

**PATHFINDER
MULTI ACADEMY TRUST
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year ended 31 August 2021

**Company Registration Number:
07559610 (England and Wales)**

Pathfinder Multi Academy Trust

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Pathfinder Multi Academy Trust

Reference and Administrative Details

Members

The Chapter of York
Diocese of York Education Trust
Archbishop of York

Represented by The Right Reverend Dr Jonathan Frost, Dean of York
Represented by The Right Reverend Paul Ferguson, Bishop of Whitby
The Most Reverend & Right Honourable Stephen Cottrell

Trustees

Mr John Hattam (Chair)
Mr Jake Drummond (Vice Chair)
Ms Kathryn Blacker
Ms Allison Campbell
Dr Andrew Clarke
Ms Sandara Holmes
Mr Terry McDermott
Mr Stuart Outram
Dr Samantha Pugh
Mr Derek Scott
Mrs Claire Theyers
Mrs Celia Wilson

Start Date

24 November 2021

Leave Date

15 September 2021

26 July 2021

Company Secretary

Mr G Duxbury

Senior Management

Mr A Daly

Accounting Officer and Headteacher, Archbishop Holgate's School, A
Church of England Academy

Mr L Haynes

Headteacher – Acomb Primary School

Mrs V Whittingham

Headteacher, Badger Hill Primary Academy

Mr M Carr

Headteacher, Heworth Church of England Primary Academy

Mrs H Coles

Headteacher, St Lawrence's Church of England Primary Academy

Mrs A Innes

Headteacher, Hempland Primary School (from 1 September 2021)

Mr A Herbert

Headteacher, Clifton with Rawcliffe School

Mrs A Oswald

Headteacher, New Earswick Primary School

Ms J Richards

Headteacher, Rufforth Primary School

Ms J Slack

Headteacher, Tang Hall Primary Academy

Mrs M Bowling

Chief Operating Officer

Mr G Duxbury

Chief Financial Officer

Principal and registered Office

Pathfinder Multi Academy Trust
Archbishop Holgate's School
Hull Road
York
YO10 5ZA

Company registration number

07559610

Independent Auditor

Armstrong Watson Audit Limited
Chartered Accountants and Statutory Auditor
Third Floor, South Parade
LEEDS, LS1 5QS

Bankers

Lloyds Bank
York City Centre Branch, 2 Pavement
YORK, YO1 9UP

Solicitors

Wrigley's Solicitors LLP
19 Cookridge Street,
LEEDS, LS2 3AG

Pathfinder Multi Academy Trust

Trustees' Report

The Trustees present their annual report together with the financial statements of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The trust operates nine primary and one secondary academy, all within the City of York. Its academies have a combined roll of 4,089 on the October 2021 (4,096 October 2020) census date.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity incorporated on 10 March 2011. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy.

The trustees of Pathfinder Multi Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Pathfinder MAT.

Details of the trustees who served during the year and up to the date of these accounts are included in the Reference and Administrative Details on page 2.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides trustee liability cover on any one claim up to £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

The term of office for any trustee shall be 4 years. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected.

The Trustees membership, when full, comprises eleven positions/individuals.

Policies and Procedures Adopted for the Induction and Training of Trustees

New trustees on appointment are invited to attend a "Welcome to Governance" course run by the Local Authority. Further training is made available specific to the relevant area of responsibility.

Organisational Structure

Overall responsibilities lie with the trustees, who by means of a scheme of delegation, delegate the majority of the responsibility to the relevant local governing committee who in turn delegate the day to day running of the school to their Head Teacher and the Senior Leadership Team of each school.

The trust in addition to both of the trust board and local governing committees ["LGC"] also has a 'Heads Group' and 'Strategic Group', both which meet on a weekly basis.

Pathfinder Multi Academy Trust

Trustees' Report (continued)

The trust board and some of the local governing committees have sub committees to review policies and performance within their school in all areas. Reports from each of the sub-committees are received and discussed at every meeting of the full local governing committee.

The organisational structure, at a school level, consists of two levels: the trustees and the Senior Leadership Team (SLT). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The local trustees are responsible for three core functions: -

- Ensuring clarity of vision, ethos and strategic direction
- Financial probity
- Holding senior leaders to account.

The work of the Senior Leadership Team encompasses both day-to-day leadership and management of the school, and strategic leadership through development planning and action planning – including monitoring and evaluating progress on the school development plan, forward planning, and associated strategic issues. All members of the Senior Leadership Team will lead by example in all they do. This includes working in a spirit of openness and collegiality

In terms of teaching and learning, there is an expectation that all lessons will be 'good or better'.

Arrangement for setting pay and remuneration of key management personnel

Key management are deemed to be the Headteachers of each school within the trust; with the schools local governing committee determining the pay range for all members of the Senior Leadership Team.

The staffing sub-committee will review pay annually and award an increment of up to two points (on the Leadership scale) where there has been sustained high quality of performance of their results and their most recent appraisal.

Trade union facility time

As a public sector organisation, the trust is required by law (Trade Union Facility Time Publication Requirements Regulations 2017) to publish, annually, information on facility time. The information we are required to provide is set out in the table below:

Relevant union officials	
Number of employees who were relevant union officials during the year	Nil
Percentage of time spent on facility time	
Percentage of working hours spend on trade union facility time	0%
Percentage of pay bill spent on facility time	
Total cost of facility time	£9,278
Total pay bill	£19,876,000
Percentage of pay bill spent on facility time	0.05%
Paid trade union activities	
Percentage of total paid facility time hours spent on TU activities	0%

The trust does not pay any of the trust's employees as trade union representatives, which is why the figure is zero above. Instead the trust entered into a service level agreement with the Local Authority which means that it is able to use the various trade union representatives that are employed by the Local Authority, when required. This should enable staff to have easy access to trained and experienced local trade union representatives should they be needed. As an employer we use these local trade union representatives for consultation and negotiation purposes as required.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is possible that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. See Note 27 for more details in respect of related parties.

Pathfinder Multi Academy Trust

Trustees' Report (continued)

Engagement with Employees (including disabled persons)

A weekly newsletter is sent to all staff, each Friday during term time. It contains a mixture of news and information concerning the trust and its schools. All vacancies across the Trust are also communicated each week as well as CPD delivered by the Pathfinder Teaching School Hub.

Staff wellbeing is also an important area of focus for the Trust, with regular surveys being conducted with all staff via an external portal. This ensures anonymity whilst also giving senior leaders key data/metrics (which are compared with National data) to review and where applicable respond (confidentially) to staff completing the data.

Disabled persons: Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas within the Trust

Engagement with Suppliers, customers and others in a business relationship with the trust

The trust understands the importance of dealing fairly and equitably with its business relationship with its customers, suppliers and key stakeholders. As a government funded organisation, the trust aims to pay all suppliers within 30 days of their invoice date.

The Trust has regular meetings with the ESFA (the main funders for the Trust) and the "Regional Schools Commissioner" and maintains close links with the Local Authority, with Andrew Daly (Trust's Accounting Officer) sitting on the "York Schools and Academies Board".

