

Company Registration No. 10070417 (England and Wales)

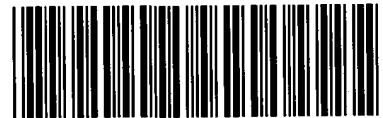
FIVE RIVERS MULTI ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE PERIOD 17 MARCH 2016 TO 31 AUGUST 2016

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FIVE RIVERS MULTI ACADEMY TRUST

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FIVE RIVERS MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

D Chilvers (Appointed 17 March 2016)
M Eddowes (Appointed 17 March 2016)
S Sutherland (Appointed 17 March 2016)
M Rowland (Chair) (Appointed 20 July 2016)
R Webb (Accounting Officer) (Appointed 20 July 2016)
E Farmer (Appointed 20 July 2016)
A Hughes (Appointed 20 July 2016)
R Joshi (Appointed 20 July 2016)
J Hardwick (Appointed 9 November 2016)
Dr J Richardson (Appointed 16 January 2017)

Members

S Hunter (appointed 17 March 2016)
D Pearce (appointed 17 March 2016)
Dr P Owen (appointed 17 March 2016)

Senior management team

- Chief Executive Officer
- Director of Business Strategy
- Executive Principal
- Executive Head of School
- Trust Facilities Manager
- Personal Assistant to the Trust
- Trust Finance Manager

R Webb
E Farmer
H Best
D Sanderson
J Clarke
A Brigden
M Binge

Company registration number

10070417 (England and Wales)

Registered office

Tinsley Meadows Primary Academy
Norborough Road
Tinsley
Sheffield
S9 1SG

Academies operated

Tinsley Meadows Primary Academy
Abbeyfield Primary Academy

Location

Sheffield
Sheffield

Chief Executive Officer

D Sanderson
H Best

Independent auditor

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Bankers

Royal Bank of Scotland
5 Church Street
Sheffield
S1 1HF

FIVE RIVERS MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG

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TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2016

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 17 March 2016 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 2-11 years serving a catchment area in Sheffield. Its academies have a combined pupil capacity of 1029 primary places, 32 places for 2 year olds and 156 places for nursery. In the school census in May 2016 there were 1121 on roll (including 2 year olds and nursery children).

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Five Rivers Multi Academy Trust are also the directors of the charitable company for the purposes of company law

The charitable company is known as Five Rivers Multi Academy Trust or Five Rivers MAT.

Details of the trustees who served during the period are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Charitable Company's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default of breach of trust or breach of duty of which they may be guilty in relation to the Trust provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or a breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Charitable Company.

Method of recruitment and appointment or election of trustees

The method of recruitment and appointment of Trustees is laid down in the articles of association and funding agreement. Their number shall not be less than three. The Members (Sue Hunter, Darren Pearce and Dr Paul Owen) may appoint, by ordinary resolution, up to 10 Trustees. The total number of Trustees (including the Chief Executive Officer) who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

The Academy Trust may also have any Co-opted Trustee appointed.

The term of office for any Trustee is four years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at a General Meeting.

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Members have resolved that any future Trustees will be recruited and appointed as part of formal processes including the development of a job description and the undertaking of an interview. Trustees will be selected based on to the extent to which their skills and experience add value to the board and academies as a whole.

Policies and procedures adopted for the induction and training of trustees

Trustees have a vital role in our organisation. We aim to attract and retain people who have commitment, experience and the necessary skills to make a difference in the communities that we serve.

Training for new and existing Trustees includes:

- Induction
- Attendance at local, regional and national training events
- Time Out sessions in which trustees have an opportunity to explore the details of, and learn more about specific topics (e.g. the governance handbook, the Academies Financial Handbook)
- Curriculum Days in which trustees are invited to observe practices within our academies and receive information about specific teaching and learning approaches (e.g. reciprocal reading, approaches to teaching children with English as an Additional Language). Trustees are also required to produce an account of their learning to share with other Trustees and Governors
- Membership of the National Governance Association and supplementary emails and training opportunities

Organisational structure

At the point of approval of these financial statements, the Five Rivers Multi Academy Trust included the following:

Academy	Date of Conversion	Type
Tinsley Meadows Primary Academy	1 May 2016	Primary (Lead)
Abbeyfield Primary Academy	1 August 2016	Primary (Sponsored)

Each academy within the Multi Academy Trust has a Local Governing Body which is accountable to the central Board of Trustees. The Trust has a scheme of delegation setting out the parameters for all decision making and channels of communication to ensure transparency and strategic oversight. Our members have ultimate control over the academy trust and are active in their responsibilities to ensure the trust achieves its charitable objectives.

Whilst the Trust Board retains important decisions such as setting the direction of the academy trust, holding the CEO to account and ensuring financial probity, some trust decisions are delegated to established committees as follows:

- *Finance, Audit and Staffing Committee (with Remuneration Sub Committee)*
(Assesses and ensures financial probity of the Trust and strategically plans and monitors the financial growth of the MAT. The Remuneration Sub Committee reviews levels of remuneration with independent expert advice; oversees the appraisals of the CEO and makes recommendations to the Trust Board regarding any performance pay awards. It also approves any performance pay awards for the School's SLT and Executive Leadership Team on the basis of recommendations and approves new appointments to the Executive Leadership Team)
- *Standards and Regulations Committee*
(Monitors the performance of the MAT and the performance of Academies within the MAT and holds academies to account for effective governance and high performance)
- *Business Development Committee*
(Makes recommendations to the Trust Board in relation to the onward development and future growth of the MAT)

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The appointment of Trustees, auditors and approval of financial statements and budgets remain the responsibility of the Trust Board.

Our Local Governing Bodies, through earned autonomy, support the strategic direction of the Trust.

This is further supported and facilitated by the Executive Leadership Team who work closely with governing bodies and senior leaders to maximise success.

The Chief Executive Officer is the Accounting Officer of the Trust and, as such has ultimate responsibility for the operations and controls in place.

Arrangements for setting pay and remuneration of key management personnel

The Trust has a Remuneration Committee in place which is tasked with setting and reviewing pay and remuneration of key management personnel.

The CEO and Director of Business Strategy were appointed on an interim pay scale which aligns with the Sheffield Local Authority Director's pay scales.

The Remuneration Committee will meet in March 2017 to review the pay and remuneration with a view to setting the substantive pay and remuneration for the CEO and Director going forward. All pay and remuneration of key management personnel will be reviewed annually in accordance with the trust's performance management policy.

The Remuneration Committee uses a variety of comparatives from which pay and remuneration is set for key management personnel. This includes the EFA's new benchmarking tool and pay comparisons with local and neighbouring trusts.

Related parties and other connected charities and organisations

Tinsley Meadows Primary Academy is the sponsor academy for Abbeyfield Primary Academy. The CEO of the Trust supports the Head of School at Tinsley and the Principal of Abbeyfield and there is academy to academy support on an ongoing basis. Key staff from the sponsor academy also work with teachers and support staff (both teaching support and business support) to raise achievement and teaching standards.

