

**RIVERS MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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

**CONTENTS**

	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3 - 10
<b>Governance Statement</b>	11 - 14
<b>Statement on Regularity, Propriety and Compliance</b>	15
<b>Statement of Trustees' Responsibilities</b>	16
<b>Independent Auditors' Report on the Financial Statements</b>	17 - 19
<b>Independent Reporting Accountant's Report on Regularity</b>	20 - 21
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	22
<b>Balance Sheet</b>	23
<b>Statement of Cash Flows</b>	24
<b>Notes to the Financial Statements</b>	25 - 51

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

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	Anthony Evans Ben Coggan Graham Skinner
<b>Trustees</b>	Anthony Evans, Chairman David Martin, Vice Chair Ray James Malcolm White, Head Teacher Maureen Bray Gary Austin Paul Wilson (resigned 31 December 2018) Peter Westbrook
<b>Company registered number</b>	07697367
<b>Company name</b>	Rivers Multi Academy Trust
<b>Principal and registered office</b>	Leventhorpe School Cambridge Road Sawbridgeworth Herts CM21 9BY
<b>Company Secretary</b>	Jackie Moodie
<b>Accounting Officer</b>	Malcolm White, Headteacher and Chief Executive Officer
<b>Senior Management Team</b>	Malcolm White, Headteacher James Dyke, Deputy Head Layla Price, Deputy Head Charlotte Crosby, Assistant Head Alex Francis, Assistant Head Dave Harvey, Assistant Head Belinda Kistell, Assistant Head Wendy Shannon, Personnel Manager
<b>Independent Auditors</b>	Price Bailey LLP Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

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

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Bankers**

Lloyds Bank  
25 Gresham Street  
London  
EC2V7HN

Virgin Money  
Jubilee House  
Gosforth  
Newcastle-Upon-Tyne  
NE3 4PL

Aldermore Bank Plc  
1st Floor  
Block B  
Western House  
Lynch Wood  
Peterborough  
PE2 6FZ

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

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

---

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Rivers Multi Academy Trust (the Charitable Company, or the Trust) for the year ended 31 August 2019. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates a Secondary Academy School serving a catchment area in Sawbridgeworth. There is one School currently in the Trust with a capacity of 1,580 and a roll of 1,325 in the 2019 census.

**Structure, Governance and Management**

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The term Governor refers to a member of the Local Governing Body (LGB). The Charitable Company, constituted as a Multi-academy Trust, currently includes the following School: Leventhorpe School (the School).

The operation of the School and employment of staff are the responsibility of the Trustees. The Trust has control of Trust budgets and finances, and monitors these through its Finance and Resources Committee.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section

**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 and Officers' Indemnities**

The 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, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees, Governors and Officers indemnity element from the overall cost of the RPA scheme

**Method of Recruitment and Appointment or Election of Trustees**

The arrangements are as set out in the Articles and Funding Agreement.

The CEO of the Trust is also the Headteacher and is an ex officio member of the Governing Body. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for no less than 3 with no maximum number of Trustees defined.

**Policies and Procedures Adopted for the Induction and Training of Trustees and Governors**

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end The Trust links with a number of local training providers. New Trustees and Governors are invited to attend a training programme.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Organisational Structure**

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, meets on at least 4 occasions per year and its 2 sub committees Resources (including finance), and the School Improvement and Student Welfare Committee at least 6 times per year. The Board of Trustees is responsible for the strategic direction of the Trust. They review progress towards educational objectives and results; approve major expenditure requests; set the budget for the following year; set the organisational staffing structure; agree the performance objectives of the Headteacher with the School Improvement Partner, and review them.

The CEO is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Charitable Company. The CEO has delegated the responsibility for the approval of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The CEO manages the Trust on a daily basis supported by the Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the CEO and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the CEO to manage certain aspects of the Trust.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the School group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

**Trade Union Facility Time**

The number of employees who were relevant union officials during the period was one. The full time equivalent was 0.4.

During the year there was no time spent on facility time.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**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 inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- member of Bishop's Stortford and Sawbridgeworth Consortium of Secondary Schools;
- partner with Cambridge University as a training provider
- member of Bishop Stortford Educational Trust (BSET).

The Trust does not have a formal sponsor.

**Objectives and Activities**

**Objects and Aims**

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities within its local community between the ages of 11 and 18.

**Objectives, Strategies and Activities**

The Trustees set out to maintain and develop a School offering a broad curriculum with a strong emphasis on, but in no way limited to, business and enterprise through our vision of providing the care and opportunities for all to grow, learn and face challenge with confidence. In order to achieve this, the School strives to instil three core values:

- excellence - growing to be the best you can be;
- commitment - taking opportunities and being passionate about learning; and
- respect - caring about each other and appreciating our individual skills and needs.

The School aims to achieve the following:

- develop a learning environment where students become independent in a climate of creativity, innovation and challenge. We all accept we can improve, especially in the classroom;
- provide students with the opportunities, support and challenge to grow as individuals and to become successful young citizens;
- provide staff with an exciting and engaging environment in which reflection, innovation and creativity are nurtured; staff enjoy learning, feel trusted and are well supported;
- nurture positive, collaborative partnerships with parents to ensure that they feel able to understand and support their childrens' progress and personal development; and
- build infrastructure and systems that support a high quality learning experience for staff, students and parents.