Objectives and Activities

Objectives and Aims

The Academy Trust's object is to advance for the public benefit education in the United Kingdom but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing secondary and primary schools offering a broad and balanced curriculum.

The Academy is an inclusive partnership of like-minded church and community schools underpinned by a shared vision, common values and a commitment to providing an outstanding and holistic education to all the young people it serves.

Objectives, Strategies and Activities

- As a family of schools, we are working collaboratively to celebrate and nurture both the similarities and distinctiveness of each school's individual ethos and values.
- To celebrate the uniqueness of all pupils, and through outstanding pastoral care, academic challenge and inspirational teaching supporting each child to flourish, succeed and make a positive contribution to the communities they serve.
- To develop outstanding leadership at all levels that delivers maximum achievement whilst supporting and developing the vision and values that underpin all we do.
- To ensure that all young people and their families are known, valued and cared for as individuals.
- To generate a positive and challenging learning environment which allow staff to grow flourish through excellent professional development.
- To provide a nurturing ethos in which children learn by example and grow spiritually, morally and socially to understand the uniqueness and diversity of communities, faiths and cultures – locally, nationally and internationally.

Public Benefit

The Trustees have complied with their duty to have due regard to public benefit guidance published by the Charities Commission in exercising their powers and duties.

Trustees' Report (continued)

Strategic Report

Achievements and Performance

Due to the national pandemic schools throughout the country, when schools were closed for the majority of students for a proportion of the 2019/20 year. Subsequent to this young people have returned to school, whereby the key focus has been in ensuring a successful return to school for young people and that both staff and students have a safe environment to work within. In all our Pathfinder schools we are proud of our collective efforts in this regard. As a result, there were no external examinations for young people in primary schools and in terms of secondary schools the use of teacher predictions has meant that there will be no formal performance tables this year. As such the data below comes from 2019, the evidence source that will be used when schools are inspected

Pathfinder Key Stage 2 Results 2019: Reading, Writing and Maths

School	% of pupils meeting expected standard in RWM	Reading Progress	Writing Progress	Maths Progress	% of pupils achieving at a higher standard in RWM	Average score in Reading	Average score in Maths
Acomb Primary School	82	0.38	3.13	-1.02	23	107	106
Badger Hill Primary School	46	-0.34	1.45	0.06	7	101	103
Clifton with Rawcliffe Primary School	79	0.56	3.44	1.94	18	105	107
Hempland Primary Academy	85	0.51	0.09	0.31	24	107	107
Heworth CE Primary School	60	0.35	0.92	0.26	10	105	105
New Earswick Primary School	85	3.82	3.13	0.47	3	107	105
Rufforth Primary School	80	0.50	1.22	2.25	27	107	109
St Lawrence's CE Primary School	47	1.10	6.90	1.70	5	100	101
Tang Hall Primary School	72	2.67	3.91	1.03	12	104	104

Trustees' Report (continued)

Strategic Report

Achievements and Performance

Pathfinder Key Stage 2 Results 2019: Reading, Writing and Maths

School	% of pupils meeting expected standard in Reading	% of pupils achieving at a higher standard in Reading	% of pupils meeting expected standard in Maths	% of pupils achieving at a higher standard in Maths	% of pupils meeting expected standard in Writing	% of pupils achieving at a higher standard in Writing
Acomb Primary School	84	41	86	32	96	52
Badger Hill Primary School	57	14	64	14	75	14
Clifton with Rawcliffe Primary School	83	24	88	32	92	38
Hempland Primary Academy	86	50	90	50	92	32
Heworth CE Primary School	65	40	85	20	95	10
New Earswick Primary School	97	33	97	12	88	30
Rufforth Primary School	87	33	100	53	87	40
St Lawrence's CE Primary School	58	11	60	20	85	20
Tang Hall Primary School	84	24	80	12	84	28

Pathfinder: Key Stage 4 Results 2019

We are proud of our outstanding summer 2019 results at Archbishop Holgate's, which build on the excellent results achieved in 2017 which placed the school in the top 5% nationally for student progress. The outcomes for both student progress and achievement evidence our distinctiveness and effectiveness as a Church of England School.

The key headline figures published in the performance tables are:

Progress 8 Score	0.79 - Well above average
Attainment 8 Score	55.0 points
Percentage of pupils achieving Grade 5 or above in English and Maths	51%
Percentage of pupils entering the English Baccalaureate (Ebacc)	62%
Average point score of pupils achieving the English Baccalaureate	4.87 points
Percentage of pupils staying in education or employment after KS4	95% (Based on 2016-17 academic year group)

Trustees' Report (continued)

Strategic Report

Achievements and Performance

Attainment 8

This gives an indication of the raw grades that students have achieved in the qualifications that they studied. However, this value is very much dependent on the academic ability of the cohort of students which is indicated by the APS on entry. An academic cohort of students could achieve high grades yielding a large attainment 8 score but have a poor progress score. Whilst a less academic cohort of students could achieve lower grades, yielding a smaller attainment 8 score but have a much higher progress score.

Archbishop Holgate's Attainment 8 score for 2019 is 55.0 points

The local authority average score is 51.3 points

The England average point score is 46.6 points

Progress 8

This is a value-added score comparing our school against other schools nationally. This factors in the students' prior attainment on entry and is therefore the more fair and robust measure to judge the success of a school.

We have an upward trend of outstanding Progress 8 scores which for a third successive year has placed Archbishop Holgate's as the strongest school locally and among the best nationally.

Archbishop Holgate's Progress 8 Score for 2019 is 0.79.



The average Progress 8 score for York schools in 2019 is 0.22.

The average Progress 8 score nationally in 2019 is -0.03.

Pathfinder: Key Stage 5 Results 2019

The Sixth Form has consistently performed within the top 10% nationally of post 16 providers over the last five years. Previously the Sixth Form has topped the national league tables for the delivery of vocational qualifications and last year the A Level performance place the Sixth Form in the top 2% of post 16 providers nationally. We are delighted that the sixth form has maintained our strong reputation as an outstanding provider, as the 2019 results yet again place the Sixth Form in the top 10% for student performance. We are pleased that this pattern of excellent results and high-quality care for the individual has been maintained as student numbers have grown within the Sixth Form community.

Qualification type	1 Year T Score (Overall Sixth Form performance)	3 Year T Score (Overall Sixth Form performance over time)	Red teaching and learning (% of outstanding or excellent subjects)	Blue teaching and learning (% of less than satisfactory subjects)	QI indicator/provider VA (shows performance across all subjects)
A Level and BTEC	2 (top 10% nationally)	2 (top 10% nationally)	2 (top 10% nationally)	3 (top 25% nationally)	2 (top 10% nationally)

Trustees' Report (continued)

Strategic Report

Achievements and Performance

The Year 13 A Level and vocational qualifications yet again compare well against national performance placing the Sixth Form in the top 10% nationally. Most pleasing of all is the A Level ALPS 3 Year T Score of Grade 2. In essence, this shows the overall performance of the Sixth Form as it takes into consideration – students value added (progress), the number of subjects that are classed as outstanding (ALPS 1-3) and the number of subjects that classed as poor (ALPS 7-9) over time.

