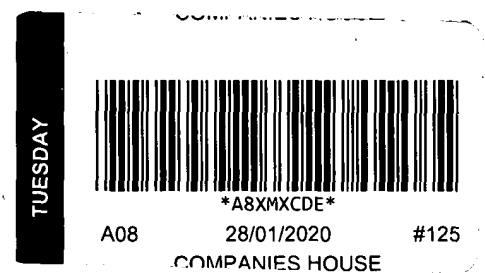


Company Registration No. 10070417 (England and Wales)

FIVE RIVERS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019



FIVE RIVERS MULTI ACADEMY TRUST

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FIVE RIVERS MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

D Chilvers (Resigned 22 July 2019)
M Eddowes (Resigned 1 September 2018)
S Sutherland
M Rowland (Resigned 5 June 2019)
R Joshi
Dr J Richardson (Resigned 6 June 2019)
D Sandilands
C Bradbury
K Simpson
S Hunter
P Harris (Appointed 10 July 2019)
Dr N Ray (Appointed 14 June 2019)
D Wynne (Chair) (Appointed 24 September 2019)

Members

S Hunter
D Pearce
Dr P Owen (resigned 05/06/2019)
S Betts
A Bowkett
M Rowland (appointed 05/06/2019)

Senior management team

- Chief Executive Officer/Accounting Officer	R Webb
- Director of Business Strategy	E Farmer
- Executive Principal	H Best
- Executive Principal	D Sanderson
- Trust Facilities Manager	J Clarke
- Personal Assistant to the Trust	A Brigden
- Trust Finance Manager	M Binge
- Deputy Head Teacher	T MacPherson
- Assistant Head Teacher & SENDCO	C Peats
- Assistant Head Teacher	L Chambers
- Assistant Head Teacher	J Jina
- Deputy Head Teacher	K Abell
- Assistant Head Teacher	L Mills

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

Head of Academy

D Sanderson
H Best

FIVE RIVERS MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

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

Bankers

Royal Bank of Scotland
5 Church Street
Sheffield
S1 1HF

Solicitors

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the year to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates 2 academies for pupils aged 2-11 years serving a catchment area in Sheffield. Its academies have a combined capacity of 1035 primary places, 32 places for 2 year olds and 172 places for nursery. In the school census in May 2019 there were 1126 pupils 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, Stephen Betts, Anthony Bowkett and Marc Rowland) may appoint, by ordinary resolution, up to 10 Trustees. The total number of Trustees 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.

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.

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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)
- Monitoring and Evaluation 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 and findings to share with other Trustees and Governors as part of the Trust's quality assurance framework.
- 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)

In the academic year 2017/18, the Governing Body of Tinsley Meadows Primary Academy was dissolved due to a review of accountability and governance. Governance and accountability for the academy now sits with the Trust Board. Parental, child and staff input into the development of the trust is captured through special forums which meet every term. The Academy Intervention Board (AIB) set up for Abbeyfield also dissolved in July 2019.

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. 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. These committees are:

- *Finance and Audit Committee (with Remuneration Sub Committee)*
(Assesses and ensures financial probity of the Trust and strategically plans and monitors the financial growth and financial controls within the MAT. The Remuneration Sub Committee reviews levels of remuneration with independent expert advice)
- *Education and Standards 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)
- *HR and Pay Committee*
(Considers, determines and keeps under review any strategies and policies for human resources; approves annually, affordable, fit for purpose workforce structures for the academies within the FRMAT and the Central Trust Team, in direct liaison with the Finance and Audit Committee; 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).

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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

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 Sub 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 pay scales which align with the Sheffield Local Authority Director's pay scales.

All pay and remuneration of key management personnel is 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 ESFA's new benchmarking tool and pay comparisons with local and neighbouring trusts.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1 (employee did not request facility time)
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	N/a
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0%

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0 hours
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Related parties and other connected charities and organisations

In the summer of 2017, Tinsley Meadows Primary gained Teaching School status and as such, the Trust now offers its own CPD and training to other schools and academies.

Tinsley Meadows Primary Academy is a founding member of SSEL Company – a company formed from the Sheffield South East Learning Community Collaboration. In 2018/19, Five Rivers MAT contributed £7,500 to SSEL for membership services which covers a package of support, collaboration and CPD.

Tinsley is also a founding member of Learn Sheffield which is a not for profit schools company focussed on school improvement and owned by Sheffield's schools and colleges (who own 80%) in partnership with Sheffield City Council (who own 20%). The CEO of Learn Sheffield is a Member of Five Rivers Multi Academy Trust. In the year 2018/19, FRMAT purchased a support package costing £3,500. This included the provision of external reviews for both schools, a comprehensive data protection officer package and other bespoke school support.

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. In 2018/19 FRMAT paid £500 for membership services which covers a package of support, collaboration and CPD.

One of the Trustees of Five Rivers Multi Academy Trust works as a self-employed early years consultant under the trading name 'Watch me Grow'. The Trustee resigned from her position at the end of the academic year 2018/19. Prior to resignation, the trustee provided free of charge consultancy and advice on the Trust's early years practices. In the academic year 2018/19, the Trust also purchased an assessment tool from Watch me Grow which was provided at cost and to a value of £1,783.80.

Objectives and activities

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

Our vision for Five Rivers Multi Academy Trust is:

A life-affirming and life-changing education in a close-knit community of schools centred around people, where good relations are based on mutual respect, a sense of community and a recognition that the rights and needs of everyone matter. [1]

[1] By people, we mean everyone involved in school life in any capacity, especially young children and families/carers.