During the year the Trust has worked towards these aims by:

- robust and transparent quality assurance processes which culminate in action plans;
- data capture and analysis to measure progress that forms the basis of actions and intervention;
- a constant review of CPD and training opportunities for staff; and
- a core transparent structure which allows all staff and students to clearly understand their role within the organisation.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

Our success in fulfilling our aims can be measured by:

- still having our outstanding OfSTED status;
- above average Attainment 8 scores;
- oversubscribed with 890 applications for 240 places (249 first choice); and
- staff morale is high with good staff retention.

**Public Benefit**

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**Strategic Report**

**Achievements and Performance**

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Specific achievements were as follows:

- the School's overall examination results in summer 2019 show that attainment was above national averages, and progress was broadly average at GCSE
- Post 16 outcomes were good for vocational programmes.
- Destinations for students post 16 demonstrate excellent support, advice and guidance with high numbers securing university and higher apprenticeship places.
- to ensure standards are maintained and raised at the School, the Board of Trustees operate a robust quality assurance process which monitors the quality of teaching and learning and conducts a rigorous review of attainment through School self-evaluation (ISDR) and Go4Schools to measure the progress of students, paying particular regard to their achievement on entry and levels of subsequent progress achieved; and
- the Trust received a successful bid application as part of the Government's Priority School Building Programme to secure future funding to rebuild of the sixth form and science block plus school reserves and CIF funding are being used to build the Performing Arts block both of which will assist with the expansion in school roll.

**Key Performance Indicators**

The Trustees receive regular information at each Committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

Funding is based on pupil numbers this is a key performance indicator. Total pupil numbers for 2019 were 1,325 against an official capacity of 1,580.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2018/19 this was 78%. The Trustees are confident that staffing levels are closely monitored to agreed full time equivalents and staffing structures all approved by the Board of Trustees.

The Resources Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board of Trustees.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Going Concern**

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

**Financial Review**

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2019 the Trust received £8,486,748 of GAG and other restricted funding (including capital funding). A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £8,349,749 (including capital). The Trust brought forward from 17/18, £252,720 restricted funds and £1,806,053 unrestricted funding (including 122,246 of sinking fund for wasting assets). The carry forward for 18/19 is £710,682 restricted funding and £2,059,792 unrestricted funding (including £132,246 of sinking fund for wasting assets)

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,657,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

The results for the Trust for the year are displayed in the table below:

	Restricted General Funds	Unrestricted Funds	Fixed Asset Fund	Pension Reserve	Total
Incoming Resources	6,973,791	602,727	910,230		8,486,748
Resources Expended	(6,515,828)	(348,988)	(648,542)		(7,513,358)
LGPS Charge				(388,000)	(388,000)
Depreciation			(689,391)		(689,391)
Employer contributions paid				241,000	241,000
Total Resources Expended	(6,515,828)	(348,988)	(1,337,933)	(147,000)	(8,349,749)
Assets Purchased from restricted funds					-
Actuarial Gains				(549,000)	(549,000)
Surplus / (Deficit) for the year	457,963	253,739	(427,703)	(696,000)	(412,001)
Balance at 1 September 2018	252,720	1,806,053	20,273,894	(961,000)	21,371,667
Balance at 31 August 2019	710,683	2,059,792	19,846,191	(1,657,000)	20,959,666

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Reserves Policy**

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Director of Finance. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £2,059,792 (including £132,246 of sinking fund for wasting assets). This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2019 was £2,770,474 of which £1,464,000 is committed to the new build project in order to support expansion.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £2,952,993. Trustees in executing their obligation to maintain the Trust's building infrastructure have allocated £1,464,000 to the expansion projects currently being delivered. This has been achieved without compromising the quality of the education offering to the Trust's students. The Trustees monitor cash flow as part of the Management Information reports and attempt to hold a minimum of £250,000 to cover short term cash flow variances.

**Investment Policy**

An Investment Policy was approved by the Resources Committee 8 December 2015.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

**Principal Risks and Uncertainties**

The Trust maintains a central risk register identifying the major risks, to which it is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the Board of Trustees via the Resources Committee with a formal review of the process undertaken on an annual basis. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each Resources Committee meeting. The principal risks facing the Trust are outlined below; those facing the School at an operational level are addressed by its systems and by internal financial and other controls. The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the School is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the School is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Trust has appointed Price Bailey to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any academy ceasing to exist, the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

### **Fundraising**

The Trust only held small fundraising events during the year including Summer Fayres, Christmas fetes and non uniform days. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

### **Plans for Future Periods**

Leventhorpe School will continue striving to improve the performance of its students at all levels and will continue its efforts to ensure all students leave the School suitably equipped to enter the workplace, engage in further training or continue their education. Aside from aiming to ensure that students leave the School having achieved excellent results, the School also promotes the development of wider skills and independence in its students. The School will continue to review and revise its curriculum offering to best suit the needs of students in a changing educational landscape.

Aside from the on-going maintenance projects, the Trust is totally refurbishing the Science and Sixth Form block through the PSBP2 programme. The construction of the Performing Arts block is underway and on target to be completed by January 2020.