Student attainment headline figures:

Percentage of students achieving at least 1 A*-E A Level or equivalent	99%
Percentage of students achieving at least 1 A*-B A Level or equivalent	95%
Percentage of entries at A*-B A Level or equivalent	75%
Percentage of entries at A*-A Level or equivalent	37%

Key Performance Indicators

Ofsted grades, are a very important external measure as to the effectiveness of schools; additionally, Church schools have a "Statutory Inspection of Anglican and Methodist Schools" ["SIAMS"].

The following school have had an Ofsted inspection during the year:

- Clifton with Rawcliffe Primary School: School Inspection, 6-7 July 2021, the school continues to be 'Good'
- Archbishop Holgate's School: School inspection, 12-13 October 2021, the school has been judged to be 'Outstanding' in each of the five categories.
- Hempland Primary Academy: School inspection, 19-20 October 2021

The current Ofsted and SIAMS grades for the ten schools in the Trust are shown below.

School	Ofsted Grade	Ofsted Inspection Date	SIAMS Grade
Acomb Primary School	Good	July 2014	N/A
Archbishop Holgate's School	Outstanding	October 2021	Outstanding [October 2017]
Badger Hill Primary School	Good	July 2019 (short) December 2012	N/A
Clifton with Rawcliffe Primary School	Good	July 2021	N/A
Hempland Primary Academy	Good	October 2021	N/A
Heworth CE Primary School	Good	April 2019 (short) March 2012	Outstanding [March 2017]
New Earswick Primary School	Inadequate	January 2017	N/A
Rufforth Primary School	Good	October 2016 (short) January 2012	N/A
St Lawrence's CE Primary School	Requires Improvement	January 2020	Good [February 2020]
Tang Hall Primary School	Good	February 2020	N/A

Pathfinder Multi Academy Trust

Trustees' Report (continued)

Going Concern

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

Promoting the success of the Trust

The Trust shares "Good news stories" shared with local media; for example, when a school has had a recent Ofsted inspection and various visits/activities that occur within schools. The Schools within the Trust also have their own 'newsletters' for sharing information and promoting the schools, in addition to the Trust and each School within it having its own website, that is regularly updated.

The Chair and Accounting Officer, at least annually, send a letter to all staff celebrating the success of the Trust and the schools within it. In addition, the Trust has a weekly bulletin and individual schools have their own newsletters, where they share information and 'good news' stories.

Financial Review

Most of the Trust's income is funded by the ESFA, in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'FRS102', 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 financial year ended 31 August 2021, total income (excluding restricted fixed asset funds) was £23,419,000 (2020 £21,772,000) and expenditure being £24,402,000 (2020 £22,472,000). The deficit of £914,000, is largely due to the Local Government Pension Scheme.

At 31 August 2021 the net book value of fixed assets was £46,237,000 (2020: £46,086,000) and 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 students of the Academy.

Financial position

The Trust held a surplus fund balances on its restricted general funds, at 31 August 2021, before the pension deficit, of £1,067,000 (2020: £599,000). The pension deficit of £10,335,000 (2020: £9,059,000) is included within restricted funds. There were restricted fixed asset funds of £45,934,000 (2020: £46,373,000) largely represented by the inherited value of the leasehold land, buildings and equipment and other asset additions.

It also has general restricted fund balances of £91,000 (2021: £106,000), with these mainly relating to School Trips and Visits.

The total net funds at 31 August 2021 were £36,666,000 (2019: £38,019,000).

School Funds

The majority of School Funds relate to the income and expenditure in relation to the numerous School trips that are offered to the students each year. During the year ending 31 August 2021, the total revenue was £149,000 (2020: £181,000) with expenditure of £164,000 (2020: £234,000); this leaving the funds with a balance of £91,000 as at 31 August 2021 (2020: £106,000).

Pathfinder Multi Academy Trust

Trustees' Report (continued)

Reserves Policy

The policy of the Trust is to carry forward a prudent level of resources designed to meet the long-term plan and any unforeseen contingencies subject to the levels permitted by the DFE.

The Trust has identified what it believes to be an appropriate level of reserves to be between 3%-5% of the income (excluding capital income) of the Trust; restricted and unrestricted reserves total £1,067,000 (2020: £705,000), giving reserves of 4.0% (2020: 3.2%). The Trust believe this level of reserves would both enable the Trust to be able to manage fluctuations with its income and expenditure, whilst also recognising that the income it receives should be used for the benefit of its current students.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2021, is a net surplus of £1,067,000 (2020: £705,000). At this date two (2020: three) of the ten schools as well as the central services department, were in an overall deficit position, further details of this are included in Note 17.

The trustees intend to review the reserve levels of the Trust annually. This review will consider the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. A cautious and low risk approach has been taken in forecasts of both income and expenditure.

Investment Policy

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. The Trust does not consider the investment of funds as a primary activity, rather as a result of good stewardship as and when circumstances allow.

Principal Risks and Uncertainties

Staffing: The ability to recruit and retain quality leaders and teachers. The Trust has a comprehensive CPD programme and has its own "Initial Teaching Training" for both Primary and Secondary places.

Funding: As the majority of funding results from students in schools any reductions in these can have a significant impact upon core funding.

Covid-19: The on-going effects of the pandemic are still causing uncertainty for both students and staff. The Trust has a range of 'catch-up' plans in place

A risk register is an integral part of the trust's development plan, with significant governor involvement, to quantify the likelihood and impact of the risks the Academy may face. The register is then reviewed by both Trustees and senior leaders on an on-going basis.

Fundraising

The trust does not have a policy in respect of fundraising. Notwithstanding this the trust (where applicable) will seek out relevant opportunities that could lead to additional funds for schools within the trust. There have been no recorded complaints in respect of the Trust's fundraising.

The trust would not normally engage with professional fundraisers.

Trustees' Report (continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	5,817,172,	4,840,705
Energy consumption break down (kWh) <ul style="list-style-type: none"> • gas, • electricity, • other fuel • transport fuel 	3,156,922 1,767,503 892,746 n/a	2,519,472 1,576,318 744,915 n/a
Scope 1 emissions in metric tonnes CO2e <ul style="list-style-type: none"> • Gas consumption • Owned transport – mini-buses 	580.46	463.26
Scope 2 emissions in metric tonnes CO2e <ul style="list-style-type: none"> • Purchased electricity 	412.08	367.50
Scope 3 emissions in metric tonnes CO2e <ul style="list-style-type: none"> • Business travel in employee owned vehicles 	Negligible	Negligible
Total gross emissions in metric tonnes CO2e	992.54	830.76
Intensity ratio Tonnes CO2e per pupil	0.25	0.21
<p>Quantification and Reporting Methodology: - We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government’s Conversion Factors for Company Reporting.</p> <p>Intensity measurement The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.</p> <p>Measures taken to improve energy efficiency The trust has utilised some of its SCA/capital funding to replace old/inefficient boilers and also improve some roofing and thus increase insulation at schools. Additionally, and largely as a result of Covid-19 there has been increased use of IT to conduct meetings (“Zoom” calls) for staff meetings, to reduce the need for travel between sites.</p>		

Plans for Future Years

The Multi Academy Trust is looking to continue to grow in a planned and managed manner, with its continued focus on schools in York. However, at present there are no Schools which are currently showing an interest in joining the Trust.