Links with two local Teaching Schools ensure that we can access training programmes for Newly Qualified Teachers, Recently Qualified Teachers, Middle Leaders, Senior Leaders and aspiring Heads.

Tinsley Meadows is currently in the process of applying to become a Teaching School (Five Rivers Teaching School Alliance). We already act like a teaching school and, if selected, we believe that we can implement our approaches on an even wider scale and to even greater effect.

Tinsley Meadows Primary Academy is a founding member of SSEL Company – a company formed from the Sheffield South East Learning Community Collaboration. Tinsley is also a founding member of Learn Sheffield which is a not for profit schools company which is focussed on school improvement and owned by Sheffield's schools and colleges (who own 80%) in partnership with Sheffield City Council (who own 20%).

Abbeyfield Primary Academy is part of a wider network called Locality B. This is a network of 17 schools in Sheffield whereby leaders share CPD opportunities and develop joint initiatives to benefit the pupils they serve.

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TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2016

Objectives and activities

Objects and aims

Our core aims and values are simple and are embedded in our motto: Endeavour. Empower. Excel.

A 'whole child' focus (Empower)

Where

- every child can feel safe and secure, able to overcome emotional barriers and express their worries and concerns
- parents, families and carers are central to our schools' developments

Through

- commitment to equality, dignity, and respect we develop confident, positive citizens of the wider world through adherence to the United Nations Convention on the Rights of the Child, and to British value
- pride in our local communities and the celebration of our differences in faith, culture, religion and identity, we develop an integrated society

Success for all (Excel)

Where

- all pupils are challenged to reach their full potential regardless of their background, culture and life experiences
- each and every child receives individual, personalised support to become an autonomous, enthusiastic learner ready to achieve our unapologetically high expectations in relation to behaviour, attendance and attitudes to learning
- our mastery approach to learning enables our children to grow in confidence and independence.

A Centre of Distinction in Teaching and Leadership (Endeavour)

In which

- we have high expectations of ourselves and others and hold every individual to account for their contribution to children's outcomes
 - our Trustees provide the right level of challenge and support and foster a culture of accountability across the whole Trust ensuring, that our schools are governed effectively to secure the very best outcomes and continued improvement
 - we are committed to lifelong learning and professional development, to succession and sustainability and the development of leaders of the future
 - we recognise, nurture and preserve talent through bespoke support for new and experienced teachers thus ensuring all teaching teams are good and outstanding in their practice
 - evidence-based research, collaborative learning and system leadership underpin our strategies for success
 - children's aspirations and outcomes are raised because of the opportunities that are generated through our partnerships with businesses, universities and independent schools
-

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- our strategies for teaching new arrivals and children who are new to English will become world-class as we develop our experience and expertise.

Objectives, strategies and activities

Trustees have agreed a robust strategic business plan which outlines the Trust's key performance indicators for future years as follows:

Finance

- 100% of recommendations made by auditors to be completed within the timescales specified by the trust (based on balance of risk)
- 100% of academy budgets are balanced
- 0% severance payments made to any member of staff within the trust
- 100% compliance with the Academies Financial Handbook, Funding Agreement, Articles of Association and financial aspects of the Governance Handbook
- Trust wide reserve funds to reach 3% of total income by 2018/2019.

Performance

Leadership & Wider Workforce:

- All teaching in each academy to be of a high standard (according to external validation) A phased approach for new schools is in place to ensure at least 80% of teaching in a new academy is at a high standard within five terms of the school joining the trust.
- Where teaching is not high quality (by our own robust success criteria), staff work to a support plan with the expectation that they will be working at the required standard within 6 months
- 100% of all staff requiring improvement (where teaching is not high quality according to our own robust success criteria) have a support plan initiated within 12 months of concerns being raised¹
- At least 10% of the trust workforce are qualified system specialist leaders by 2019
- Staff attendance within each academy is at or above 96% within 6 months of joining the Trust (excluding any inherited long term sickness which is being managed under the sickness absence procedure)
- At least 5% of the trust workforce achieve internal promotion each year²
- 100% of staff have a personalised CPD plan which is reflective and in which they have a voice
- School leaders' evaluation of the academy should broadly match the feedback from external review.
- All academies meet the requirements set out by the EYFS and national curriculum and work towards a gold quality standard for each subject (the MAT will engage with subject associations and use their audits to ensure that we are meeting the highest standards)
- 100% of lessons are high quality against pre-agreed success criteria

¹ Exceptions exist for absent employees

² Subject to affordability

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Children:

- The number of children in each academy achieving standard in English Reading, Writing and Maths combined meets or surpasses the national floor standard
- All schools are above the national average progress score in reading, writing and maths
- FS – meet or exceed national expectations for GLD and KS1 outcomes (consideration will be given to cohorts which are significantly affected by new arrivals)
- Vulnerable learners³ who have been in the school for more than one key stage achieve at least the same level of performance as other children
- Schools that historically surpass the floor standard must look to improve on past years' performance, meeting or surpassing a bespoke target as set out by the MAT
- No school to be defined as 'coasting'⁴ within a year of joining the MAT
- 0% external exclusions across the trust
- 0% homophobic, racial or discriminatory 'bullying'⁵ incidents across the trust
- Trust wide pupil attendance is at or above 96% at year end
- 100% of children have an opportunity to express their views in a survey of engagement with school life and 100% indicate they feel safe in school

Business Development and MAT growth

- There are two academies within the trust by 2017/18, five academies in the trust by 2018/19, and ten academies (i.e. at least 3000 pupils) in the trust by 2019/20
- The Trust has at least 1 additional high quality (defined by our own specification) school within the MAT by 2018, not counting Tinsley Meadows/Abbeyfield.
- Balance of contexts (schools) -> increase capacity by attracting high quality schools with capacity to deliver executive support to the MAT
- The Executive Leadership Team is enhanced by one leader from a good or outstanding school joining the Trust by 2018
- The MAT will provide consultancy to 10 schools / collaborations / MATs in 12 months
- Trust leads training and research opportunities for schools in target areas

We believe in our people, be they children or adults. We offer them high quality provision and experiences to achieve their potential and succeed in life. This approach applies to everyone. We are an inclusive Trust with an inclusive approach to learning. No child is excluded from our success; we pride ourselves on the success of the children who find it most difficult to succeed.

³ A vulnerable learner includes those with English as an additional language, International New Arrivals, those in receipt of pupil premium, children under social care intervention, looked after children and children with SEND

⁴ The definition of coasting as set out by DfE is: "over time, pupils do not fulfill their potential"

⁵ The broad definition of bullying as set out by DfE is: "behaviour that is: repeated, intended to hurt someone either physically or emotionally and often aimed at certain groups, eg because of race, religion, gender or sexual orientation"

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We believe that all children are entitled to an excellent education and we have a relentless focus on each child's progress to ensure this happens. We have high expectations of all of our Academies; for them to be the best that they can be. Our commitment to inclusion is evident for every child, in every lesson, every day.