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

ENDEAVOUR - A Centre of Distinction in Teaching and Leadership

In which

- we value and believe in our staff. With a Teaching School as part of the Trust, we are able to offer multiple strands of personal development and career progression
- we are committed to lifelong learning and continual professional development, to succession and sustainability, and the development of leaders of the future
- we recognise, nurture and encourage talent to evolve through bespoke support for new and experienced teachers, thus ensuring good and outstanding practice in all our teaching teams
- evidence-based research, collaborative learning, system leadership and intelligent use of data underpin our strategies for success
- our informed strategies for teaching and learning will be shared widely through research, training, publications, and professional conferences [1]
- our trustees are involved in school life and provide challenge and support across the trust, ensuring our schools are run effectively to secure continued improvement for our children and the very best outcomes

[1] For example, we are recognised for our exemplary work to support new arrivals and children who are new to English.

EMPOWER - A Focus on the Whole Child

Where

- every child's emotional well-being is central to their educational experiences; they feel safe and secure, able to overcome emotional barriers, express their worries and concerns and be listened to
- children have an awareness and understanding of their culture, community, and respect and tolerance of others
- close partnerships with parents, families and carers are vital for children's development, learning and achievement

Through

- our commitment to equality, dignity, and respect, as Rights Respecting Schools adhering to the United Nations Convention on the Rights of the Child, and to British values, to develop confident, positive, young citizens of the wider world
- pride in our local communities and celebration of our differences in faith, culture, religion and identity
- involvement and partnerships with businesses, universities, public services and the local and wider communities to allow us to raise our children's aspirations and encourage them to be life-long, independent thinkers and learners

EXCEL - Success for All

Where

- every child receives individual, personalised support to become an autonomous, enthusiastic learner ready to achieve our high aspirations in relation to attitudes to learning, behaviour and attendance
- our pedagogical approach to learning and teaching enables our children to grow in confidence and independence
- all our children are challenged and supported to reach their full potential regardless of their background, culture and life experiences
- we have high aspirations for ourselves and others in order to ensure high aspirations for our children and families

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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

In the 2018/19 academic year, our children performed well in their end of key stage examinations and assessments. The cohort included a number of international new arrivals who joined our schools later in the key stage, many with little or intermittent former schooling and all with language barriers. A large percentage of the cohort also had special educational needs and or disabilities that affected their learning. In addition to this, a significant number of children, particularly from Abbeyfield were receiving support for behaviour / emotional issues.

Key Performance Indicators

2019 Performance Outcomes:

Children achieving expected standard in Key Stage 2:

% of pupils reaching the expected standard					
	Reading & Writing & Maths	Reading	Writing	Maths	Grammar
Tinsley Meadows (2019)	77%	80%	82%	84%	84%
Abbeyfield Academy (2019)	57%	58%	70%	75%	74%
National results (2019)	64%	75%	78%	75%	78%

Children achieving greater depth in Key Stage 2:

% of pupils reaching greater depth				
	Reading	Writing	Maths	Grammar
Tinsley Meadows (2019)	25%	21%	29%	51%
Abbeyfield Primary (2019)	23%	13%	19%	36%
National results (2019)	27%	20%	27%	36%

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

KS2 Progress Scores:

	National	Tinsley	Abbeyfield
Reading	0.0	1.21	1.43
Writing	0.0	1.59	1.95
Maths	0.0	1.88	2.14

Staff costs as a percentage of total resources expended is a key financial performance indicator, which in the 12 month period to 31 August 2019 was 76% (2018 76%), which is within the average recommended target range of 70% - 80%.

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 and Skills Funding Agency (ESFA) in the form of revenue and capital grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ending 31 August 2019 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 2019 totalled £5,405,682 and were sufficient to cover outgoing resources and provided a surplus of £294,972 before other recognised gains and losses. All of the above figures exclude restricted fixed asset funds and movements on the pension reserve.

At 31 August 2019, the net book value of fixed assets was £10,354,441. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The Academy Trust has an approved reserves policy and an investment policy.

Reserves Policy

Whilst the Trust does not wish to hold excessive reserves, as it believes that funds should be expended on the pupils of today, it also recognises that a level of reserve is required to cover unforeseen events and areas of investment.

The Trust is responsible for determining the level of financial reserves to be carried forward at the end of each financial year (31 August). The levels of reserves carried forward at the end of the financial year will be in line with the guidance received from the ESFA on the treatment of GAG income and other grants.

The policy in place during the year 2018/19 sets out that reserves are to be maintained at 3% of the gross income of the Trust as a whole. This level is reviewed annually by the Board. As the MAT enters into more Trust wide contracts, in order to achieve improved value for money, the demands on the Trust account will increase. As such, increases to reserves are considered by the Finance and Audit Committee (a sub-committee of the Trust Board).

Any in year deficits will be resourced from this fund as far as possible. If deficits result in the fund falling below the 3% threshold, resources must be set aside in the next year's budget to restore it. Exceptionally, where the size of the short fall is large, the Trust Board may put measures in place to restore it over more than one year.

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Regardless of the bank accounts that hold them, the reserves will continue to be owned by the schools that provided the money to establish them.

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 ensures that the level of reserves meets 3% of total trust income. 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 2019 was £220,105 (2018: £221,759). 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 £4,291,000 (2018: £2,713,000) 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 Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Trust aims to invest surplus cash funds to optimise returns but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

The Trust will construct such budgets and cash flow forecasts as are required by legislation to ensure the viability and sustainability of the activities of the Academy and to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding supply creditors that are due for payment.