Schools will continuously strive for further improvement to help retain their own excellent reputation not only within the local community but also further afield. We know teaching colleagues will continue to work hard to maintain existing positive relationships with students, the calm and ordered learning environment that facilitates learning, and the excellent lessons that students deserve, all built around the distinctive values that the Multi Academy Trust is renowned for.

Pathfinder Multi Academy Trust

Trustees' Report (continued)

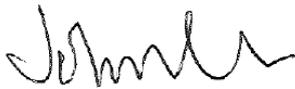
Auditor

In so far as the trustees are aware:

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

Approval

Trustees report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 December 2021 and signed on the board's behalf by:



John Hattam
Chair of Trustees

Date: 16th December 2021

Pathfinder Multi Academy Trust

Governance Statement

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The board of trustees has formally met seven times during the year, with one of these being an 'extraordinary' meeting (to discuss re-opening schools after 'shutdown'). Attendance during the year at meetings of the board of trustees was 90% (2020 = 81%), as follows

Governor		Meetings attended	Out of a possible
J Hattam (Chair)		6	7
J Drummond (Vice Chair)		7	7
A Campbell		6	7
A Clarke		6	7
S Holmes		7	7
T McDermott	Resigned 15 September 2021	7	7
S Outram		6	7
S Pugh	Resigned 26 July 2021	7	7
D Scott		6	7
C Theyers		6	7
C Wilson		5	7

Governance Review

The Trust contracted with 'CST' (a leading educational specialist organisation) to undertake an external Governance Review during the year, with the report being completed in May 2021. The overview/review of the report stated "There is a great deal of effective governance practice on which to commend the Trust Board. Particular strengths include the skills and knowledge of Trustees and the Executive Team, with positive, trusting relationships that allow transparent communication and an openness to challenge".

It should be noted that the 'Academy trust handbook' 2021 (section 1.32) states that external reviews of governance are now considered to be important, with the Department of Education strongly preferring that external reviews of governance are conducted routinely as a wider programme of self-assessment and improvement.

The Finance and Resources Committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees' responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

Governance Statement (continued)

There was a total of four meetings in the year, with overall attendance at these meetings being 93% (2020 =92%), detailed as follows:

Governor		Meetings attended	Out of a possible
J Drummond (Chair)		4	4
D Scott		4	4
C Theyers		4	4
Co-opted Trustees			
A Ward	Resigned 8 th Jun 2021	2	3

Additional sub-committees of the board: -

- *Standards Committee* (met four times in the year),
To advise the board of trustees on matters relating to the Trust's schools' curriculum, quality and standards.
- *Church Schools Performance Committee* (met three times in the year)
To advise the board of trustees on matters relating to the Trust's Church schools' performance, including scrutiny of Christian distinctiveness and support for their Church of England Foundation.
- *Remuneration Committee* (met once in the year).
To advise the board of trustees on the Trust's employee remuneration related matters, with specific responsibility for approving headteacher and executive leaders remuneration.

Review of Value for Money

As accounting officer, the CEO is responsible and accountable for ensuring that the academy trust delivery good value for money in the use of public resources. I am aware 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year, as can be seen by the following by:

- The trust has a weekly meeting of all the Headteachers within the trust; during this meeting best practice is shared and this is a very efficient process to ensure the best education/social outcomes are achieved for all schools within the trust given the funding received.
- Curriculum Demand Planning: The school(s) plans the following year's curriculum and expected class sizes and then carefully matches this to the teaching staff available to deliver the mix of subjects. This is to ensure that there is an effective deployment of teaching staff and also that any additional staffing (due to the growth of the school) is known in good time so that, if applicable, new teachers can be recruited at the most appropriate/early point in time. The School carefully monitors its staffing ratio.
- Building Works: The trust has achieved a careful balance of utilising the existing skills of its own staff and employing external contractors to maximise the physical resources on site at the lowest additional cost maximising the impact upon teaching and learning in capital income it receives.
- The trust has a number of centralised functions, of its core business services, in doing so it gains some economies of scale and avoids duplication at an individual schools' level.
- The trust has reviewed ESFA benchmarking and metric information; with the latest information showing that the largest school within the trust (Archbishop Holgate's School) with the top 'Efficiency score' of statistically similar schools (based upon the levels of funding and 'Progress 8' score).

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 Trust for the period ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Governance Statement (continued)

Capacity to Handle Risk

The board of trustees' review's the key risks to which the Academy Trust is exposed together (as part of the trusts development plan). The risks cover a variety of areas, including operating, financial and compliance controls that have been implemented to mitigate those risks.

The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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 regular financial reports which are reviewed and agreed by the both the local governing committees and the board of trustee;
- regular reviews by the finance and resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- To appoint 'Wylie & Bisset' as internal auditor

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial system. In particular the checks carried out in the current year included:

- Risk Management
- Safeguarding
- Fraud, Theft and Bribery
- Procurement
- Follow-up review of prior years' reports.

On a termly basis, the auditor reports to the board of trustees, through the finance and resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of Effectiveness

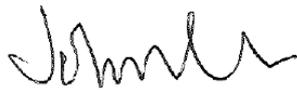
As Accounting Officer, A Daly (Principal) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Governance Statement (continued)

Approved by order of the members of the board of trustees on 16 December 2021 and signed on its behalf by:



John Hattam

Chairman of trustees



Andrew Daly

Accounting Officer

Pathfinder Multi Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of Pathfinder Multi-Academy Trust I have considered my responsibility to notify the Academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, received by the Academy Trust under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



Andrew Daly

Accounting Officer

Date: 16th December 2021

Pathfinder Multi Academy Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 16 December 2021 and signed on its behalf by:



John Hattam

Chairman of Trustees

Independent Auditor's Report to the Members of Pathfinder Multi Academy Trust for the Year Ended 31 August 2021

Opinion

We have audited the financial statements of Pathfinder Multi Academy Trust (the 'academy trust') for the year ended 31 August 2021 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021, and of its incoming resources and application of resources, including 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, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusion relating to going concern

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

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

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

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 Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Independent Auditor's Report to the Members of Pathfinder Multi Academy Trust for the Year Ended 31 August 2021 (continued)

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Trustees

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

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of noncompliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise noncompliance with applicable laws and regulations, such as the Academies Accounts Direction 2020 to 2021 issued by ESFA, Health & Safety at Work Act 1974, Food Hygiene Regulations, Charities Act 2011 and Companies Act 2006;
- we identified the laws and regulations applicable to the academy trust through discussions with directors and other management;

Pathfinder Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Pathfinder Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 10 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pathfinder Multi Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Pathfinder Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Pathfinder Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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.