The Five Rivers Multi Academy Trust is fully convinced of, and committed to the value of high quality provision in the Early Years. As a Trust we have invested heavily across our Academies in both Early Years resources and training for staff.

We believe strongly that parents play a critical role as partners in their children's learning and that this partnership is most effective if there is a strong relationship of trust between parents and staff.

We believe in a healthy body and a healthy mind hence, sporting opportunities are of paramount importance to us. Our children have opportunities to participate in a range of competitive sports through strong partnerships and participation programmes. High quality Physical Education, provided by sports specialists and coaches, complements quality first provision provided by teachers. Hence, children have the opportunity to excel in a wide range of physical activities, flourish academically and develop inner resilience and social confidence.

As technology becomes more and more embedded in our culture, we believe we must provide our learners with relevant and contemporary experiences that allow them to successfully engage with technology and prepare them for life after school.

We have the highest aspirations for all pupils and we make this explicit so that our goals are understood by all children, parents and staff:

- All pupils are challenged to reach their full potential regardless of their background, culture and life experiences.
- Each and every child receives individual, personalised support to become an autonomous, enthusiastic learner ready to achieve our unapologetically high expectations in relation to behaviour, attendance and attitudes to learning.
- Our children leave primary education with confidence, independence and belief in themselves.

Our high expectation that every child will do well is non- negotiable.

Public benefit

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

Strategic report

Achievements and performance

Five Rivers Multi Academy Trust was incorporated on 17 March 2016; with the first academy (Tinsley Meadows) converting 1 May 2016, 8 months in to the 2015/16 academic year. Abbeyfield Primary Academy was sponsored by the Trust on 1 August 2016; 11 months in to the 2015/16 academic year. However, the performance and achievements leading up to and at the end of the academic year are outlined here.

Abbeyfield Primary Academy (formerly Firs Hill Primary School)

In October 2015 Firs Hill Primary School received a special measures judgement from Ofsted which led to the local authority brokering the formal partnership with the Executive Leadership Team from Five Rivers MAT. One of the most critical judgments was for behaviour which was identified by Ofsted as an area causing serious concern.

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The Executive Leadership Team from the Trust immersed into the whole school community to change the fundamental culture and reputation of the school, following which behaviour rapidly improved, particularly learning behaviours in lessons which enabled children to make accelerated progress.

The table below illustrates the ambitious predictions for Abbeyfield Primary in 2017 (following 16 months of support)

Number of children eligible: 51

Subject	Prediction
Maths	Below standard: 13.7% At Standard: 50.98% Above Standard: 35.3% 85% at or above
Reading	Below standard: 9.8% At Standard: 55% Above Standard: 36% 91% at or above
Writing	Below standard: 11.8% At Standard: 56.9% Above Standard: 31.4% 87% at or above
SPAG	Below standard: 7.9% At Standard: 47% Above Standard: 45% 92% at or above
Combined	87%

KS2 SAT's data 2015-16 After 5 months' intensive support from the Executive Leadership Team

Cohort of 58 children with one discount

Overall Results

(green = above national)

	Firs Hill Average Standardised score	National Average Standardised score	Firs Hill Number at standard or above – 100+	National Number at standard or above
Reading	99	103	47.4%	66%
SPAG	104	104	77.2%	72%
MATHS	100	103	49.1%	70%
Writing	N/A	N/A	52.6%	74%
Combined – achieved standard in reading, writing and maths	Firs Hill– 31.6% National 53% Sheffield 51% Floor standard for this year = 65%			

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In the short time the Trust was involved, there was a focus on rapidly improving the teaching of writing, reading, SPaG and mathematics. Predictions before the trust began working with the school were as low as: 9% in maths, 11% in writing, SPaG 26% and reading 40.35%. The period between January and May was affected by high levels of staff absence which was directly linked to the behaviour of children which had not been addressed previously. The Executive Leadership Team provided additional resources to accelerate progress, leading to the final results. In writing there was an increase of 41.6%, in SPaG 51%, in maths 40% and reading 7%. The result in reading was affected by a rogue test which mirrors national performance in reading.

The prediction chart shown above demonstrates ambitious targets which would indicate the following improvements from the results in 2016: an increase in maths of 35.9%, reading 43.6%, SPaG 15%, writing 34.4% and combined increase of 55.4%

Excerpt from the HMI Special Measures Monitoring Inspection of Firs Hill Primary School (now Abbeyfield Primary Academy) 26-27 April 2016:

The executive leadership team has implemented many changes in the 13 weeks since it took over. Leaders have a clear understanding of strengths and weaknesses and are injecting a sense of urgency across the school. Their drive and determination is ensuring that pupils are safe and that teaching and learning is starting to improve. Rigorous monitoring of teaching and learning is providing accurate evidence of where strengths are emerging and where support is needed.

Tinsley Meadows Primary School

Key Stage 2 Results:

In 2015, Tinsley Meadows Primary School KS2 results were:

Subject	Level 4	Level 5	2 Levels progress
Reading	89%	47%	96%
Mathematics	85%	39%	100%
SPaG	87%	65%	
Writing	85%	47%	100%
Combined	85%	34%	

In addition, three children achieved level 6 in maths, four in SPaG and 3 in writing.

In 2016, Tinsley Meadows Primary School KS2 results were:

(green = above national. National in brackets)

	Tinsley Average Standardised score	Tinsley Number at standard or above – 100+	Tinsley Number above standard National Number at standard or above
Reading	103.7 (102.6)	76% (66%)	18% (19%)
SPAG	104.5 (104)	81.3% (72%)	40% (22%)
MATHS	106.2 (103)	84.4% (70%)	31% (17%)
Writing	N/A	83% (74%)	22% (15%)
Combined – achieved standard in reading, writing and maths	Tinsley – 71% National 53% Sheffield 51% (At standard in all 3) Tinsley – 9% National 5% (above standard in all 3) Floor standard for this year = 65%		

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In 2016, Tinsley Meadows Primary School KS2 progress measures were as follows:

- For all pupils the progress in reading was 2.89 compared to 0 nationally which gave us a ranking of 15 (top 20%)
- For all pupils the progress in maths was 4.99 compared to 0 nationally which gave us a ranking of 3 (top 10%)
- For all pupils the progress in writing was 3.89 compared to 0 nationally which gave us a ranking of 8 (top 10%)

The table overleaf summarises Tinsley's KS2 overall 2016 performance and by low, middle and high attainment 2016 - for all and disadvantaged (Dis) pupils

Reading

	All		Dis			
Cohort	53		19			
Score	2.89		3.90			
CI +/-	1.69		2.81			
Rank	15		9			

	Low		Middle		High	
	All	Dis	All	Dis	All	Dis
Cohort	7	6	33	10	13	3
Score	5.92	4.87	4.06	5.23	-1.69	-2.48
National	0	0.36	0	0.35	0	0.30
Difference	5.92	4.87	4.06	4.88	-1.69	-2.77
CI +/-	0	0.36	2.14	3.88	3.40	7.08
Rank	15		10	6		