From time to time, operational and strategic decisions will result in substantial cash balances at the bank over a sustained period. Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested only in the following:

- Interest bearing deposit accounts with any of the following banks:

Lloyds Bank
Barclays
RBS
HSBC

- Treasury deposits, with maturity dates which do not result in the cash funds being unavailable for longer than 8 weeks

In making decisions regarding where and how any surplus funds should be invested, due regard will be given to the "Risk that the return on investments is not being maximised" and "Risk that trustees are not acting in accordance with their Investment Policy (e.g. investing in high risk investments which are not in the best interests of the Academy Trust)".

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.

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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

Sources of 2018/19 Funding:

The principal sources of funding in 2018/19 were General Annual Grant, Pupil Premium and Universal Infant Free School Meals restricted funds. The primary source of non-restricted funding was generated from consultancy work provided through the Teaching School. Expenditure against this income has supported the Trust to achieve its main objectives. For example:

The Trust received £469k in pupil premium funding which is intended to support schools to close the attainment gap between children eligible for pupil premium and their peers. The impact of this funding is outlined below:

Abbeyfield: The percentage of disadvantaged children in key stage 2 achieving the expected standard in numeracy increased in 2019 by 4.7%. 68% of children eligible for pupil premium achieved the expected standards compared to 63% in 2018.

Tinsley: Children eligible for pupil premium at FS2 outperformed their peers by 2% in relation to reaching the expected standard in reading. In writing (expected standard) the disadvantaged pupils outperformed the other pupils by 1%.

The material pension liability in relation to the obligations arising from the Trust's defined benefit pension scheme was inherited on conversion. There is no direct impact on the Trust other than the monitoring for budgeting.

The Trust has not had any significant events during the period, therefore there is no potential financial effects.

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 and the need to regularly review and mitigate the Trust's general risk of fraud, theft and corruption
- 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 further embedding in to 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 (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

- **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).

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the Trust has provided information below on its fundraising practices.

Approach to fundraising:

The Trust works collaboratively and proactively with partners and stakeholders to generate additional funds. The Trust's relationship with Meadowhall has secured funding for a whole school trip this year and the resources to support staff wellbeing.

School level fundraising occurs in the form of parental donations and contributions towards trips and visits. Both schools also hold regular bake sales and bric a brac stalls from which low level additional school funds are generated.

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. 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.

The Trust has successfully secured Teaching School status and is sharing best practice and CPD throughout the region to further improve experiences and outcomes for children.

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 good practice repurchase exercise will take place during the year 2019/20. Contract award will be made by the Board of Trustees.

FIVE RIVERS MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18 December 2019 and signed on its behalf by:



D Wynne
Chair of the Board of Trustees

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

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 CEO, 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 four times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
D Chilvers (Resigned 22 July 2019)	3	4
M Eddowes (Resigned 1 September 2018)	0	0
S Sutherland	4	4
M Rowland (Resigned 5 June 2019)	0	3
R Joshi	3	4
Dr J Richardson (Resigned 6 June 2019)	2	3
D Sandilands	2	4
C Bradbury	2	4
K Simpson	4	4
S Hunter	4	4
P Harris (Appointed 10 July 2019)	0	0
Dr N Ray (Appointed 14 June 2019)	1	1
D Wynne (Chair) (Appointed 24 September 2019)	0	0

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Trustees of Five Rivers Multi Academy Trust agreed that instead of scheduling an additional three full trust board meetings each year, the board will ensure robust financial oversight in the following ways:

1 Monthly management accounts shared electronically with all Trustees each month. Trustees will have an opportunity to raise questions and challenge via email and the central MAT team will retain a record of discussions that have taken place.

2 More detailed financial scrutiny and oversight to continue to take place within the Finance and Audit Committee which meets once every term.

3 Quality Assurance visits conducted by the lead finance trustee each term through which challenge and scrutiny will be carried out and the findings shared with the Finance and Audit committee members following each visit.

4 Internal audit reports to be shared with all trustees.

5 Outcomes from spot checks and financial reviews (carried out by the central MAT team) shared with members of the Finance and Audit Committee termly.

6 Annual external audit report and annual accounts shared with all Trustees annually.

The Trust's governance structure consisted of five Members and ten Trustees in year. Since then, Trustees have carried out a self-evaluation to ensure the Trust Board has within it a broad mix of skills, experience and expertise required to effectively hold leaders to account. The review identified that financial expertise had been strengthened as a result of new Trustee appointments.

Three Trustees resigned from their term in year.

The Academy Intervention Board was disbanded this year following significant improvements being made at school level. School leaders now have accountability to the Board of Trustees.

The Board of Trustees have been active in their duties to hold the trust to account. They have participated in thematic school level reviews in year (as part of the trust's Quality Assurance Framework) and they have accessed training as appropriate to their role and interests. This year, the trust appointed four 'lead trustees'; Safeguarding, Finance, Information Governance and Health & Safety. These lead roles involve a deeper level of scrutiny on their areas of responsibility and are supported by training and job specifications to ensure practices are adequately scrutinised and challenged.

The Trust Board regularly reviews the data and information it receives to ensure quality and robustness. The Board of Trustees has commissioned a MAT wide data dashboard which comprises a detailed summary of performance after each term within the academic year. The Trust Board is able to assess key performance data and progress towards the achievement of the KPIs at regular intervals which supports them to hold leaders to account and provide challenge as appropriate. The board of trustees and its committees receive quality reports each term on staffing data (absences, procedures, workforce statistics etc), capital planning and premises updates. Trustees have shaped the format of the reports to ensure they are acceptable to facilitate appropriate levels of challenge and scrutiny.