Independent Reporting Accountant's Assurance Report on Regularity to Pathfinder Multi Academy Trust and the Education Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- review of extra-contractual payments for staff to ensure they have been made in accordance with the Academies Financial Handbook;
- review a sample of resources expended for individual transactions;
- reviewing any borrowing agreements, including leases, to ensure they have been made in accordance with the Academies Financial Handbook;
- reviewing the minutes of the meetings of the main committees during the year;
- reviewing internal audit reports for evidence of non-compliance; and
- reviewing expenditure to check that it was not ultra vires to the charitable objectives.

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Ross Preston
Armstrong Watson Audit Limited
Chartered Accountants and Statutory Auditor

Dated: 16 December 2021

Pathfinder Multi Academy Trust

Statement of Financial Activities for the year ended 31 August 2021 (Including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
Incoming resources:						
Donations and capital grants	3	93	-	1,417	1,510	5,195
Other trading activities	5	638	419	-	1,057	1,150
Investments	6	-	-	-	-	3
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	4	-	21,859	-	21,859	20,143
Teaching schools	29	-	410	-	410	303
Total incoming resources		731	22,688	1,417	24,836	26,794
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust's educational operations	7, 8	617	23,391	1,971	25,979	23,140
Teaching Schools	29	-	394	-	394	300
Total resources expended		617	23,785	1,971	26,373	23,440
Net income/(expenditure)		114	(1,097)	(554)	(1,537)	3,354
Transfers between funds	17	(114)	(1)	115	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	184	-	184	(2,203)
Net movement in funds		-	(914)	(439)	(1,353)	1,151
Reconciliation of funds						
Total funds brought forward	17	-	(8,354)	46,373	38,019	36,868
Total funds carried forward		-	(9,268)	45,934	36,666	38,019

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

The notes on pages 28 to 50 form part of these financial statements

Pathfinder Multi Academy Trust

Balance Sheet as at 31 August 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Tangible assets	13		45,237		46,086
Current assets					
Stock	14	6		6	
Debtors	15	922		1,716	
Cash at bank and in hand	23	3,042		2,006	
		<u>3,970</u>		<u>3,728</u>	
Creditors: Amounts falling due within one year	16	(2,206)		(2,736)	
Net current assets			<u>1,764</u>		992
Net assets excluding pension liability			<u>47,001</u>		<u>47,078</u>
Defined benefit pension scheme liability	26	(10,335)		(9,059)	
Net assets including pension liability			<u>36,666</u>		<u>38,019</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	45,934		46,373	
General restricted fund	17	1,067		705	
Pension reserve	17	(10,335)		(9,059)	
Total restricted funds			<u>36,666</u>		38,019
Unrestricted income funds	17		-		-
Total funds			<u>36,666</u>		<u>38,019</u>

The financial statements on pages 25 to 50 were approved by the Trustees, and authorised for issue on 16 December 2021 and are signed on their behalf by:



John Hattam
Chairman of trustees

Company Limited by Guarantee
Registration Number 07559610

The notes on pages 28 to 50 form part of these financial statements

Pathfinder Multi Academy Trust

Statement of Cash Flows for the year ended 31 August 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	21	742	857
Cash flows from investing activities	22	294	(761)
Change in cash and cash equivalents in the year		<u>1,036</u>	<u>96</u>
Cash and cash equivalents at the beginning of the year		2,006	1,910
Cash and cash equivalents at the end of the year	23	<u>3,042</u>	<u>2,006</u>

The notes on pages 28 to 50 form part of these financial statements

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021

1 Statement of accounting policies

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

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Pathfinder Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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.

Income

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. 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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional element to the grant.

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

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the goods have been provided or on completion of the service.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

- **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'

Expenditure

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life.

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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land and Assets under Construction, at rates calculated to write off the cost of each asset on a straight-line over its expected useful lives, with a full years' depreciation being charged in the year of acquisition. The rates of depreciation are as follows:

Leasehold Land and Buildings	over useful life of the buildings
Freehold Land and Buildings	over useful life of the buildings
Fixtures, fittings and equipment	20% straight line basis
ICT equipment	25 to 33% straight line basis
Motor Vehicle	25% straight line basis

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

Tangible Fixed Assets (continued)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

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.

Provisions

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

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

Leased Assets

Rents applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Assets subject to finance leases where substantially all of the benefits and risks of ownership have been transferred to the lessee are capitalised and written off over the life of the asset.

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:

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

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

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

Stock

Stocks are valued at the lower of cost or net realisable value.

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

Taxation

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The academy trust 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.

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability.

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

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 2.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2021 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2021.

3 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
ESFA capital grants	-	1,052	1,052	972
Other capital grants	-	365	365	4,050
Other donations	93	-	93	173
	<u>93</u>	<u>1,417</u>	<u>1,510</u>	<u>5,195</u>
<i>2020 Total</i>	<u>167</u>	<u>5,028</u>	<u>5,195</u>	

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

4 Funding for the academy trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
DfE/ESFA grants				
General annual grant (GAG)	-	17,563	17,563	16,255
Pupil Premium	-	802	802	779
UIFSM	-	454	454	381
PE and Sports Grant	-	164	164	164
Teachers Pay and Pension Grants	-	919	919	900
Rates reclaim	-	128	128	86
Covid-19 catch up	-	302	302	-
Teaching School	-	107	204	30
Other	-	97	97	30
	<u>-</u>	<u>20,536</u>	<u>20,536</u>	<u>18,625</u>
Other Revenue grants				
Local authority grants	-	1,166	1,166	1,128
Other government grants	-	46	46	35
	<u>-</u>	<u>1,212</u>	<u>1,212</u>	<u>1,163</u>
Other income from the academy trust's educational operations				
Teaching School	-	303	303	273
Non-Government income	-	181	181	264
	<u>-</u>	<u>484</u>	<u>484</u>	<u>537</u>
Exceptional government funding				
Coronavirus Job Retention Scheme Grant	-	37	37	115
Coronavirus exceptional support	-	-	-	6
	<u>-</u>	<u>37</u>	<u>37</u>	<u>121</u>
	<u>-</u>	<u>22,269</u>	<u>22,269</u>	<u>20,446</u>
<i>2020 total</i>	<u>-</u>	<u>20,446</u>	<u>20,446</u>	

The academy trust has been eligible to claim additional funding in the year from government support schemes in response to the COVID-19 outbreak. The funding received is shown under 'exceptional government funding.'

- The academy furloughed some of its support staff under the government's CJRS. The funding received of £37k relates to staff costs in respect of Catering and Out of School staff which are included in note 9.
- The coronavirus exceptional support grant, has been partly spent during the year, with unspent amounts to be used the following year in supporting students catch-up.