As an official sponsor approved school and a multi academy trust, the Trust is well-placed to consider any possible proposals for more formal collaboration with other organisations.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Funds Held as Custodian Trustee on Behalf of Others**

The Trust was the recipient of a donation from the Norman Bradley Trust that is used to assist students that are now studying mathematics at university.

The Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities incorporating Income and Expenditure Account 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. Where the funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA. For further details please refer to Note 24 to the financial statements.

**Auditor**

Insofar 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.

The Trustees' Report, incorporating a strategic report, was approved by the Board of Trustees on 10 December 2019 and signed on its behalf by:

Anthony Evans  
Chair

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

**GOVERNANCE STATEMENT**

**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Rivers 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 the Headteacher, 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 Rivers 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 5 times during the year. The Board met fewer than six times during the year but the Trustees are satisfied that through the use of a sub-committee it maintains effective oversight of funds. Details of the sub-committee is noted below.

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

Trustee	Meetings attended	Out of a possible
Anthony Evans, Chairman	4	5
David Martin, Vice Chair	5	5
Ray James	4	5
Malcolm White, Head Teacher	5	5
Maureen Bray	5	5
Gary Austin	3	5
Paul Wilson	3	3
Peter Westbrook	3	5

Review of governance has been an ongoing process throughout the year as part of our self-evaluation internal review programme to ensure that the skills of the current incumbents continued to meet requirements. The Governing Body received 4 resignations towards the end of the academic year and as a result a full skills audit has been scheduled for Autumn 2019/2020 in order to inform the subsequent recruitment process.

The Board of Trustees has continued to provide strategic focus on certain key areas:

- School Growth Plan
- Buildings expansion
- Admissions
- Local community
- Bishops Stortford Educational Trust and other local trusts
- Curriculum
- Overall governance of the MAT

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

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Governors are assured of the quality of the data provided by key management personnel which is up to date and easily accessible ahead of meetings. It is used to develop, monitor and deliver the Trust's strategy for robust decisions about teaching, improvement and the deployment of resources.

As detailed above the internal review process has been ongoing throughout the year. A full skills audit has been scheduled for Autumn 2019/2020 in order to inform the subsequent recruitment process.

The Governing Body has put in place a workplan covering skills audit, training, succession planning and evaluation which commenced at the end of the academic year to continue into 2019/2020.

The Resources Committee is a sub-committee of the 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 School's finances and resources, including proper planning, monitoring and probity.
- Make appropriate comments and recommendations on such matters to the Board of Trustees on a regular basis. Major issues are referred to the Board of Trustees for ratification.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Malcolm White	4	4
Anthony Evans	3	4
Paul Wilson	1	1
David Martin	4	4
Gary Austin	3	4

**Review of value for money**

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by:

- Spoil saving re New Performing Arts Block project - The original contract provided for the spoils to be removed off site, instead we have incorporated the spoils into landscaping, saving £14,639.
- Temporary Classrooms – We were originally quoted (as part of the New Performing Arts building contract) £385,000 for the hire and install of the temporary classrooms, instead the School managed this part of the project resulting in a saving of £134,237.69.
- Tender for food purchase (Pelican) – Negotiations took place with Bidfood with savings of £11,435 (5.34%) on a new two year deal via consolidating the combined purchases made.

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

**GOVERNANCE STATEMENT (CONTINUED)**

**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 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 Rivers Multi Academy Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the Annual Report and financial statements.

**Capacity to handle risk**

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

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the 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; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Price Bailey LLP as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Risk Management
- Asset Management
- Procurement

On a termly basis, the Internal Auditor reports to the Board of Trustees through the Resources Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

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

**GOVERNANCE STATEMENT (CONTINUED)**

**Review of effectiveness**

As Accounting Officer, the Headteacher 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 Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy 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 Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 10 December 2019 and signed on their behalf by:

Anthony Evans  
Chair

Malcolm White  
Accounting Officer

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

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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

Malcolm White  
Accounting Officer  
Date: 10 December 2019

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

The Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & 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 of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by the Board of Trustees on 10 December 2019 and signed on its behalf by:

Anthony Evans  
Chair

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF RIVERS  
MULTI ACADEMY TRUST**

**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF RIVERS  
MULTI ACADEMY TRUST (CONTINUED)**

**Other information**

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

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

- 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.

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF RIVERS  
MULTI ACADEMY TRUST (CONTINUED)**

**Responsibilities of Trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company 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'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 or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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

Gary Miller FCA (Senior Statutory Auditor)  
for and on behalf of  
**Price Bailey LLP**  
Chartered Accountants  
Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

13 December 2019

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RIVERS  
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 12 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Rivers Multi Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This Report is made solely to Rivers 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 Rivers 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 Rivers Multi Academy Trust and ESFA, for our work, for this Report, or for the conclusion we have formed.