Writing

	All		Dis			
Cohort	53		19			
Score	3.89		4.71			
CI +/-	1.70		2.84			
Rank	8		5			

	Low		Middle		High	
	All	Dis	All	Dis	All	Dis
Cohort	7	6	33	10	13	3
Score	6.75	5.56	3.63	5.13	3.02	1.59
National	0	0.34	0	0.10	0	0.11
Difference	6.75	5.22	3.63	5.03	3.02	1.49
CI +/-	4.68	5.06	2.16	3.92	3.43	7.15
Rank	11	15	9	4		

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Mathematics

	All		Dis			
Cohort	53		19			
Score	4.99		6.23			
CI +/-	1.44		2.40			
Rank	3		2			

	Low		Middle		High	
	All	Dis	All	Dis	All	Dis
Cohort	7	6	33	10	13	3
Score	6.71	6.35	4.79	6.02	4.57	6.67
National	0	0.45	0	0.26	0	0.17
Difference	6.71	5.89	4.79	5.76	4.57	6.50
CI +/-	3.95	4.27	1.82	3.30	2.90	6.03
Rank	10	11	5	2	6	2

This data summarises that our learners perform well compared to national data. Apart from the particularly challenging reading paper, which appears to be an anomaly, our high achieving children perform well and our high performing disadvantaged children also perform well compared to their national peers.

KS2 Reading Test 2016

	Reading Progress		Reading attainment			
	Cohort	Score	Scaled score 100+		Average score	
			Sch %	Nat %	Sch	Nat
All pupils	53	2.89	74	66	103.7	102.6
Disadvantaged	19	3.90	67	71	101.1	103.8
Free School Meals	19	3.90	67	71	101.1	103.8
Children Looked After	1	9.74	100	66	107.0	102.6
SEN Support	18	6.03	75	66	103.0	102.6
EAL	46	2.49	70	66	102.9	102.6
Prior Attainment						
Overall low	7	5.92	71	17	96.9	93.0
Reading low	8	7.11	75	18	98.9	93.2
Writing low	9	5.23	67	23	97.4	94.4
Mathematics low	6	5.57	67	15	96.0	92.8

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KS2 writing teacher assessment 2016

	Writing Progress		Writing attainment	
	Cohort	Score	Expected standard +	
			School %	National %
All pupils	53	3.89	80	74
Disadvantaged	19	4.71	63	79
Free School Meals	19	4.71	63	78
Children Looked After	1	6.31	100	74
SEN Support	18	4.15	70	74
EAL	46	3.79	78	74
Prior Attainment				
Overall low	7	6.75	43	20
Reading low	8	8.05	50	21
Writing low	9	6.80	44	25
Mathematics low	6	8.14	50	19

KS2 mathematics test 2016

	Mathematics Progress		Mathematics attainment			
	Cohort	Score	Scaled score 100+		Average score	
			Sch %	Nat %	Sch	Nat
All pupils	53	4.99	82	70	106.2	103.0
Disadvantaged	19	6.23	63	75	104.1	104.1
Free School Meals	19	6.23	63	75	104.1	104.0
Children Looked After	1	2.67	100	70	101.0	103.1
SEN Support	18	4.69	75	70	102.7	103.0
EAL	46	4.90	80	70	105.7	103.0
Prior Attainment						
Overall low	7	6.71	43	19	99.1	94.4
Reading low	8	7.27	50	25	100.6	95.6
Writing low	9	7.60	56	29	101.4	96.2
Mathematics low	6	7.59	50	14	99.5	93.4

These tables provide evidence that the strategies for an inclusive and ambitious education for our most vulnerable learners has a significant impact on their achievement.

Tinsley Meadows Primary will enter the Ofsted 'window' for inspection in May 2019 and is currently self-evaluating as Outstanding.

Tinsley Meadows was the winner of a Regional Pupil Premium Award 2016 for its efforts in closing the attainment gap between disadvantaged and non-disadvantaged children. Tinsley was also a regional runner up in the 2015 Pupil Premium Awards.

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2016

Key performance indicators

A summary of analysis of financial key performance indicators is outlined below:

	Target	Actual in this period
100% of academy budgets are balanced	100%	100%
0% severance payments made to staff within the trust	0%	0%

A summary of national performance and achievement key performance indicators is given in the previous section. Outlined below is a summary of analysis of performance key indicators linked to other performance measures:

	Target	Actual in this period
0% external exclusions across the trust	0%	0%
0% recurring homophobic, racial or discriminatory bullying incidents across the trust	0%	0%
Trust wide pupil attendance is at or above 96% at year end	>96%	Tinsley 95.4% Abbeyfield 94.6%
100% of children surveyed indicate they feel safe in school	100%	87.6% The 100% target comes into effect in the 2016/17 accounting period.
100% of children have an opportunity to express their views in a survey of engagement with school life	100%	100%
All academies meet the requirements set out by the national curriculum and work towards a gold quality standard for each subject (the MAT will engage with subject associations and use their audits to ensure that were are meeting the highest standards)	100%	100%

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2016

A summary of information relating to employee matters is outlined below:

	Target	Actual in this period
100% of staff requiring improvement (where teaching is not high quality according to our success criteria) are working to a support plan within 12 months of concerns being raised	100%	100%
At least 10% of the trust workforce are qualified system specialist leaders by 2019	>10%	2% in the period. The trust is on track to achieve 10% by 2019
Staff attendance within each academy is at or above 96% within 6 months of joining the Trust (excluding any inherited long term sickness which is being managed under the sickness absence procedure)	>96%	94.6% Abbeyfield 95.4% Tinsley These figures have set the benchmark for this KPI which is relative to the 2016/17 accounting period

A summary analysis of key performance indicators related to business development and MAT growth (and relative to this accounting period) is outlined below:

	Target	Actual in this period
There are two academies within the trust by 2017/18, five academies in the trust by 2018/19, and ten academies (i.e. at least 3000 pupils) in the trust by 2019/20	2 by 2017/18	2 academies in 2016 (ahead of target)

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees 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 Five Rivers Multi Academy Trust income is derived, in the main, from the Department for Education (DfE) via the Education Funding Agency (EFA) in the form of revenue and capital grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ending 31st August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned.

Incoming resources during the period ending 31 August 2016 totalled £2,090,149 and were sufficient to cover outgoing resources and provided a surplus of £929,081 before transfers and other recognised gains and losses. This includes all capital funding and conversion income.

At 31 August 2016, the net book value of fixed assets was £2,926,917. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2016

Reserves policy

The trust has established a reserves policy to ensure the stability of the Trust's organisational operations and its charitable activities by providing a financial comfort fund against an unpredictable future. This restricts the impact of any risk to continuing operations.