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

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Hire of facilities	256	-	256	235
Catering income	382	-	382	387
Sundry income	-	419	419	528
	<u>638</u>	<u>419</u>	<u>1,057</u>	<u>1,150</u>
<i>2020 total</i>	<u>-</u>	<u>1,150</u>	<u>1,150</u>	

6 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Short term deposits	-	-	-	3
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
<i>2020 total</i>	<u>3</u>	<u>-</u>	<u>3</u>	

7 Expenditure

	Staff Costs £000	Non-Pay Premises Expenditure £000	Other £000	Total 2021 £000	Total 2020 £000
Academy's educational operations					
- Direct costs	15,225	1,073	1,163	17,461	16,788
- Allocated support costs	4,679	898	2,941	8,518	6,521
Teaching School					
- Direct costs	210	-	126	336	110
- Allocated support costs	48	-	10	58	21
	<u>20,162</u>	<u>1,971</u>	<u>4,240</u>	<u>26,373</u>	<u>23,440</u>
<i>2020 total</i>	<u>18,580</u>	<u>968</u>	<u>3,892</u>	<u>23,440</u>	

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

7 Expenditure (continued)

Net expenditure for the year includes:

		2021	2020
		£000	£000
Depreciation		1,073	968
Loss on disposal of fixed asset		898	-
Operating leases		55	55
Fees payable to auditor	External Audit	13	13
	Internal Audit	9	9
	Other services	-	1

Included within expenditure is the following transaction:

	Total £	Reason
Fixed asset losses	898,000	The previous Badger Hill Primary Academy main building was demolished as part of the new school that was completed, in September 2020. The net book value of this building was treated as a loss during the year.

8 Charitable activities

	2021	2020
	£000	£000
Direct costs – educational operations	17,461	16,788
Direct costs – teaching school	336	110
Support costs – educational operations	8,518	6,521
Support costs – teaching school	58	21
	<u>26,373</u>	<u>23,440</u>
<i>2020 total</i>	<u>23,440</u>	

Analysis of support costs

	Teaching	Educational	Total	Total
	School	Operations	2021	2020
	£000	£000	£000	£000
Support staff costs	48	4,679	4,727	4,018
Loss on disposal	-	898	898	
Technology costs	1	290	291	256
Premises costs	-	1,363	1,363	1,230
Catering costs	-	791	791	636
Other Support costs	9	341	350	260
Governance costs	-	156	156	142
Total support costs	<u>58</u>	<u>8,518</u>	<u>8,576</u>	<u>6,542</u>
<i>2020 total</i>	<u>21</u>	<u>6,521</u>	<u>6,542</u>	

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

9 Staff

a. Staff Costs

	2021 £000	2020 £000
Staff costs during the period were:		
Wages and salaries	13,963	13,100
Social security costs	1,255	1,174
Pension costs	4,602	3,954
Apprenticeship levy	56	51
	<u>19,876</u>	<u>18,279</u>
Supply teacher costs	252	278
Staff restructuring costs	34	23
	<u>20,162</u>	<u>18,580</u>
Staff restructuring costs comprise		
• Redundancy payments; two payments (2020 two payments)	<u>34</u>	<u>23</u>

b. Staff numbers

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

	2021 Number	2020 Number
Charitable Activities		
Teachers	237	231
Administration and support	355	332
Management	11	13
	<u>603</u>	<u>576</u>

c. Staff numbers

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

	2021 £000	2020 £000
£60,001 - £70,000	4	3
£70,001 - £80,000	3	5
£80,001 - £90,000	3	1
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

d. Key management personnel

The key management personnel of the academy trust, during the year, comprise the trust and senior management team, as listed on page 2. The total amount of employee benefits (including employer pension contributions and national insurance contributions) received by the 11 key management personnel for their services to the academy trust was £1,100,919 (2020: 13 employees £1,170,828).

10 Related Party Transactions – Trustees' remuneration and expenses

None of the trustees have been paid remuneration or has received other benefits from an employment with the academy trust. The value of trustees' remuneration and other benefits was Nil (2020: Nil).

During the year ended 31 August 2021 there were no expenses reimbursed to the Board of Trustees (2020: Nil).

Other related party transactions involving the trustees are set out in note 27.

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

11 Central Services

The academy trust has provided the following central services to its academies (from 1 September 2020 to 31 August 2021)

List of Services

- Educational support services and School Improvement
- Human Resources
- Financial Services
- Management of Estates/Facilities and in-house cleaning
- Communications
- Others as arising

The Trust charges for these services on the following basis:

- Secondary Schools: : 3% ESFA GAG income
- Primary Schools : 4% ESFA GAG income
- There is an additional 1% charge for the first year in which a school joins the MAT.

The Actual amounts charged during the year were as follows: -

	2021	2020
	£000	£000
Archbishop Holgate's School, A Church of England Academy	274	223
Badger Hill Primary Academy	37	32
Hempland Primary School	72	58
Heworth Church of England Academy	26	22
St Lawrence Church of England School	36	28
Tang Hall Primary Academy	41	36
Clifton with Rawcliffe School	102	85
New Earswick Primary School	34	30
Acomb Primary School	54	45
Rufforth Primary School	19	19
Total	695	578

In addition to the above, schools that receive additional funding from the ESFA resulting from the 'Minimum funding per student', also pay 50% of this additional funding. This funding is ring-fenced for used to support schools within the Trust that are in 'need'. The deductions are shown below.

	2021	2020
	£000	£000
Hempland Primary School	61	-
Clifton with Rawcliffe Primary School	84	-
Acomb Primary School	14	-
Total	159	-

12 Trustees 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 trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officer's indemnity element from the overall cost of the RPA scheme.

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

13 Tangible Fixed Assets

	Freehold Land and Buildings £000	Leasehold Land and Buildings £000	Assets in course of construction £000	Furniture and Equipment £000	Computer Equipment £000	Motor Vehicles £000	Total £000
Cost							
At 1 September 2020	3,396	42,897	4,242	901	461	2	51,899
Additions		746	19	241	104	12	1,123
Inherited assets	-	-	-	-	-	-	-
Reclassification	(3,396)	7,696	(4,242)	(44)	(14)	-	-
Disposals	-	(976)	-	-	-	(2)	(978)
At 31 August 2021	-	50,363	19	1,098	551	12	52,043
Depreciation							
At 1 September 2020	482	4,545	-	418	366	2	5,813
Charged in year	-	878	-	117	75	3	1,073
Reclassification	(482)	482	-	-	-	-	-
Disposals	-	(78)	-	-	-	(2)	(80)
At 31 August 2021	-	5,827	-	535	441	3	6,806
Net book values							
At 31 August 2021	-	44,536	19	563	110	9	45,237
At 31 August 2020	2,914	38,352	4,242	483	95	-	46,086

No value for land and buildings are held for Heworth Church of England Primary Academy, St Lawrence Church of England Primary Academy and New Earswick Primary School as the academy trust occupies land (including buildings) under a licence with these schools.