**Respective responsibilities of Rivers Multi Academy Trust's Accounting Officer and the Reporting Rccountant**

The Accounting Officer is responsible, under the requirements of Rivers Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 October 2015 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

The work undertaken to draw a conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, extending the procedures required their financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

**Conclusion**

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

**Reporting Accountant**

**Price Bailey LLP**

Date: 13 December 2019

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>						
Donations and capital grants	3	5,628	369,264	910,230	1,285,122	1,863,149
Charitable activities	4	506,443	6,274,394	-	6,780,837	6,609,108
Teaching schools	28	-	283,907	-	283,907	174,625
Other trading activities	5	80,991	46,226	-	127,217	119,921
Investments	6	9,665	-	-	9,665	7,704
<b>Total income</b>		<b>602,727</b>	<b>6,973,791</b>	<b>910,230</b>	<b>8,486,748</b>	<b>8,774,507</b>
<b>Expenditure on:</b>						
Charitable activities	7	348,988	6,534,205	1,337,933	8,221,126	7,847,965
Teaching schools	28	-	128,623	-	128,623	196,921
Other expenditure		-	-	-	-	-
<b>Total expenditure</b>		<b>348,988</b>	<b>6,662,828</b>	<b>1,337,933</b>	<b>8,349,749</b>	<b>8,044,886</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>253,739</b>	<b>310,963</b>	<b>(427,703)</b>	<b>136,999</b>	<b>729,621</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	23	-	(549,000)	-	(549,000)	328,000
<b>Net movement in funds</b>		<b>253,739</b>	<b>(238,037)</b>	<b>(427,703)</b>	<b>(412,001)</b>	<b>1,057,621</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,806,053	(708,280)	20,273,894	21,371,667	20,314,046
Net movement in funds		253,739	(238,037)	(427,703)	(412,001)	1,057,621
<b>Total funds carried forward</b>		<b>2,059,792</b>	<b>(946,317)</b>	<b>19,846,191</b>	<b>20,959,666</b>	<b>21,371,667</b>

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

The notes on pages 25 to 51 form part of these financial statements.

**RIVERS MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07697367**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	13	19,846,166	18,778,071
Investments	14	25	25
		19,846,191	18,778,096
<b>Current assets</b>			
Debtors	15	821,852	1,477,851
Cash at bank and in hand		2,952,993	2,808,432
		3,774,845	4,286,283
Creditors: amounts falling due within one year	16	(1,004,370)	(731,712)
<b>Net current assets</b>		2,770,475	3,554,571
<b>Net assets excluding pension liability</b>		22,616,666	22,332,667
Defined benefit pension scheme liability	23	(1,657,000)	(961,000)
<b>Total net assets</b>		20,959,666	21,371,667
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	19,846,191	20,273,894
Restricted income funds	17	710,683	252,720
		20,556,874	20,526,614
Restricted funds excluding pension liability	17	20,556,874	20,526,614
Pension reserve	17	(1,657,000)	(961,000)
<b>Total restricted funds</b>	17	18,899,874	19,565,614
<b>Unrestricted income funds</b>	17	2,059,792	1,806,053
<b>Total funds</b>		20,959,666	21,371,667

The financial statements on pages 22 to 51 were approved by the Trustees, and authorised for issue on 10 December 2019 and are signed on their behalf, by:

Anthony Evans  
Chair

The notes on pages 25 to 51 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	1,891,534	285,732
<b>Cash flows from investing activities</b>	20	(1,746,973)	(196,561)
<b>Change in cash and cash equivalents in the year</b>		144,561	89,171
Cash and cash equivalents at the beginning of the year		2,808,432	2,719,261
<b>Cash and cash equivalents at the end of the year</b>	21	<u>2,952,993</u>	<u>2,808,432</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

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

**1.2 Company status**

The Trust is a company limited by guarantee. The Members of the Company are named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Trust's registered office is Leventhorpe School, Cambridge Road, Sawbridgeworth, Hertfordshire, CM21 9BY.

**1.3 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Income**

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.4 Income (continued)**

- **Donations**

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

- **Other income**

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

**1.5 Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.6 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

**1.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.8 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.9 Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property	- 50 years straight line
Furniture and equipment	- 8 to 10 years straight line
Computer equipment	- 4 years straight line
Motor vehicles	- 5 years straight line

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

**1.10 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments held as fixed assets are shown at cost less provision for impairment.

**1.11 Debtors**

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

**1.12 Cash at bank and in hand**

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

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

**1.14 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. 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.

**1.15 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.16 Pensions**

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

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

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

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

**1.17 Agency arrangements**

The Academy acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities incorporating Income and Expenditure Account, as the Academy does not have control over the charitable application of the funds.

Where the funds have not been fully applied in the accounting period then an amount will be included in the Balance Sheet as an other creditor.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.18 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the Actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**3. Income from donations and capital grants**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	5,628	369,264	-	374,892	341,328
Capital grants	-	-	910,230	910,230	1,521,821
<b>Total 2019</b>	<u>5,628</u>	<u>369,264</u>	<u>910,230</u>	<u>1,285,122</u>	<u>1,863,149</u>
Total 2018	<u>3,870</u>	<u>337,458</u>	<u>1,521,821</u>	<u>1,863,149</u>	

In 2018, income from donations was £341,328 of which £3,870 was unrestricted and £337,458 was restricted.

In 2018, capital grants of £1,521,821 were in relation to restricted fixed assets.