Medium term financial planning, strategic growth planning and robust budget monitoring procedures will ensure the level of reserves meets 3% of total trust income by 2018. The reserves policy will be reviewed annually and the level agreed may fluctuate depending on circumstances.

In the short to medium term, the trust hopes to increase the level of reserves through savings created by a detailed review of infrastructure on contracts, cut backs on the use of agency supply and through income generation to provide an enhanced level of stability.

The Trust's level of free reserves (total funds less the amount held in fixed assets and restricted funds) held at 31 August 2016 was £117,811. The level of free reserves held is in line with the reserves policy.

The Local Government Pension Scheme currently being in a deficit to the value of £2,970,000 does not constitute an immediate liability and does not mean the equivalent amount is already committed or no longer available.

Investment policy and powers

The aim of the trust's investment policy is to ensure that funds which the Five Rivers MAT does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income within acceptable levels of risk.

The main purpose is to ensure adequate cash balances are maintained in the current accounts to cover day to day working requirements and to optimise returns on invested funds, with a minimum level of risk.

During the period no investments have been made.

If funds become available for investment, proposals will be presented to the Board of Trustees for their approval.

As per the Academies Financial Handbook guidance, when considering making an investment, the board of trustees will refer to the trust's investment policy to:

- Manage, control and track their financial exposure, and
- Ensure value for money

Principal risks and uncertainties

The Trust Board has assessed the major risks and uncertainties to which Five Rivers MAT is exposed. The main risks are outlined below:

- Financial risks: uncertainty regarding future government funding streams
- Health & Safety risks: relating to injury of children or staff as a result of poor quality premises or non-compliance with health and safety regulations
- Workforce risks: in relation to an inability to recruit to teaching positions and high levels of sickness and turnover

The directors have implemented a number of initiatives and actions to mitigate these risks and a strategic risk register is monitored frequently to ascertain the changing level of likelihood throughout the year.

The system of internal control is becoming embedded in the Trust and the following are in place to respond to a variety of operational, financial and commercial risks:

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2016

- **Policies and Procedures:** Policies are set by the Trustees and implemented by the senior management teams
- **Strategic planning and budgeting:** The strategic planning and budgeting process is used to set objectives, agree action plans and allocate resources.
- **Adequate insurance cover** is in place to mitigate against those risks which remain significant (e.g. sickness absence).

Plans for future periods

Five Rivers MAT will continue to strive to offer the highest educational opportunities for all children as well as providing professional development for all staff.

The Trust is committed to business development and growth. Our current commitment to 7 schools over the coming three years will extend to ten schools in the next ten years. In order to improve outcomes for more children within the Sheffield City Region, we are committed to achieving greater economies of scale in purchasing power, professional knowledge and expertise and system leadership.

If the Trust's application is successful, we plan to improve outcomes to more children through our teaching school status.

We are also committed to working collaboratively with schools and other MATs to share the learning, experience and skills that support educational excellence.

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Hart Shaw LLP be re-appointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 16 February 2017 and signed on its behalf by:

M. Rowland

M Rowland
Chair of the Board of Trustees

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2016

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Five 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 chief executive officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Five 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 twice during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
D Chilvers (Appointed 17 March 2016)	0	2
M Eddowes (Appointed 17 March 2016)	2	2
S Sutherland (Appointed 17 March 2016)	1	2
M Rowland (Chair) (Appointed 20 July 2016)	1	1
R Webb (Accounting Officer) (Appointed 20 July 2016)	1	1
E Farmer (Appointed 20 July 2016)	1	1
A Hughes (Appointed 20 July 2016)	1	1
R Joshi (Appointed 20 July 2016)	1	1
J Hardwick (Appointed 9 November 2016)	0	0
Dr J Richardson (Appointed 16 January 2017)	0	0

The Trust governance structure consisted of 3 Members and 3 Directors at the time of incorporation (1st May 2016). Since then, the Trust Governance structure has been reviewed to ensure the Trust Board has within it a broad mix of skills, experience and expertise required to effectively hold leaders to account.

A self-review of effectiveness took place in June 2016 in the form of a skills audit and as a result, five additional Trustees (2 Executive Directors and 3 Non-Executive Directors) were appointed to the Trust Board in this period.

The Trust is seeking to commission an external review of its overall effectiveness in the summer term.

A governance review has also taken place at Abbeyfield Primary Academy as part of the trust's strategy to generate rapid improvements through robust accountability and governance. A new Academy Interim Board (AIB) was established in readiness for September 2016. The AIB consists of two Non-Executive Directors of the Trust Board and a trust appointed parent governor. It is intended that the AIB will be replaced by a substantive governing body once the Trust Board is assured that sustainable improvements are in place. It is anticipated that this will take place in the summer of 2017.

The audit, finance and staffing committee is a sub-committee of the main board of trustees. Its purpose is to closely monitor the financial probity of the trust along with its strategic plans for development.

No meetings of this committee were held during the accounting period as all matters were dealt with at the full board meetings.

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

Review of value for money

As accounting officer the chief executive officer has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year in the following ways:

- The Trust has reviewed the CPD and training needs of all staff within the MAT based on performance management outcomes and recommendations. Following this, a procurement exercise took place to secure system level training and CPD for staff. This has optimised value for money as well as providing essential training for teaching and non-teaching staff.
- The Trust is keen, in particular, to ensure every child has opportunities to participate in competitive sporting activities to impact positively on outcomes, enhance life chances and improve the quality of life for pupils. To this end, tendering procedures have been applied in the procurement of a mini bus. The mini bus enables better value for money than privately arranged coaches as well as providing essential facilities for children.
- The Trust is also keen to ensure that creative approaches to achieving value for money in one academy is replicated in its other academies, thus creating increased economies of scale and enhanced provision. An example of this would be in the recruitment of a shared SEND teacher. Abbeyfield Primary Academy holds the contract of the teacher whose full time salary is met by contributions from a number of schools in the east of the City to provide specialist advice, support and interventions to each school.

Each of these three examples indicate that the Trust is using its resources wisely to improve the facilities, expertise and resource available to pupils and staff.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Five Rivers Multi Academy Trust for the period 17 March 2016 to 31 August 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 17 March 2016 to 31 August 2016 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Hart Shaw LLP as internal auditor.

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

- testing of purchasing/procurement systems including ensuring that authorisation and value for money policies are adhered to;
- testing of payroll systems;
- testing of the receipt of income systems;
- testing of bank controls and reconciliation procedures;
- testing of VAT reporting;
- testing of procedures for the recording of financials and reporting to trustees.

Hart Shaw LLP has carried out one detailed review to date, covering all areas noted above, and has reported any recommendations to the board. Going forward, the internal auditor will carry out reviews on a termly basis and report to the audit, finance and staffing committee.

No material control weaknesses have been identified during the internal auditor's review, however recommendations to further strengthen the systems and controls in place have been put forward and implementation is in progress.