The Academy's new transactions relating to land and buildings included:

- Additional leasehold buildings/improvements relate to numerous capital improvement projects, largely with a Health and Safety focus; the largest/ones over £100,000 are a new roof at New Earswick School (£129,000), and Corridor improvements at Tang Hall (£107,000).
- Assets in the course of construction
The large capital works at the start of the year have now been completed (new buildings at Archbishop Holgate's) and Corridor work at Tang Hall; and transferred into Leasehold Buildings. Only a small number of capital projects are currently in-progress, mainly new outdoor structures/teepee's at Archbishop Holgate's School.

14 Stock

	2021 £000	2020 £000
Stationery	3	3
Catering	3	3
	<u>6</u>	<u>6</u>

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

15 Debtors

	2021	2020
	£000	£000
Trade debtors	261	734
Prepayments and accrued income	520	716
Other debtors	3	5
VAT recoverable	138	261
	<u>922</u>	<u>1,716</u>

16 Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	704	1,359
Other taxation and social security	312	273
Other creditors	380	353
Agency funds (16-19 bursary)	30	40
Accruals and deferred income	780	711
	<u>2,206</u>	<u>2,736</u>

Deferred income	2021	2020
	£000	£000
Deferred income at 1 September	280	280
Released from the previous year	(280)	(280)
Resources deferred in the year	<u>250</u>	<u>280</u>
Deferred income at 31 August	<u>250</u>	<u>280</u>

Deferred income as at 31 August 2021 mainly comprises:

- £52,000: This being income received from the ESFA to offset the cost of 'rates', the deferred amount relates to rates costs for the period 1 September 2021 to 31 March 2022.
- £4,000: This being 2 months of a £14,000 grant received, covering the period April 2021 to October 2021
- £194,000: This being 7 months of the UIFSM (Universal Infant Free School Meals) funding received in July 2021

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

17 Funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	599	18,511	(18,264)	(1)	845
Covid-19 Catch-up funding	-	302	(171)	-	131
UJFSM	-	454	(454)	-	-
Pupil Premium	-	802	(802)	-	-
Other grants	-	2,470	(2,470)	-	-
Pension reserve	(9,059)	-	(1,460)	184	(10,335)
School funds	106	149	(164)	-	91
	(8,354)	22,688	(23,785)	183	(9,268)
Restricted fixed asset funds					
Transfer on conversion	34,708	-	(1,498)	-	33,210
DfE/EFA capital grants	6,902	1,052	(341)	-	7,613
Capital expenditure from GAG	62	-	(31)	115	146
Other capital funding	4,701	365	(101)	-	4,965
	46,373	1,417	(1,971)	115	45,934
Total restricted funds	38,019	24,105	(25,756)	298	36,666
Unrestricted funds					
Unrestricted funds	-	731	(617)	(114)	-
	-	731	(617)	(114)	-
Total funds	38,019	24,836	(26,373)	(184)	36,666

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

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that is could carry forward as at 31 August 2021. Note 2 discloses whether the limit was exceeded.

Any surplus unrestricted funds are transferred to the Restricted General Annual Grant fund.

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

17 Funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	259	16,255	(16,085)	169	599
UIFSM	-	381	(381)	-	-
Pupil Premium	-	779	(779)	-	-
Other grants	-	2,796	(2,796)	-	-
Pension reserve	(5,868)	-	(988)	(2,203)	(9,059)
School funds	159	181	(234)	-	106
	(5,450)	21,602	(22,472)	(2,034)	(8,354)
Restricted fixed asset funds					
Transfer on conversion	35,511	-	(803)	-	34,708
DfE/EFA capital grants	6,031	972	(101)	-	6,902
Capital expenditure from GAG	80	-	(19)	1	62
Other capital funding	696	4,050	(45)	-	4,701
	42,318	5,022	(968)	1	46,373
Total restricted funds	36,868	26,624	(23,440)	(2,033)	38,019
Unrestricted funds					
Unrestricted funds	-	170	-	(170)	-
	-	170	-	(170)	-
Total funds	36,868	26,794	(23,440)	(2,203)	38,019

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

17 Funds (continued)

Total fund analysis by Academy

Fund balances at 31 August 2021 were allocated as follows:

	Total 2021 £000	Total 2020 £000
Archbishop Holgate's School, A Church of England Academy	327	70
AHS Teaching School Hub	19	3
Badger Hill Primary Academy	89	98
Hempland Primary School	284	206
Heworth Church of England Primary Academy	(65)	(61)
St Lawrence Church of England Primary Academy	20	(71)
Tang Hall Primary Academy	94	106
Clifton with Rawcliffe Primary School	197	188
New Earswick Primary School	3	85
Acomb Primary School	(69)	(77)
Rufforth Primary School	15	58
Central Services	62	(6)
Total before fixed assets and pension reserve	<u>976</u>	<u>599</u>
Restricted fixed asset fund	45,934	46,373
Other restricted funds	91	106
Unrestricted funds	-	-
Pension reserve	<u>(10,335)</u>	<u>(9,059)</u>
Total	<u>36,666</u>	<u>38,019</u>

The following funds were in deficit as at 31 August 2021

Acomb Primary School: Net deficit = £69k

- This is largely due to the school having a deficit upon conversion from the LA. The trust is taking the following action to return the academy to surplus;
- Future forecast budgets are projecting surpluses, that will move the school back into a position of surplus reserves within the next two years.

Heworth Church of England Primary Academy: Net deficit = £65k

- The trust is aware this school is in deficit. At present current projection show a declining deficit over the next years; though this will still not yet return the school to surplus by August 2024; though the deficit will be reduced.
- The trust carefully monitors expenditure within this schools and ensures that the overall trust position is in surplus.

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

17 Funds (continued)

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

	Teaching and Educational Support Staff	Other Support Staff Costs	Educational Supplies	Other Costs (Excluding Depreciation)	Total 2021	Total 2020
	£000	£000	£000	£000	£000	£000
Archbishop Holgate's School	6,438	1,379	467	1,231	9,515	8,932
AHT Teaching School Hub	210	48	126	10	394	300
Badger Hill Primary School	728	199	62	108	1,097	1,052
Hempland Primary School	1,277	216	81	243	1,817	1,864
Heworth C of E Primary School	488	117	27	83	715	717
St Lawrence C of E Primary School	780	160	26	154	1,120	1,043
Tang Hall Primary School	934	195	63	190	1,382	1,362
Clifton with Rawcliffe School	2,069	192	125	304	2,690	2,502
New Earswick Primary School	869	104	27	233	1,233	1,176
Acomb Primary School	1,033	218	42	189	1,482	1,370
Rufforth Primary School	386	81	55	92	614	592
Central Services	223	358	30	108	719	574
Academy Trust	15,435	3,267	1,131	2,945	22,778	21,484
Other Restricted Funds	-	-	158	6	164	-
Depreciation and Amortisation costs	-	-	-	-	1,971	968
Pension and other costs	-	1,460	-	-	1,460	988
Total expenditure	15,435	4,727	1,289	2,951	26,373	23,440
<i>2020 Total</i>	<i>14,553</i>	<i>3,028</i>	<i>1,377</i>	<i>2,526</i>	<i>23,440</i>	