The Chair of Trust Board conducted an annual review of governance which involved assessing the skills and attributes contributed by each Trustee followed by a gap analysis to identify how the board could be strengthened. The review served to reassure Trustees and Members of the broad range of skills and strengths in existence across the Trust Board. The review also identified a possible gap in early years expertise following the resignation of one trustee in year.

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

In the year 2018/19, both academies were inspected by Ofsted. Tinsley under a section 8 (short inspection) and Abbeyfield under a section 5. Both inspections concluded that the board of trustees is effective in its duty to hold leaders to account:

Tinsley: "The board of trustees is a strong, well-trained team and its members are experienced and skilled. They challenge and support (leaders), while ensuring that they do not take information on face value; they dig deeper through asking incisive and challenging questions. Governors have an accurate understanding of the school's strengths and weaknesses".

Abbeyfield: "Trustees have a clear line of sight regarding the school's trajectory since academisation. They know the weaknesses which they inherited and can articulate very convincingly the steps taken by leaders to improve the school. The trustees have a clear understanding of the school's current strengths and where there is more work to do. They receive detailed analysis from leaders about the school's performance and, as a result, are in a knowledgeable position about how well things are going".

The Board of Trustees will conduct a further review of governance in the academic year 2019/20.

The Finance and Audit 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. The Remuneration Committee is a sub committee of the Finance and Audit Committee and its purpose is to agree and review the remuneration of performance management of senior staff within the Trust. The Finance and Audit Committee met 3 times during the year. Attendance at meetings was as follows:

Trustees	Meetings attended	Out of possible
M Rowland (Resigned 5 June 2019)	0	3
R Joshi	1	1
Dr J Richardson (Resigned 6 June 2019)	3	3
K Simpson	2	3
S Hunter	2	3

Review of value for money

As accounting officer, the CEO 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 ensured improved value for money during the year in the following ways:

- The Trust has reviewed its insurance provision this year. Following an exercise to assess value for money, a decision was taken to move from the existing provider. Instead, the trust now buys services through the Department for Education's RPA scheme (Risk Protection Arrangement). This has saved the Trust £14k per annum.
- In 18/19, the trust spent £3k on external counselling provision to support staff in need. In light of this, the trust took a decision to buy in to an Employee Assistance Programme to support the wellbeing and mental health of the team. The package consists of 6 sessions of counselling for all staff members (not just for those with an identified need) as well as access to a wide range of resources and telephone support 24/7. This decision delivers savings in excess of £1,200 per annum and provides much greater value for money.
- The trust is passionate about the development of its staff and has invested in bespoke training and development for teachers and leaders. This now means that targeted support can be offered to teachers across the MAT without the need for buying in external consultancy. In addition to the monetary savings this brings, the training and development provided is of greater quality in that it is bespoke.

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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 1 September 2018 to 31 August 2019 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 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and 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 the programme of work as planned, and has reported any recommendations to the board.

FIVE RIVERS MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

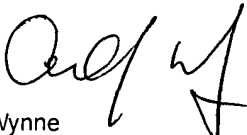
Review of effectiveness


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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the 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 18 December 2019 and signed on its behalf by:


D Wynne
Chair


R Webb
Accounting Officer

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

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

I confirm that I and the academy trust's board of 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 2018.

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



R Webb
Accounting Officer

18 December 2019

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who 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 Academies Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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:

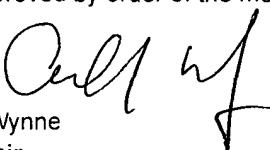
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 18 December 2019 and signed on its behalf by:


D Wynne
Chair

FIVE RIVERS MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

FIVE RIVERS MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Opinions on other matters prescribed by the Companies Act 2006

- In our opinion, based on the work undertaken in the course of the audit:
- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
 - the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

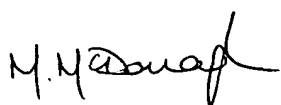
FIVE RIVERS MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Use of our report

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



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

18 December 2019

Chartered Accountants
Statutory Auditor

Europa Link
Sheffield Business Park
Sheffield
S9 1XU

FIVE RIVERS MULTI ACADEMY TRUST

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

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

This report is made solely to Five Rivers Multi Academy Trust and ESFA 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 ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Five Rivers Multi Academy Trust and ESFA, 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 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- the review for any transactions requiring prior approval from the Secretary of State and ensuring approval has been received where required;
- confirming that the academy trust has not sought borrowings that contravene section 3.4 of the Handbook;
- reviewing for connected party transactions and ensuring the academy has complied with section 3.2 of the Handbook;
- reviewing committee meeting minutes for indications of irregular transactions; and
- carrying out systems and controls testing and considering the effectiveness of such controls.

FIVE RIVERS MULTI ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FIVE RIVERS MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS 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 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Hart Shaw LLP

Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Dated: 18 December 2019

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General £ Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments from:					
Donations and capital grants	2	2,494	-	308,609	311,103
Charitable activities:					
- Funding for educational operations	3	57,674	5,224,445	-	5,282,119
- Funding for teaching school	25	-	78,796	-	78,796
Other trading activities	4	42,273	-	-	42,273
Total		102,441	5,303,241	308,609	5,714,291
Expenditure on:					
Raising funds	5	2,797	-	-	2,797
Charitable activities:					
- Educational operations	6	101,298	5,316,399	266,963	5,684,660
- Teaching school	25	-	59,216	-	59,216
Total	5	104,095	5,375,615	266,963	5,746,673
Net income/(expenditure)		(1,654)	(72,374)	41,646	(32,382)
Transfers between funds	17	-	(21,614)	21,614	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(1,209,000)	-	(1,209,000)
Net movement in funds		(1,654)	(1,302,988)	63,260	(1,241,382)
Reconciliation of funds					
Total funds brought forward		221,759	(1,995,099)	10,301,724	8,528,384
Total funds carried forward		220,105	(3,298,087)	10,364,984	7,287,002