Review of effectiveness

As accounting officer the chief executive officer has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

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

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

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

Approved by order of the board of trustees on 16 February 2017 and signed on its behalf by:

M. Rowland

**M Rowland
Chair**

R Webb

**R Webb
Accounting Officer**

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE PERIOD ENDED 31 AUGUST 2016

As accounting officer of Five Rivers Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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 EFA.



R Webb
Accounting Officer

16 February 2017

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE PERIOD ENDED 31 AUGUST 2016

The trustees (who also act as governors for Five Rivers Multi Academy Trust and are also the directors of Five Rivers Multi Academy Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that grants received from EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 16 February 2017 and signed on its behalf by:

M. Rowland

M Rowland
Chair

FIVE RIVERS MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF FIVE RIVERS MULTI ACADEMY TRUST

We have audited the accounts of Five Rivers Multi Academy Trust for the period ended 31 August which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 24, the trustees, who are also the directors of Five Rivers Multi Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report including the incorporated strategic report for the financial period for which the accounts are prepared is consistent with the accounts.

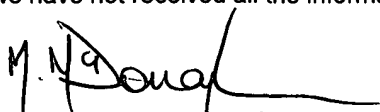
FIVE RIVERS MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF FIVE RIVERS MULTI ACADEMY TRUST (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 accounts 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.



Martin McDonagh (Senior Statutory Auditor)
for and on behalf of Hart Shaw LLP

Chartered Accountants

Statutory Auditor

Europa Link

Sheffield Business Park

Sheffield

S9 1XU

Dated: 16 February 2017

FIVE RIVERS MULTI ACADEMY TRUST

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

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Five Rivers Multi Academy Trust during the period 17 March 2016 to 31 August 2016 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 Five Rivers Multi Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Five Rivers Multi Academy Trust and EFA 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 Five Rivers Multi Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Five Rivers Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 April 2016 and the Academies Financial Handbook, extant from 1 September 2016, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 17 March 2016 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

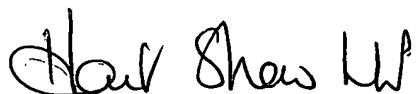
- systems testing to ensure adequate controls are in place to prevent the infringement of regularity requirements;
- detailed substantive testing on revenue and capital transactions to ensure these have been properly reflected and recorded in the financial statements and are for the purpose of the trust; and
- a detailed review of related parties to ensure trustees are not benefitting from transactions with the trust.

FIVE RIVERS MULTI ACADEMY TRUST

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 17 March 2016 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Dated: 16 February 2017

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	-	-	168,918	168,918
Donations - transfer from local authority on conversion	23	114,376	(2,141,000)	2,800,780	774,156
Charitable activities:					
- Funding for educational operations	3	3,856	1,121,338	-	1,125,194
Other trading activities	4	21,870	-	-	21,870
Investments	5	11	-	-	11
Total income and endowments		<u>140,113</u>	<u>(1,019,662)</u>	<u>2,969,698</u>	<u>2,090,149</u>
Expenditure on:					
Raising funds	6	3,342	-	-	3,342
Charitable activities:					
- Educational operations	7	15,895	1,132,098	9,733	1,157,726
Total expenditure	6	<u>19,237</u>	<u>1,132,098</u>	<u>9,733</u>	<u>1,161,068</u>
Net income/(expenditure)		120,876	(2,151,760)	2,959,965	929,081
Transfers between funds		(3,065)	(11,240)	14,305	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	19	-	(807,000)	-	(807,000)
Net movement in funds		<u>117,811</u>	<u>(2,970,000)</u>	<u>2,974,270</u>	<u>122,081</u>
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		<u>117,811</u>	<u>(2,970,000)</u>	<u>2,974,270</u>	<u>122,081</u>

FIVE RIVERS MULTI ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016 £	£
Fixed assets			
Tangible assets	12		2,926,917
Current assets			
Stocks	13	12,619	
Debtors	14	300,272	
Cash at bank and in hand		344,259	
		<u>657,150</u>	
Current liabilities			
Creditors: amounts falling due within one year	15	(491,986)	
		<u></u>	
Net current assets			165,164
Net assets excluding pension liability			<u>3,092,081</u>
Defined benefit pension liability	19		(2,970,000)
		<u></u>	
Net assets			<u>122,081</u>
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds			2,974,270
- Pension reserve			(2,970,000)
		<u></u>	
Total restricted funds			4,270
Unrestricted income funds	17		117,811
		<u></u>	
Total funds			<u>122,081</u>

The accounts set out on pages 29 to 50 were approved by the board of trustees and authorised for issue on 16 February 2017 and are signed on its behalf by:

M. Rowland

M Rowland
Chair

Company Number 10070417

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 AUGUST 2016

	Notes	2016 £	£
Cash flows from operating activities			
Net cash provided by operating activities	20		196,824
Cash funds transferred on conversion			114,376
			<hr/>
			311,200
 Cash flows from investing activities			
Dividends, interest and rents from investments		11	
Capital funding from sponsors and others		168,918	
Payments to acquire tangible fixed assets		(135,870)	
		<hr/>	
			33,059
 Change in cash and cash equivalents in the reporting period			<hr/>
			344,259
 Cash and cash equivalents at 17 March 2016			<hr/>
			-
 Cash and cash equivalents at 31 August 2016			<hr/>
			344,259
			<hr/>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2016

1 Accounting policies

Five Rivers Multi Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

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

These accounts have been prepared for the period 17 March 2016 to 31 August 2016 which is a period of less than twelve months. Academy trusts are required by the Education Funding Agency to report annually to 31 August and the academy trust is not permitted under the Companies Act 2006 to extend its accounting reference date to more than eighteen months but it may shorten it.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Tinsley Meadows Primary School and Firs Hill Community Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. The land and buildings transferred on conversion have been recognised at fair value based on a valuation by Sheffield City Council on 1 April 2012. Further details of the transaction are set out in note 23.

1.4 Income

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

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Grants receivable

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

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

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

Donations

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

Other income

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold land	Over the lease term of 125 years
Buildings	2% straight line
Leasehold improvements	5% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	25% 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.