**4. Funding for the Academy's provision of education**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	5,815,541	5,815,541	5,897,880
Other DfE / ESFA grants	-	121,974	121,974	120,762
	<u>-</u>	<u>5,937,515</u>	<u>5,937,515</u>	<u>6,018,642</u>
<b>Other government grants</b>				
Local Authority grants	-	284,855	284,855	130,125
Other Government grants	-	52,024	52,024	-
	<u>-</u>	<u>336,879</u>	<u>336,879</u>	<u>130,125</u>
<b>Other funding</b>				
Catering income	506,443	-	506,443	460,341
<b>Total 2019</b>	<u>506,443</u>	<u>6,274,394</u>	<u>6,780,837</u>	<u>6,609,108</u>
Total 2018	<u>460,341</u>	<u>6,148,767</u>	<u>6,609,108</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**4. Funding for the Academy's provision of education (continued)**

In 2018, income from DFE/ESFA grants was £6,018,642 of which all was restricted.

In 2018, income from other Government grants was £130,125 of which all was restricted.

In 2018, income from catering was £460,341 of which all was restricted.

**5. Income from other trading activities**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	8,378	-	8,378	8,579
Other income	72,613	46,226	118,839	111,342
	<u>80,991</u>	<u>46,226</u>	<u>127,217</u>	<u>119,921</u>
Total 2018	<u>74,581</u>	<u>45,340</u>	<u>119,921</u>	

In 2018, hire of facilities was £8,579 of which all was unrestricted.

In 2018, other income was £111,342 of which £66,002 was unrestricted and £45,340 was restricted.

**6. Investment income**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank Interest	9,665	9,665	7,704
	<u>7,704</u>	<u>7,704</u>	
Total 2018	<u>7,704</u>	<u>7,704</u>	

In 2018, all investment income was in relation to unrestricted funds.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**7. Expenditure**

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Provision of Education:					
Direct costs	4,589,179	-	745,861	5,335,040	5,059,225
Allocated support costs	1,211,727	828,263	846,096	2,886,086	2,788,740
Teaching school	70,112	-	58,511	128,623	196,921
<b>Total 2019</b>	<u><u>5,871,018</u></u>	<u><u>828,263</u></u>	<u><u>1,650,468</u></u>	<u><u>8,349,749</u></u>	<u><u>8,044,886</u></u>
Total 2018	<u><u>5,605,722</u></u>	<u><u>1,055,117</u></u>	<u><u>1,384,047</u></u>	<u><u>8,044,886</u></u>	

In 2019, of total expenditure, £348,988 (2018 - £313,292) was from unrestricted funds, £6,662,828 (2018: £7,010,980) was from restricted funds and £1,337,933 (2018 - £720,614) was from restricted fixed asset funds.

In 2018, direct expenditure consisted of £4,444,069 staff costs and £615,156 other costs.

In 2018, support expenditure consisted of £1,144,999 staff costs, £1,055,117 premises costs and £588,624 other costs.

In 2018, teaching schools expenditure consisted of £16,654 staff costs and £180,267 other costs.

**8. Charitable activities**

	2019 £	2018 £
Direct costs	5,335,040	5,059,225
Support costs	2,886,086	2,788,740
Teaching schools	128,623	196,921
	<u><u>8,349,749</u></u>	<u><u>8,044,886</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**8. Charitable activities (continued)**

Analysis of support costs

	2019 £	2018 £
Support staff costs	1,211,727	1,144,999
Depreciation	689,391	694,615
Technology costs	15,412	9,422
Premises costs (excluding depreciation)	138,872	360,502
Other costs	820,492	569,018
Governance costs	10,192	10,184
	2,886,086	2,788,740

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	9,675	8,614
Depreciation of tangible fixed assets	688,543	694,616
Fees paid to Auditors for:		
- audit	7,110	6,900
- other services	5,285	5,130
	7,110	6,900

**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	4,444,112	4,290,018
Social security costs	401,416	388,748
Pension costs	850,537	838,513
	5,696,065	5,517,279
Agency staff costs	174,953	88,443
	5,871,018	5,605,722

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**10. Staff costs (continued)**

**a. Staff costs (continued)**

**b. Staff numbers**

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

	2019 No.	2018 No.
Teachers	81	79
Administration and support	104	98
Management	8	9
	193	186
	193	186

**c. Higher paid staff**

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	4	3
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	-	1
	-	1
	-	1

**d. Key management personnel**

The key management personnel of the Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £677,720 (2018 - £868,102).

Included in the above are employer pension contributions of £90,599 (2018 - £107,890) and national insurance contributions of £62,751 (2018 - £80,743).