FIVE RIVERS MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2018		Funds	General	Fixed asset	2018
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	2	6,154	-	286,279	292,433
Charitable activities:					
- Funding for educational operations	3	76,692	5,225,963	-	5,302,655
Other trading activities	4	144,719	-	-	144,719
Total		227,565	5,225,963	286,279	5,739,807
Expenditure on:					
Raising funds	5	5,154	-	-	5,154
Charitable activities:					
- Educational operations	6	222,865	4,840,279	266,243	5,329,387
Total	5	228,019	4,840,279	266,243	5,334,541
Net income/(expenditure)		(454)	385,684	20,036	405,266
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	19	-	411,000	-	411,000
Net movement in funds		(454)	796,684	20,036	816,266
Reconciliation of funds					
Total funds brought forward		222,213	(2,791,783)	10,281,688	7,712,118
Total funds carried forward		221,759	(1,995,099)	10,301,724	8,528,384


FIVE RIVERS MULTI ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11	10,354,441		10,273,544	
Current assets					
Stocks	12	8,846		11,737	
Debtors	13	248,530		164,322	
Cash at bank and in hand		1,606,770		1,139,569	
		<u>1,864,146</u>		<u>1,315,628</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(612,726)		(337,670)	
Net current assets			1,251,420		977,958
Total assets less current liabilities			<u>11,605,861</u>		<u>11,251,502</u>
Creditors: amounts falling due after more than one year	15		(27,859)		(10,118)
Net assets before defined benefit pension scheme liability			<u>11,578,002</u>		<u>11,241,384</u>
Defined benefit pension scheme liability	19		(4,291,000)		(2,713,000)
Total net assets			<u><u>7,287,002</u></u>		<u><u>8,528,384</u></u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			10,364,984		10,301,724
- Restricted income funds			992,913		717,901
- Pension reserve			(4,291,000)		(2,713,000)
Total restricted funds			<u>7,066,897</u>		<u>8,306,625</u>
Unrestricted income funds	17		220,105		221,759
Total funds			<u><u>7,287,002</u></u>		<u><u>8,528,384</u></u>

The accounts on pages 26 to 52 were approved by the trustees and authorised for issue on 18 December 2019 and are signed on their behalf by:


D Wynne
Chair

Company Number 10070417

FIVE RIVERS MULTI ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		488,611		346,661
Cash flows from investing activities					
Capital grants from DfE and ESFA		308,609		286,279	
Payments to acquire tangible fixed assets		(347,860)		(277,932)	
			(39,251)		8,347
Cash flows from financing activities					
New long term loan		19,141		11,318	
Repayment of long term loan		(1,300)		-	
			17,841		11,318
Change in cash and cash equivalents in the reporting period			467,201		366,326
Cash and cash equivalents at 1 September 2018			1,139,569		773,243
Cash and cash equivalents at 31 August 2019			1,606,770		1,139,569

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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 2018 to 2019 issued by ESFA, 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.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 Income

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

Grants 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.

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.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.4 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.

1.5 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 and buildings	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
Assets under construction	Not depreciated

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.6 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.

1.7 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.

1.8 Stock

Stock is valued at the lower of cost and net realisable value.

1.9 Taxation

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

1.10 Pensions benefits

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

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

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

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

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.11 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 and Skills Funding Agency.

1.12 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	308,609	308,609	286,279
Other donations	2,494	-	2,494	6,154
	<u>2,494</u>	<u>308,609</u>	<u>311,103</u>	<u>292,433</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	4,011,845	4,011,845	3,964,952
Teaching school grants	-	57,500	57,500	-
Other DfE group grants	-	789,016	789,016	813,701
	-	4,858,361	4,858,361	4,778,653
Other government grants				
Local authority grants	-	417,584	417,584	447,310
Other funding				
Teaching school income	-	21,296	21,296	-
Other incoming resources	57,674	6,000	63,674	76,692
	57,674	27,296	84,970	76,692
Total funding	57,674	5,303,241	5,360,915	5,302,655

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Unrestricted lettings income	1,939	-	1,939	2,012
Unrestricted school fund income	2,995	-	2,995	4,036
Unrestricted sundry income	31,939	-	31,939	29,527
Unrestricted support for other educational establishments	5,400	-	5,400	109,144
	42,273	-	42,273	144,719

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

5 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2019 £	Total 2018 £
Academy's educational operations					
- Direct costs	3,209,111	217,303	382,584	3,808,998	3,683,015
- Allocated support costs	1,110,868	100,519	664,275	1,875,662	1,646,372
	<u>4,319,979</u>	<u>317,822</u>	<u>1,046,859</u>	<u>5,684,660</u>	<u>5,329,387</u>
Teaching school					
- Direct costs	52,223	-	45	52,268	-
- Allocated support costs	6,448	-	500	6,948	-
	<u>58,671</u>	<u>-</u>	<u>545</u>	<u>59,216</u>	<u>-</u>
Other expenditure					
Raising funds	-	-	2,797	2,797	5,154
	<u>-</u>	<u>-</u>	<u>2,797</u>	<u>2,797</u>	<u>5,154</u>
Total expenditure	<u>4,378,650</u>	<u>317,822</u>	<u>1,050,201</u>	<u>5,746,673</u>	<u>5,334,541</u>

