	26	95
Depreciation of tangible fixed assets	406	394
Decrease/(increase) in debtors	103	(270)
Increase in creditors	205	934
Net cash used in operating activities	(1,076)	(21)

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 Capital commitments

	2018 £'000	2017 £'000
Expenditure contracted for but not provided in the financial statements	986	181

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

23 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 £14,817 (2017: £14,550). 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.

24 Post balance sheet events

On 1st September 2018, South Norwood Primary School transferred into the Trust.

25 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.

26 Prior period adjustment

A prior period adjustment affected the figures reported for the comparative period for funds and net income or expenditure, as follows.

	1 September 2016 £'000	31 August 2017 £'000
Reconciliation of funds		
Funds as previously reported	10,342	8,021
Adjustments arising:		
Increase in tangible fixed assets	-	18,642
Funds as restated	10,342	26,663

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

26 Prior period adjustment

(Continued)

	2017 £'000
Reconciliation of net income for the previous financial period	Notes
Net expenditure as previously reported	(3,234)
Adjustments arising:	
Increase in transfers on conversion	18,763
Depreciation charge	(121)
Net income as restated	<u>15,408</u>

Notes to restatement

In the previous period no evidence was available to the academy to the value of the land and buildings transferred on conversion and consequently no value was attributed to those assets in the financial statements.

During the year ended 31 August 2018 the academy received a desk top valuation from the ESFA for £19m and the property and associated depreciation has been included in these financial statements by way of a prior period adjustment.

27 Conversion to an academy

On 1 July 2018 the Edenbridge Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Pioneer Academy from the Local Authority for £nil consideration.

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

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

Academy	Location	Date of conversion
Edenbridge Primary School	Kent	1 July 2018

Net assets transferred:	2018 £'000
Freehold land and buildings	9,970
Cash	45
LGPS pension surplus/(deficit)	(377)
	<u>9,638</u>

THE PIONEER ACADEMY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

27 Conversion to an academy

(Continued)

Funds surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	2018
	£'000	£'000	£'000	£'000
Fixed assets funds	-	-	9,970	9,970
LGPS pension funds	-	(377)	-	(377)
Other funds	45	-	-	45
	<u>45</u>	<u>(377)</u>	<u>9,970</u>	<u>9,638</u>