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**11. Trustees' remuneration and expenses**

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

		2019	2018
		£	£
Jonathon Locke (Headteacher)	Remuneration	-	110,000 - 115,000
	Pension contributions paid	-	15,000 - 20,000
Malcolm White , Headteacher	Remuneration	85,000 - 90,000	-
	Pension contributions paid	10,000 - 15,000	-

During the year ended 31 August 2019, expenses totalling £306 were reimbursed or paid directly to 1 Trustee (2018 - £172 to 2 Trustees) for expenses incurred as part of their employment as staff members

**12. Trustees' and Officers' insurance**

The Academy has opted into the Department of 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 Officers indemnity element from the overall cost of the RPA scheme membership.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**13. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 September 2018	21,052,133	95,909	315,487	1,972,445	16,572	23,452,546
Additions	-	1,594,653	118,702	25,565	17,718	1,756,638
At 31 August 2019	<u>21,052,133</u>	<u>1,690,562</u>	<u>434,189</u>	<u>1,998,010</u>	<u>34,290</u>	<u>25,209,184</u>
<b>Depreciation</b>						
At 1 September 2018	3,175,477	-	363,920	1,129,298	5,780	4,674,475
Charge for the year	469,109	-	169,566	44,205	5,663	688,543
At 31 August 2019	<u>3,644,586</u>	<u>-</u>	<u>533,486</u>	<u>1,173,503</u>	<u>11,443</u>	<u>5,363,018</u>
<b>Net book value</b>						
At 31 August 2019	<u>17,407,547</u>	<u>1,690,562</u>	<u>(99,297)</u>	<u>824,507</u>	<u>22,847</u>	<u>19,846,166</u>
At 31 August 2018	<u>17,876,656</u>	<u>95,909</u>	<u>(48,433)</u>	<u>843,147</u>	<u>10,792</u>	<u>18,778,071</u>

Included in land and buildings is freehold land at a valuation of £8,806,307 (2018 - £8,806,307) which is not depreciated.

**14. Fixed asset investments**

	Other UK fixed asset investments £
<b>Cost or valuation</b>	
At 1 September 2018	25
<b>At 31 August 2019</b>	<u>25</u>
<b>Net book value</b>	
<b>At 31 August 2019</b>	<u>25</u>
At at 31 August 2018	<u>25</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**15. Debtors**

	2019 £	2018 £
Trade debtors	71,617	79,961
Other debtors	286,452	135,399
Prepayments and accrued income	463,783	1,262,491
	821,852	1,477,851
	821,852	1,477,851

**16. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	180,731	181,791
Other taxation and social security	107,741	107,371
Other creditors	137,604	165,937
Accruals and deferred income	578,294	276,613
	1,004,370	731,712
	1,004,370	731,712

	2019 £	2018 £
Deferred income at 1 September 2018	158,034	126,407
Resources deferred during the year	141,074	158,034
Amounts released from previous periods	(158,034)	(126,407)
	141,074	158,034
	141,074	158,034

Deferred income held at 31 August 2019 relates to income for trips taking place in the next financial year and grants received in relation to future periods.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**17. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Sinking fund for wasting assets	122,246	-	-	10,000	-	132,246
New build designated fund	-	-	-	1,464,000	-	1,464,000
	<u>122,246</u>	<u>-</u>	<u>-</u>	<u>1,474,000</u>	<u>-</u>	<u>1,596,246</u>
<b>General funds</b>						
General funds	1,683,807	602,727	(348,988)	(1,474,000)	-	463,546
<b>Total Unrestricted funds</b>	<u>1,806,053</u>	<u>602,727</u>	<u>(348,988)</u>	<u>-</u>	<u>-</u>	<u>2,059,792</u>
<b>Restricted general funds</b>						
GAG	98,080	5,815,541	(5,465,043)	-	-	448,578
Other DfE/ESFA	-	121,974	(121,974)	-	-	-
Restricted trip donations	-	369,264	(361,711)	-	-	7,553
Sponsor capacity funding	57,984	-	(57,984)	-	-	-
Other Government grants	-	336,879	(336,879)	-	-	-
Norman bradley	96,656	-	-	-	-	96,656
Teacher training	-	283,907	(126,011)	-	-	157,896
Other restricted	-	46,226	(46,226)	-	-	-
Pension reserve	(961,000)	-	(147,000)	-	(549,000)	(1,657,000)
	<u>(708,280)</u>	<u>6,973,791</u>	<u>(6,662,828)</u>	<u>-</u>	<u>(549,000)</u>	<u>(946,317)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**17. Statement of funds (continued)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Restricted fixed asset funds</b>						
Fixed assets	18,778,072	-	(1,337,933)	2,406,052	-	19,846,191
CIF	1,495,822	-	-	(1,495,822)	-	-
DFC	-	92,015	-	(92,015)	-	-
Other capital grant	-	818,215	-	(818,215)	-	-
	<u>20,273,894</u>	<u>910,230</u>	<u>(1,337,933)</u>	<u>-</u>	<u>-</u>	<u>19,846,191</u>
<b>Total Restricted funds</b>	<u>19,565,614</u>	<u>7,884,021</u>	<u>(8,000,761)</u>	<u>-</u>	<u>(549,000)</u>	<u>18,899,874</u>
<b>Total funds</b>	<u>21,371,667</u>	<u>8,486,748</u>	<u>(8,349,749)</u>	<u>-</u>	<u>(549,000)</u>	<u>20,959,666</u>

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

**Designated New Build**

This represents funds that have been designated by the Trust for the completion of the new building expansion project.

**Sinking fund for wasting assets**

The Sinking fund for wasted assets was established in order to ring-fence funds for future anticipated refurbishment costs of the all weather pitch and the swimming pool.

**General funds**

The general fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Trust which fall outside the scope of its core activities.

**General Annual Grant (GAG)**

This represents funding from the ESFA to be used for the normal running costs of the Trust, including education and support costs.