Net income/(expenditure) for the period includes:

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	12,700	14,600
- Other services	3,900	1,000
Operating lease rentals	2,627	4,368
Depreciation of tangible fixed assets	<u>266,963</u>	<u>266,243</u>

6 Charitable activities

	2019 £	2018 £
Direct costs - educational operations	3,808,998	3,683,015
Direct costs - teaching school	52,268	-
Support costs - educational operations	1,875,662	1,646,372
Support costs - teaching school	6,948	-
	<u>5,743,876</u>	<u>5,329,387</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

6 Charitable activities

(Continued)

	Teaching school £	Educational operations £	Total 2019 £	Total 2018 £
Analysis of support costs				
Support staff costs	6,448	1,110,868	1,117,316	967,099
Depreciation and amortisation	-	49,660	49,660	48,953
Technology costs	-	2,627	2,627	4,368
Premises costs	-	162,454	162,454	126,777
Other support costs	500	449,053	449,553	405,246
Governance costs	-	101,000	101,000	93,929
Total support costs	6,948	1,875,662	1,882,610	1,646,372

7 Staff costs

	2019 £	2018 £
Wages and salaries	3,171,001	3,170,746
Social security costs	307,678	249,534
Operating costs of defined benefit pension schemes	822,264	652,016
Staff costs	4,300,943	4,072,296
Supply staff costs	37,655	56,835
Staff restructuring costs	-	7,800
Staff development and other staff costs	40,052	25,644
Total staff expenditure	4,378,650	4,162,575

Staff numbers

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

	2019 Number	2018 Number
Teachers	37	34
Administration and support	107	133
Management	18	20
	162	187

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

7 Staff costs

(Continued)

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

	2019 Number	2018 Number
Teachers	37	34
Administration and support	76	75
Management	17	18
	<u>130</u>	<u>127</u>

Higher paid staff

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

	2019 Number	2018 Number
£60,000 - £70,000	-	2
£70,000 - £80,000	2	1
£80,000 - £90,000	1	-
£100,000 - £110,000	-	1
£110,000 - £120,000	1	-
	<u>1</u>	<u>1</u>

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 £824,167 (2018: £1,029,619).

8 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 £nil (2018: £30,000 - £35,000). Employer's pension contributions paid £nil (2018: £5,000 - £10,000). E Farmer (Director of Business Strategy) Remuneration £nil (2018: £20,000 - £25,000). Employer's pension contributions paid £nil (2018: £0 - £5,000).

During the year, travel and subsistence payments totalling £29 (2018: £41) were reimbursed or paid directly to 1 trustee (2018: 1 trustee).

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 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, and provides cover up to £5,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the combined insurance policy.

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

10 Central Services

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

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

The academy trust charges for these services based on a flat percentage of income:

- Tinsley Meadows Primary Academy - 6% (2018: 5%)
- Abbeyfield Primary Academy - 6% (2018: 7%)

The amounts charged during the year were as follows:

	2019 £	2018 £
Tinsley Meadows Primary Academy	176,340	120,401
Abbeyfield Primary Academy	135,225	140,288
	<u>311,565</u>	<u>260,689</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

11 Tangible fixed assets

	Leasehold land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Assets under construction	Total
	£	£	£	£	£	£
Cost						
At 1 September 2018	10,298,212	261,534	130,277	100,987	11,130	10,802,140
Transfers	-	39,834	-	-	(39,834)	-
Additions	-	48,101	19,040	11,148	269,571	347,860
At 31 August 2019	10,298,212	349,469	149,317	112,135	240,867	11,150,000
Depreciation						
At 1 September 2018	388,121	7,908	81,685	50,882	-	528,596
Charge for the year	192,056	9,396	40,264	25,247	-	266,963
At 31 August 2019	580,177	17,304	121,949	76,129	-	795,559
Net book value						
At 31 August 2019	9,718,035	332,165	27,368	36,006	240,867	10,354,441
At 31 August 2018	9,910,091	253,626	48,592	50,105	11,130	10,273,544

12 Stocks

	2019 £	2018 £
Educational supplies	8,846	11,737

13 Debtors

	2019 £	2018 £
Trade debtors	33,635	11,111
VAT recoverable	95,236	34,418
Prepayments and accrued income	119,659	118,793
	248,530	164,322

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

14	Creditors: amounts falling due within one year	2019	2018
		£	£
	Government loans	1,300	1,200
	Trade creditors	395,902	92,269
	Other creditors	775	-
	Accruals and deferred income	214,749	244,201
		<u>612,726</u>	<u>337,670</u>

Included within government loans is the portion of the long term SALIX loans which fall due within the following year. The terms of the loans have been discussed in more detail in note 15.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

15 Creditors: amounts falling due after more than one year	2019 £	2018 £
Government loans	27,859	10,118
Analysis of loans		
Wholly repayable within five years	29,159	11,318
Less: included in current liabilities	(1,300)	(1,200)
Amounts included above	27,859	10,118
Loan maturity		
Debt due in one year or less	1,300	1,200
Due in more than one year but not more than two years	1,300	1,200
Due in more than two years but not more than five years	3,900	3,600
Due in more than five years	22,659	5,318
	29,159	11,318

Included within government loans is the long term portion of the following loans from SALIX, a not for profit organisation funded by The Department for Energy and Climate Change.

Abbeyfield Primary Academy received a loan as part of the Condition Improvement Funding grant. The loan is an interest free loan with repayments commencing 1 September 2018. Repayments of £600 will be made twice a year for 8 years until the loan is fully repaid.