1.7 Liabilities

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

1.8 Leasing and hire purchase commitments

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

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 Taxation

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

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.12 Fund accounting

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

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

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

1.13 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £
Capital grants	-	168,918	168,918

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £
DfE / EFA grants			
General annual grant (GAG)	-	840,342	840,342
Other DfE / EFA grants	-	212,366	212,366
	-	1,052,708	1,052,708
Other government grants			
Local authority grants	-	68,630	68,630
Other funds			
Other incoming resources	3,856	-	3,856
Total funding	3,856	1,121,338	1,125,194

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £
Unrestricted lettings income	735	-	735
Unrestricted school fund income	590	-	590
Unrestricted sundry income	2,398	-	2,398
Unrestricted support for other educational establishments	18,147	-	18,147
	<u>21,870</u>	<u>-</u>	<u>21,870</u>

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £
Short term deposits	11	-	11
	<u>11</u>	<u>-</u>	<u>11</u>

6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £
Academy's educational operations				
- Direct costs	740,867	-	58,891	799,758
- Allocated support costs	193,127	15,572	149,269	357,968
	<u>933,994</u>	<u>15,572</u>	<u>208,160</u>	<u>1,157,726</u>
Other expenditure				
Raising funds	-	-	3,342	3,342
	<u>-</u>	<u>-</u>	<u>3,342</u>	<u>3,342</u>
Total expenditure	<u>933,994</u>	<u>15,572</u>	<u>211,502</u>	<u>1,161,068</u>

Net income/(expenditure) for the period includes:

	2016 £
Fees payable to auditor for:	
- Audit	11,500
- Other services	2,500
Operating lease rentals	652
Depreciation of tangible fixed assets	9,733
	<u>15,385</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

7 Charitable activities

	2016 £
Direct costs - educational operations	799,758
Support costs - educational operations	357,968
	<u>1,157,726</u>

	2016 £
Analysis of support costs	
Support staff costs	193,127
Depreciation and amortisation	9,733
Technology costs	652
Premises costs	23,638
Other support costs	109,747
Governance costs	21,071
	<u>357,968</u>

8 Staff costs

	2016 £
Wages and salaries	709,482
Social security costs	58,777
Operating costs of defined benefit pension schemes	122,116
	<u>890,375</u>
Staff costs	890,375
Supply staff costs	34,818
Staff development and other staff costs	8,801
	<u>933,994</u>

Staff numbers

The average number of persons employed by the academy trust during the period was as follows:

	2016 Number
Teachers	41
Administration and support	140
Management	8
	<u>189</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

8 Staff costs

(Continued)

The average number of persons employed by the academy trust expressed as full time equivalents during the period was as follows:

	2016 Number
Teachers	33
Administration and support	77
Management	8
	<hr/>
	118
	<hr/>

Higher paid staff

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

	2016 Number
£60,000 - £70,000 pro rata (£20,000 - £23,333)	3
£120,000 - £130,000 pro rata (£40,001 - £43,333)	1
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Key management personnel

The key management personnel of the academy 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 £165,242.

9 Central Services

The academy trust has provided the following central services to its academies during the period:

- human resources;
- financial services;
- legal services;
- educational support services.

No central charges arose in the period for these services, however the funds received by Tinsley Meadows Primary Academy to aid the conversion process have been re-charged to Central Services.

The amounts charged during the period were as follows:

	Total £
Tinsley Meadows Primary Academy	70,000
Abbeyfield Primary Academy	-
	<hr/>
	70,000
	<hr/>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The chief executive officer and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of chief executive officer and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows: R Webb (Chief Executive Officer) Remuneration £40,000 - £45,000. Employer's pension contributions paid £5,000 - £10,000. E Farmer (Director of Business Strategy) Remuneration £20,000 - £25,000. Employer's pension contributions paid £0 - £5,000.

During the period, travel and subsistence payments totalling £17 were reimbursed or paid directly to 1 trustee.

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2016 was £550.

12 Tangible fixed assets

	Leasehold land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 17 March 2016	-	-	-	-	-
Transfer on conversion	2,763,000	-	20,148	17,632	2,800,780
Additions	-	3,495	96,241	36,134	135,870
	<u>2,763,000</u>	<u>3,495</u>	<u>116,389</u>	<u>53,766</u>	<u>2,936,650</u>
At 31 August 2016	2,763,000	3,495	116,389	53,766	2,936,650
Depreciation					
At 17 March 2016	-	-	-	-	-
Charge for the period	4,009	-	4,091	1,633	9,733
	<u>4,009</u>	<u>-</u>	<u>4,091</u>	<u>1,633</u>	<u>9,733</u>
At 31 August 2016	4,009	-	4,091	1,633	9,733
Net book value					
At 31 August 2016	<u>2,758,991</u>	<u>3,495</u>	<u>112,298</u>	<u>52,133</u>	<u>2,926,917</u>

13 Stocks

	2016 £
Educational supplies	<u>12,619</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

14 Debtors	2016
	£
Trade debtors	67
VAT recoverable	44,911
Prepayments and accrued income	255,294
	<u>300,272</u>
15 Creditors: amounts falling due within one year	2016
	£
Trade creditors	245,942
Other taxation and social security	54,076
Accruals and deferred income	191,968
	<u>491,986</u>
16 Deferred income	2016
	£
Deferred income is included within:	
Creditors due within one year	<u>150,027</u>
Deferred income at 17 March 2016	-
Released from previous years	-
Amounts deferred in the period	<u>150,027</u>
Deferred income at 31 August 2016	<u><u>150,027</u></u>

At the balance sheet date, the academy trust was holding funds received in advance for Universal Infant Free School Meals, Rates Relief, Free Early Learning and for 16/17 school trips.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

17 Funds

	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2016 £
Restricted general funds				
General Annual Grant	840,342	(829,102)	(11,240)	-
Other DfE / EFA grants	212,366	(212,366)	-	-
Other government grants	68,630	(68,630)	-	-
	<u>1,121,338</u>	<u>(1,110,098)</u>	<u>(11,240)</u>	<u>-</u>
Funds excluding pensions	1,121,338	(1,110,098)	(11,240)	-
Pension reserve	(2,141,000)	(22,000)	(807,000)	(2,970,000)
	<u>(1,019,662)</u>	<u>(1,132,098)</u>	<u>(818,240)</u>	<u>(2,970,000)</u>
Restricted fixed asset funds				
DfE / EFA capital grants	168,918	(2,963)	-	165,955
Inherited funds	2,800,780	(6,770)	-	2,794,010
Capital expenditure from GAG	-	-	14,305	14,305
	<u>2,969,698</u>	<u>(9,733)</u>	<u>14,305</u>	<u>2,974,270</u>
Total restricted funds	<u>1,950,036</u>	<u>(1,141,831)</u>	<u>(803,935)</u>	<u>4,270</u>
Unrestricted funds				
General funds	<u>140,113</u>	<u>(19,237)</u>	<u>(3,065)</u>	<u>117,811</u>
Total funds	<u>2,090,149</u>	<u>(1,161,068)</u>	<u>(807,000)</u>	<u>122,081</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

17 Funds

(Continued)

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

General Annual Grant

The General Annual Grant (GAG) funds have been spent in line with the terms of the Master Funding Agreement. Under this funding agreement, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Other DfE/ EFA grants

This includes the Pupil Premium funding which is additional funding for the academy to support its disadvantaged pupils and close the attainment gap between them and their peers. This also includes the Universal Infant Free School Meals funding which is for the provision of free school meals to all infant pupils.

Other government grants

Other government grants consist of pupil growth funding and free early learning funding.

The pupil growth funding is to support the increase in pupil numbers in the period.

The free early learning funding is to support the provision of the early years facility.

Restricted pension reserve

The restricted pension reserve is in deficit to the value of £2,970,000 as at 31 August 2016. The majority of this has been inherited upon conversion to Academy status. The trustees will continue to monitor this situation closely.