**Other DfE and ESFA**

This represents non-GAG funding received from the DfE/ESFA which is restricted in nature.

**Pupil Premium**

This represents funding to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**17. Statement of funds (continued)**

**Norman Bradley Trust**

Funds from the Norman Bradley Trust are used to assist ex-Rivers Multi Academy Trust students studying mathematics at university.

**Restricted trip donations**

This represents contributions made by parents towards the running costs of trips for the pupils of the School and the associated costs.

**Teacher training**

The Schools Direct (salaried) fund represents funding received from the Department for Education and other teaching funding to provide Initial Teacher Training (ITT). (Note 25)

**Sponsor capacity funding**

This represents funding received from ESFA that specifically supports eligible schools that need additional funding to take on schools.

**Other Government grants**

This represents funding received from other Government bodies, local and national, which are restricted in nature.

**Pension reserve**

This reserve represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

**Restricted fixed asset fund**

Restricted fixed assets fund represents the value of fixed assets held in line with the charitable objectives of the Trust. The transfers between funds represents additions purchased through GAG funding.

**Devolved formula capital (DFC)**

This represents funding received from ESFA specifically for the maintenance and improvement of the Trust's buildings and facilities.

These funds are to be used for maintenance of the Schools' premises.

**Condition Improvement Funding (CIF)**

This represents funding received from the ESFA for specific capital projects.

**Other capital grant**

This represents funding received for specific capital projects.

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**17. Statement of funds (continued)**

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Sinking fund for wasting assets	102,246	-	-	20,000	-	122,246
<b>General funds</b>						
General Funds	1,674,868	546,496	(313,292)	(224,265)	-	1,683,807
<b>Total Unrestricted funds</b>	<b>1,777,114</b>	<b>546,496</b>	<b>(313,292)</b>	<b>(204,265)</b>	<b>-</b>	<b>1,806,053</b>
<b>Restricted general funds</b>						
GAG	236,519	5,897,880	(6,014,023)	(22,296)	-	98,080
Other DfE/ESFA	-	11,333	(11,333)	-	-	-
Pupil Premium	-	109,429	(109,429)	-	-	-
Norman Bradley Trust	99,007	-	(2,351)	-	-	96,656
School trips	-	337,458	(337,458)	-	-	-
Teacher training	-	174,625	(196,921)	22,296	-	-
Sponsor capacity funding	57,984	-	-	-	-	57,984
Other government funding	-	130,125	(130,125)	-	-	-
Other restricted	-	45,340	(45,340)	-	-	-
Pension reserve	(1,125,000)	-	(164,000)	-	328,000	(961,000)
	<b>(731,490)</b>	<b>6,706,190</b>	<b>(7,010,980)</b>	<b>-</b>	<b>328,000</b>	<b>(708,280)</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**17. Statement of funds (continued)**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Restricted fixed asset funds</b>						
Fxed assets	19,268,422	-	(694,615)	204,265	-	18,778,072
DFC	-	25,999	(25,999)	-	-	-
CIF	-	1,495,822	-	-	-	1,495,822
	<u>19,268,422</u>	<u>1,521,821</u>	<u>(720,614)</u>	<u>204,265</u>	<u>-</u>	<u>20,273,894</u>
<b>Total Restricted funds</b>	<u>18,536,932</u>	<u>8,228,011</u>	<u>(7,731,594)</u>	<u>204,265</u>	<u>328,000</u>	<u>19,565,614</u>
<b>Total funds</b>	<u><u>20,314,046</u></u>	<u><u>8,774,507</u></u>	<u><u>(8,044,886)</u></u>	<u><u>-</u></u>	<u><u>328,000</u></u>	<u><u>21,371,667</u></u>

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	19,846,166	19,846,166
Fixed asset investments	-	-	25	25
Current assets	2,059,792	1,715,053	-	3,774,845
Creditors due within one year	-	(1,004,370)	-	(1,004,370)
Provisions for liabilities and charges	-	(1,657,000)	-	(1,657,000)
<b>Total</b>	<u><u>2,059,792</u></u>	<u><u>(946,317)</u></u>	<u><u>19,846,191</u></u>	<u><u>20,959,666</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**18. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	18,778,071	18,778,071
Fixed asset investments	-	25	-	25
Current assets	1,811,099	979,361	1,495,823	4,286,283
Creditors due within one year	(5,046)	(726,666)	-	(731,712)
Provisions for liabilities and charges	-	(961,000)	-	(961,000)
<b>Total</b>	<u>1,806,053</u>	<u>(708,280)</u>	<u>20,273,894</u>	<u>21,371,667</u>

**19. Reconciliation of net income to net cash flow from operating activities**

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	136,999	729,621
<b>Adjustments for:</b>		
Depreciation	688,543	694,616
Interest receivable	(9,665)	(7,704)
Defined benefit pension scheme adjustment	147,000	164,000
Decrease/(increase) in debtors	655,999	(1,287,441)
Increase/(decrease) in creditors	272,658	(7,360)
<b>Net cash provided by operating activities</b>	<u>1,891,534</u>	<u>285,732</u>

**20. Cash flows from investing activities**

	2019 £	2018 £
Dividends, interest and rents from investments	9,665	7,704
Purchase of tangible fixed assets	(1,756,638)	(204,265)
<b>Net cash used in investing activities</b>	<u>(1,746,973)</u>	<u>(196,561)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**21. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	2,952,993	2,808,432
<b>Total cash and cash equivalents</b>	<b>2,952,993</b>	<b>2,808,432</b>

**22. Capital commitments**

At 31 August 2019 the Academy had capital commitments as follows:

	2019 £	2018 £
<b>Contracted for but not provided in these financial statements</b>		
Contracted for but not provided in these financial statements	965,996	-
	<b>965,996</b>	<b>-</b>

This capital commitment in 2019 is in relation to a new arts block currently under construction.