Abbeyfield Primary Academy also received a loan as part of the Condition Improvement Funding in the year totalling £19,141. This loan will be an interest free loan with repayments commencing 1 March 2019. The repayment amounts have yet to be confirmed by the ESFA.

16 Deferred income	2019 £	2018 £
Deferred income is included within:		
Creditors due within one year	145,770	213,375
Deferred income at 1 September 2018	213,375	371,096
Released from previous years	(213,375)	(371,096)
Resources deferred in the year	145,770	213,375
Deferred income at 31 August 2019	145,770	213,375

At the balance sheet date, the academy trust was holding funds received in advance for Universal Infant Free School Meals, rates relief, teaching school and funded early learning grants.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	717,901	4,011,845	(3,740,799)	(21,614)	967,333
Other DfE / ESFA grants	-	789,016	(789,016)	-	-
Other government grants	-	417,584	(417,584)	-	-
Teaching school	-	78,796	(59,216)	-	19,580
Other restricted funds	-	6,000	-	-	6,000
Pension reserve	(2,713,000)	-	(369,000)	(1,209,000)	(4,291,000)
	<u>(1,995,099)</u>	<u>5,303,241</u>	<u>(5,375,615)</u>	<u>(1,230,614)</u>	<u>(3,298,087)</u>
Restricted fixed asset funds					
Transfer on conversion	2,527,835	-	(61,402)	-	2,466,433
DfE group capital grants	366,131	308,609	(59,105)	-	615,635
Capital expenditure from GAG	16,482	-	(2,520)	21,614	35,576
LA property donation in kind	7,391,276	-	(143,936)	-	7,247,340
	<u>10,301,724</u>	<u>308,609</u>	<u>(266,963)</u>	<u>21,614</u>	<u>10,364,984</u>
Total restricted funds	<u>8,306,625</u>	<u>5,611,850</u>	<u>(5,642,578)</u>	<u>(1,209,000)</u>	<u>7,066,897</u>
Unrestricted funds					
General funds	<u>221,759</u>	<u>102,441</u>	<u>(104,095)</u>	<u>-</u>	<u>220,105</u>
Total funds	<u>8,528,384</u>	<u>5,714,291</u>	<u>(5,746,673)</u>	<u>(1,209,000)</u>	<u>7,287,002</u>

FIVE RIVERS MULTI ACADEMY TRUST

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

17 Funds

(Continued)

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

General Annual Grant

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 2019.

Other DfE/ ESFA 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.

Teachers' Pay Grant provides funding for schools to support the teachers' pay award which came into effect 1 September 2018.

Other government grants

Other government grants consist of high needs funding and free early learning funding.

The high needs funding is to provide support and facilities for pupils with high needs.

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

Teaching School Grants

The Teaching School grant is to provide support to high-performing schools to close their development gaps.

Restricted fixed asset funds

Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of the academy. A total of £nil (2018: £nil) has been transferred from restricted funds to the restricted fixed asset fund, as permitted by the Accounts Direction 2018 to 2019.

Restricted pension reserve

The restricted pension reserve is in deficit to the value of £4,291,000 as at 31 August 2019 (2018: £2,713,000). The majority of this has been inherited upon conversion to Academy status. The trustees will continue to monitor this situation closely.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	102,217	3,964,952	(3,349,268)	-	717,901
Other DfE / ESFA grants	-	813,701	(813,701)	-	-
Other government grants	-	447,310	(447,310)	-	-
Pension reserve	(2,894,000)	-	(230,000)	411,000	(2,713,000)
	<u>(2,791,783)</u>	<u>5,225,963</u>	<u>(4,840,279)</u>	<u>411,000</u>	<u>(1,995,099)</u>
Restricted fixed asset funds					
Transfer on conversion	2,590,738	-	(62,903)	-	2,527,835
DfE group capital grants	137,584	286,279	(57,732)	-	366,131
Capital expenditure from GAG	18,154	-	(1,672)	-	16,482
LA property donation in kind	7,535,212	-	(143,936)	-	7,391,276
	<u>10,281,688</u>	<u>286,279</u>	<u>(266,243)</u>	<u>-</u>	<u>10,301,724</u>
Total restricted funds	<u>7,489,905</u>	<u>5,512,242</u>	<u>(5,106,522)</u>	<u>411,000</u>	<u>8,306,625</u>
Unrestricted funds					
General funds	<u>222,213</u>	<u>227,565</u>	<u>(228,019)</u>	<u>-</u>	<u>221,759</u>
Total funds	<u>7,712,118</u>	<u>5,739,807</u>	<u>(5,334,541)</u>	<u>411,000</u>	<u>8,528,384</u>

Total funds analysis by academy

	2019 £	2018 £
Fund balances at 31 August 2019 were allocated as follows:		
Tinsley Meadows Primary Academy	680,444	428,031
Abbeyfield Primary Academy	485,160	370,823
Central services	47,414	140,806
Total before fixed assets fund and pension reserve	<u>1,213,018</u>	<u>939,660</u>
Restricted fixed asset fund	10,364,984	10,301,724
Pension reserve	(4,291,000)	(2,713,000)
Total funds	<u>7,287,002</u>	<u>8,528,384</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
	£	£	£	£	£
Tinsley Meadows Primary Academy	1,821,985	523,277	165,305	390,135	2,900,702
Abbeyfield Primary Academy	1,301,371	432,425	75,644	343,146	2,152,586
Central Services	149,708	161,677	64,846	50,190	426,421
	<u>3,273,064</u>	<u>1,117,379</u>	<u>305,795</u>	<u>783,471</u>	<u>5,479,709</u>