Total funds analysis by academy

	Total £
Fund balances at 31 August 2016 were allocated as follows:	
Tinsley Meadows Primary Academy	49,405
Abbeyfield Primary Academy	15,003
Central services	53,403
Total before fixed assets fund and pension reserve	117,811
Restricted fixed asset fund	2,974,270
Pension reserve	(2,970,000)
Total funds	122,081

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
	£	£	£	£	£
Tinsley Meadows Primary Academy	612,224	157,714	31,673	153,357	954,968
Abbeyfield Primary Academy	128,643	35,413	1,415	14,299	179,770
Central services	-	-	-	16,597	16,597
	<u>740,867</u>	<u>193,127</u>	<u>33,088</u>	<u>184,253</u>	<u>1,151,335</u>

18 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed asset Funds	Total 2016
	£	£	£	£
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	2,926,917	2,926,917
Current assets	118,191	491,606	47,353	657,150
Creditors falling due within one year	(380)	(491,606)	-	(491,986)
Defined benefit pension liability	-	(2,970,000)	-	(2,970,000)
	<u>117,811</u>	<u>(2,970,000)</u>	<u>2,974,270</u>	<u>122,081</u>

19 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2013.

Contributions amounting to £10,692 were payable to the schemes at 31 August 2016 and are included within creditors.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

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

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £53,238.

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

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

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 10.4 to 11.7% for employers and 5.5 to 12.5% for employees.

The Academy Trust has entered in an agreement with the Trustees to make additional contributions in addition to normal funding levels. These amount to £5,659 for Tinsley Meadows Primary Academy and £5,033 for Abbeyfield Primary Academy to be paid monthly during the period September 2016 to March 2017. The Academy trust will continue to make additional contributions after March 2017, however the rates have not yet been agreed.

The LGPS obligation relates to the employees of the academy trust who were employees transferred as part of the conversion from the maintained school (as described in note 23) together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Total contributions made	2016
	£
Employer's contributions	58,000
Employees' contributions	20,000
	<hr/>
Total contributions	78,000
	<hr/>
Principal actuarial assumptions	2016
	%
Rate of increases in salaries	3.65
Rate of increase for pensions in payment	2.00
Discount rate	2.20
Inflation assumption (CPI)	1.90
	<hr/>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

	Central £'000	Sensitivity 0.1% p.a discount rate £'000	Sensitivity 0.1% p.a inflation rate £'000	Sensitivity 1 year increase in life expectancy £'000
Liabilities	1,451	2,965	3,140	3,094
Assets	(81)	(81)	(81)	(81)
Deficit	<u>1,370</u>	<u>2,884</u>	<u>3,059</u>	<u>3,013</u>
Projected service cost for next year	453	437	469	453
Projected interest cost for next year	63	63	64	63

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

	2016 Years
Retiring today	
- Males	23.0
- Females	25.7
Retiring in 20 years	
- Males	25.4
- Females	28.5

The academy trust's share of the assets in the scheme

	2016 Fair value £
Equities	48,000
Government bonds	12,000
Other bonds	5,000
Cash	1,000
Property	9,000
Other assets	6,000
Total market value of assets	<u>81,000</u>
Actual return on scheme assets - gain/(loss)	<u>4,000</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

Amounts recognised in the statement of financial activities	2016 £
Current service cost (net of employee contributions)	64,000
Net interest cost	15,000
Administrative expenses	1,000
Total operating charge	80,000
Changes in the present value of defined benefit obligations	2016 £
Obligations acquired on conversion	2,141,000
Current service cost	64,000
Interest cost	15,000
Employee contributions	20,000
Actuarial loss	811,000
At 31 August 2016	3,051,000
Changes in the fair value of the academy trust's share of scheme assets	2016 £
Return on plan assets (excluding amounts included in net interest):	
Actuarial gain	4,000
Employer contributions	58,000
Employee contributions	20,000
Administrative expenses	(1,000)
At 31 August 2016	81,000

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

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

	2016 £
Net income for the reporting period	929,081
Adjusted for:	
Net deficit/(surplus) transferred on conversion	(774,156)
Capital grants from DfE/EFA and other capital income	(168,918)
Investment income	(11)
Defined benefit pension costs less contributions payable	7,000
Defined benefit pension net finance cost/(income)	15,000
Depreciation of tangible fixed assets	9,733
(Increase)/decrease in stocks	(12,619)
(Increase)/decrease in debtors	(300,272)
Increase/(decrease) in creditors	491,986
Net cash provided by operating activities	196,824

21 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016 £
Amounts due within one year	4,273
Amounts due in two and five years	11,077
	<u>15,350</u>

22 Related party transactions

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 10.

23 Members' liability

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

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

24 Conversion to an academy

On 1 May 2016 Tinsley Meadows primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Five Rivers Multi Academy Trust from the Sheffield City Council for £nil consideration. On 1 August 2016 Firs Hill Primary School converted to academy trust status as Abbeyfield Primary Academy under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Five Rivers Multi Academy Trust from the Sheffield City Council for £nil consideration.

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

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

	2016 £
Net assets transferred:	
Leasehold land and buildings	2,763,000
Other tangible fixed assets	37,780
Cash	114,376
LGPS pension surplus/(deficit)	(2,141,000)
	<u>774,156</u>

Tinsley Meadows Primary Academy	Unrestricted Funds	Restricted General Funds	Restricted Fixed asset Funds	Total 2016 £
Funds surplus/(deficit) transferred:	£	£	£	£
Fixed assets funds	-	-	25,005	25,005
LA budget funds	85,631	-	-	85,631
School private fund	10,300	-	-	10,300
LGPS pension funds	-	(1,071,000)	-	(1,071,000)
	<u>95,931</u>	<u>(1,071,000)</u>	<u>25,005</u>	<u>(950,064)</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2016

24 Conversion to an academy

(Continued)

Abbeyfield Primary Academy	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed asset Funds £	Total 2016 £
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	2,775,775	2,775,775
LA budget funds	14,890	-	-	14,890
School private fund	3,555	-	-	3,555
LGPS pension funds	-	(1,070,000)	-	(1,070,000)
	<u>18,445</u>	<u>(1,070,000)</u>	<u>2,775,775</u>	<u>1,724,220</u>

On conversion, Five Rivers Multi Academy Trust inherited the leasehold land and buildings of Abbeyfield Primary Academy (formerly Firs Hill Primary School) under a 125 year lease from Sheffield City Council.

The land and buildings were valued on conversion by Sheffield City Council. This valuation has been reflected in these financial statements.

On conversion, a new school building was being constructed for Tinsley Meadows Primary Academy, with the new building being transferred to the trust in September 2016. The land and buildings of the existing site were held under a tenancy at will between Sheffield City Council and Five Rivers Multi Academy Trust. Therefore, no land and buildings were inherited on conversion for Tinsley Meadows Primary Academy. This has been reflected in these financial statements.