18 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	45,237	45,237
Current assets	-	3,273	697	3,970
Current liabilities	-	(2,206)	-	(2,206)
Pension scheme liability	-	(10,335)	-	(10,335)
Total net assets	-	(9,268)	45,934	36,666

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	46,086	46,086
Current assets	-	3,441	287	3,728
Current liabilities	-	(2,736)	-	(2,736)
Pension scheme liability	-	(9,059)	-	(9,059)
Total net assets	-	(8,354)	46,373	38,019

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

19 Capital Commitments

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	1	-

20 Financial Commitments

Operating leases

At 31 August 2021 the total of the Academy Trusts future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	17	17
Amounts due within two and five years	4	18
Amounts due after five years	-	-
	<u>21</u>	<u>35</u>

21 Reconciliation of Net Income to Net Cash Inflow from Operating Activities

	2021 £000	2020 £000
Net income/(expenditure)	(1,537)	3,354
Depreciation [note 13]	1,073	968
Loss on disposal of asset	898	-
Capital grants from DfE/ESFA and other capital income	(1,417)	(5,022)
Interest receivable [note 6]	-	(3)
Defined benefit pension scheme obligation inherited [note 26]	-	-
Defined benefit pension scheme cost less contributions payable [note 26]	1,316	885
Defined benefit pension scheme finance cost [note 26]	145	103
Decrease/(increase) in debtors	794	(575)
(Decrease)/increase in creditors	(530)	1,147
Net cash provided by / (used in) operating activities	<u>742</u>	<u>857</u>

22 Cash flows from investing activities

	2021 £000	2020 £000
Interest receivable	-	3
Purchase of tangible fixed assets	(1,123)	(5,786)
Capital grants from DfE/ESFA	1,052	972
Capital funding received from sponsors and others	365	4,050
Net cash provided by / (used in) investing activities	<u>294</u>	<u>(761)</u>

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

23 Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand and at bank	3,042	2,006
	<u>3,042</u>	<u>2,006</u>

24 Analysis of change in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash	2,006	1,036	3,042
Total	<u>2,006</u>	<u>1,036</u>	<u>3,042</u>

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/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

26 Pension and Similar Obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by North Yorkshire Pension Fund. 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 was 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £356,000 (2020: £325,000) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

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

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.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

26 Pension 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 every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer pension costs paid to TPS in the period amounted to £2,130,000 (2020: £ 2,027,000).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The academy is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,297,000 (2020: £1,177,000), of which employer's contributions totalled £1,022,000 (2020: £926,000) and employees' contributions totalled £275,000 (2020 £251,000). The agreed contribution rates for future years are 20.5% for employers and between 5.5% - 12.5% for employees (varying depending upon their salary).

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 effect on 18 July 2013.

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

26 Pension and Similar Obligations (continued)

Principal Actuarial Assumptions	2021	2020
Rate of increase in salaries	3.85%	3.55%
Rate of increase for pensions in payment / inflation	2.60%	2.30%
Discount rate for scheme liabilities	1.70%	1.70%
Inflation assumption (CPI)	2.60%	2.30%
Commutation of pensions to lump sums	50.0%	50.0%

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

	2021	2020
<i>Retiring today</i>		
Males	21.9	21.8
Females	24.0	23.9
<i>Retiring in 20 years</i>		
Males	23.6	23.5
Females	25.8	25.7

Sensitivity analysis	2021 £'000	2020 £'000
Discount rate +0.1%	23,732	19,316
Discount rate -0.1%	24,998	20,348
Mortality assumption – 1 year increase	25,291	20,268
Mortality assumption – 1 year decrease	23,463	19,396
CPI rate +0.1%	24,462	19,911
CPI rate -0.1%	24,268	19,735

The Academy's share of the assets in the scheme were:

	2021 £000	2020 £000
Equities	8,460	6,377
Property	856	711
Government Bonds	2,006	2,155
Corporate Bonds	575	-
Cash	239	388
Other	1,894	1,142
TOTAL	<u>14,030</u>	<u>10,773</u>

The actual return on scheme assets was £1,988,000 (2020: £896,000).

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

26 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

Amounts recognised in the statement of financial activities

	2021	2020
	£000	£000
Current service cost	2,337	1,811
Interest income	(194)	(177)
Interest cost	339	280
Past service cost	-	-
Total amount recognised in the SOFA	<u>2,482</u>	<u>1,914</u>

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

	2021	2020
	£000	£000
At 1 September	19,832	14,590
Adjustments to opening balance	-	-
Current service cost	2,337	1,811
Interest cost	339	280
Employee contributions	275	251
Actuarial loss	1,610	2,922
Net Benefits paid	(28)	(22)
Inherited upon conversion	-	-
At 31 August	<u>24,365</u>	<u>19,832</u>

Change in the present value of Academy's share of scheme assets:

	2021	2020
	£000	£000
At 1 September	10,773	8,722
Adjustments to opening balance	-	-
Expected return on assets	194	177
Actuarial gain / (loss)	1,794	719
Employer contributions	1,022	926
Employee contributions	275	251
Net Benefits paid	(28)	(22)
Inherited upon conversion	-	-
At 31 August	<u>14,030</u>	<u>10,773</u>

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

27 Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is possible that transactions will take place with organisations in which a member of the board of trustees may have 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 transactions took place in the period.

No Board members received any payments from the Trust during the year.

- The trust also receives funding from 'Archbishop Holgate's Grammar School Foundation', this being a separate registered charity. Two of the nine trustees of this charity are also trustees of the trust; during the 2020/21 year, the school received donations totalling of £11,500 (2020: £11,880) from this charity.
- The trust procures services from "York Diocesan Board of Education", with the trust having a trustee that is employed by this organisation. The trustee is not involved in any of the services purchased, with this transaction also registered with the ESFA.
- In entering into the above transactions, the trust has complied with the requirements of the Academies Handbook 2020.

28 Agency Arrangements

The school distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2021 the trust received £14,000 (2020: £14,000) and disbursed £23,000 (2020: £15,000) from the fund. An amount of £30,000 (2020: £40,000) is included in creditors relating to undistributed funds that is repayable to ESFA.

29 Teaching School Trading Account

	2021	2021	2020	2020
	£000	£000	£000	£000
INCOME				
- Direct income	107		30	
- Other income	303		273	
Total Income	<u>410</u>	410	<u>303</u>	303
EXPENDITURE				
- Direct: Staff costs	210		128	
- Direct: Staff development	1		3	
- Direct: Other costs	125		107	
- Support staff costs	48		44	
- Technology costs	1		2	
- Other support costs	9		16	
Total Expenditure	<u>394</u>	394	<u>300</u>	300
Surplus from all sources		<u>16</u>		<u>3</u>
Teaching school balances at 1 September		<u>3</u>		<u>-</u>
Teaching school balance at 31 August		<u>19</u>		<u>3</u>

Pathfinder Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

30 Events after the end of the reporting period

There are no know material events to report that have occurred since 31 August 2021.