**23. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £93,634 were payable to the schemes at 31 August 2019 (2018 - £87,731) and are included within creditors.

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities.

In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**23. Pension commitments (continued)**

**The Teachers' Pension Budgeting and Valuation Account**

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

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

**Valuation of the Teachers' Pension Scheme**

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

The employer's pension costs paid to TPS in the year amounted to £491,317 (2018 - £486,973).

A copy of the latest valuation report can be found by following this link to the [Teachers' Pension Scheme website](#)

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

**Scheme Changes**

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**23. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £303,000 (2018 - £269,000), of which employer's contributions totalled £241,000 (2018 - £214,000) and employees' contributions totalled £62,000 (2018 - £55,000). The agreed contribution rates for future years are 27.8 per cent for employers and 5.5 to 12.5 per cent for employees.

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

**Principal actuarial assumptions**

	2019 %	2018 %
Rate of increase in salaries	2.40	2.50
Rate of increase for pensions in payment/inflation	2.30	2.40
Discount rate for scheme liabilities	1.80	2.80
Inflation assumption (CPI)	2.30	2.30

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.5	22.5
Females	23.7	24.9
<i>Retiring in 20 years</i>		
Males	22.3	24.1
Females	25.0	26.7

As at the 31 August 2019 the Trust had a pension liability of £1,657,000 (2018 - £961,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way:

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**23. Pension commitments (continued)**

**Sensitivity analysis**

	2019	2018
Discount rate +0.1%	(110,000)	(83,182)
Discount rate -0.1%	110,000	83,182
Mortality assumption - 1 year increase	40,000	30,248
Mortality assumption - 1 year decrease	(40,000)	(30,248)
CPI rate +0.1%	90,000	45,372
CPI rate -0.1%	(90,000)	(45,372)
	(110,000)	(83,182)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,629,000	1,495,000
Bonds	1,297,000	987,000
Property	266,000	226,000
Cash	133,000	113,000
	3,325,000	2,821,000

The actual return on scheme assets was £252,000 (2018 - £139,000).

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

	2019 £	2018 £
Current service cost	(355,000)	(348,000)
Past service cost	(4,000)	-
Interest income	82,000	64,000
Interest cost	(111,000)	(94,000)
	(388,000)	(378,000)

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**23. Pension commitments (continued)**

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

	2019 £	2018 £
<b>At 1 September</b>	3,781,000	3,590,000
Current service cost	355,000	348,000
Interest cost	111,000	94,000
Employee contributions	62,000	55,000
Actuarial losses/(gains)	719,000	(253,000)
Benefits paid	(50,000)	(53,000)
Past service costs	4,000	-
<b>At 31 August</b>	<u>4,982,000</u>	<u>3,781,000</u>

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

	2019 £	2018 £
<b>At 1 September</b>	2,820,000	2,465,000
Interest income	82,000	64,000
Actuarial gains	170,000	75,000
Employer contributions	241,000	214,000
Employee contributions	62,000	55,000
Benefits paid	(50,000)	(53,000)
<b>At 31 August</b>	<u>3,325,000</u>	<u>2,820,000</u>

**24. Operating lease commitments**

At 31 August 2019 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	8,772	10,450
Later than 1 year and not later than 5 years	26,316	18,980
	<u>35,088</u>	<u>29,430</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**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. Related party transactions**

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has 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.

The spouse of Trustee Gary Austin is employed by the Trust on a contract approved by the Trustees whose remuneration is in line with the standard pay scales for the role undertaken and their employment contract is subject to normal terms and conditions.

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.

**27. Agency arrangements**

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the trust received £14,297 (2018 - £15,227) and disbursed £16,694 (2018 - £7,102) from the fund. An amount of £38,581 (2018 - £40,978) is in other creditors.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**28. Teaching school trading account**

	2019	2019	2018	2018
	£	£	£	£
<b>Income</b>				
<b>Direct income</b>				
Other income	283,907		174,625	
<b>Total income</b>		283,907		174,625
<b>Expenditure</b>				
<b>Direct expenditure</b>				
Direct staff costs	39,044		3,849	
<b>Other expenditure</b>				
Other staff costs	31,068		12,805	
Other support costs	58,511		179,617	
Share of governance costs	-		650	
<b>Total other expenditure</b>	89,579		193,072	
<b>Total expenditure</b>		128,623		196,921
<b>Transfers between funds excluding depreciation</b>		-		22,296
<b>Surplus from all sources</b>		155,284		-
<b>Teaching school balances at 31 August 2019</b>		155,284		-