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
	£	£	£	£	£
Tinsley Meadows Primary Academy	1,769,593	466,966	85,776	374,667	2,697,002
Abbeyfield Primary Academy	1,250,828	419,259	76,241	332,125	2,078,453
Central Services	119,749	136,321	6,178	30,595	292,843
	<u>3,140,170</u>	<u>1,022,546</u>	<u>168,195</u>	<u>737,387</u>	<u>5,068,298</u>

18 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	10,354,441	10,354,441
Current assets	220,105	1,315,973	328,068	1,864,146
Creditors falling due within one year	-	(323,060)	(289,666)	(612,726)
Creditors falling due after one year	-	-	(27,859)	(27,859)
Defined benefit pension liability	-	(4,291,000)	-	(4,291,000)
Total net assets	<u>220,105</u>	<u>(3,298,087)</u>	<u>10,364,984</u>	<u>7,287,002</u>

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	10,273,544	10,273,544
Current assets	221,759	1,054,371	39,498	1,315,628
Creditors falling due within one year	-	(336,470)	(1,200)	(337,670)
Creditors falling due after one year	-	-	(10,118)	(10,118)
Defined benefit pension liability	-	(2,713,000)	-	(2,713,000)
Total net assets	221,759	(1,995,099)	10,301,724	8,528,384

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 2012, and that of the LGPS related to the period ended 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

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.

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pensions and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £263,183 (2018: £220,989).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 11.8% to 13% 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 £4,650 for Tinsley Meadows Primary Academy and £3,708 for Abbeyfield Primary Academy to be paid monthly during the period September 2019 to March 2020. The Academy Trust will continue to make contributions after that date but the amounts have not yet been confirmed.

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

Total contributions made	2019 £	2018 £
Employer's contributions	261,000	254,000
Employees' contributions	83,000	85,000
Total contributions	344,000	339,000

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pensions and similar obligations

(Continued)

Principal actuarial assumptions	2019 %	2018 %
Rate of increases in salaries	3.25	3.45
Rate of increase for pensions in payment	2.10	2.30
Discount rate	1.80	2.90
Inflation assumption (CPI)	2.00	2.20

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

	2019 Years	2018 Years
Retiring today		
- Males	23.1	23.0
- Females	25.9	25.8
Retiring in 20 years		
- Males	25.3	25.2
- Females	28.3	28.1

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

	2019 £	2018 £
Discount rate + 0.1%	(160,000)	(103,000)
Mortality assumption + 1 year	98,000	63,000
CPI rate + 0.1%	165,000	106,000

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

	2019 Fair value £	2018 Fair value £
Equities	679,000	472,000
Government bonds	186,000	128,000
Other bonds	94,000	65,000
Cash	42,000	41,000
Property	113,000	87,000
Other assets	185,000	97,000
Total market value of assets	1,299,000	890,000
Actual return on scheme assets - gain/(loss)	79,000	32,000

FIVE RIVERS MULTI ACADEMY TRUST

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

19 Pensions and similar obligations

(Continued)

Amounts recognised in the statement of financial activities	2019 £	2018 £
Current service cost	392,000	409,000
Past service cost	156,000	-
Interest income	(31,000)	(17,000)
Interest cost	108,000	87,000
Administrative expenses	5,000	5,000
Total operating charge	630,000	484,000
Changes in the present value of defined benefit obligations	2019 £	2018 £
Obligations at 1 September 2018	3,603,000	3,418,000
Current service cost	392,000	409,000
Interest cost	108,000	87,000
Employee contributions	83,000	85,000
Actuarial loss/(gain)	1,257,000	(396,000)
Benefits paid	(9,000)	-
Past service cost	156,000	-
At 31 August 2019	5,590,000	3,603,000
Changes in the fair value of the academy trust's share of scheme assets	2019 £	2018 £
Assets at 1 September 2018	890,000	524,000
Interest income	31,000	17,000
Actuarial gain	48,000	15,000
Employer contributions	261,000	254,000
Employee contributions	83,000	85,000
Benefits paid	(9,000)	-
Administrative expenses	(5,000)	(5,000)
At 31 August 2019	1,299,000	890,000

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20	Reconciliation of net (expenditure)/income to net cash flow from operating activities	2019	2018
		£	£
	Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(32,382)	405,266
	Adjusted for:		
	Capital grants from DfE and other capital income	(308,609)	(286,279)
	Defined benefit pension costs less contributions payable	292,000	160,000
	Defined benefit pension scheme finance cost	77,000	70,000
	Depreciation of tangible fixed assets	266,963	266,243
	Decrease/(increase) in stocks	2,891	(1,761)
	(Increase)/decrease in debtors	(84,208)	35,913
	Increase/(decrease) in creditors	274,956	(302,721)
	Net cash provided by operating activities	488,611	346,661
21	Commitments under operating leases		
	At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:		
		2019	2018
		£	£
	Amounts due within one year	2,627	4,368
	Amounts due in two and five years	-	2,627
		2,627	6,995
22	Capital commitments		
		2019	2018
		£	£
	Expenditure contracted for but not provided in the accounts	123,723	28,235

FIVE RIVERS MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

23 Related party transactions

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

D Chilvers is a director of Watchmegrow Ltd. During the year £1,784 (2018: £2,051) was paid to the company for an assessment tool.

S Betts is the CEO of Learn Sheffield. During the year £10,741 (2018: £2,171) was paid to the company for various training and educational support.

R Webb is a director of Sheffield South East Learning Partnership. During the year £10,984 (2018: £7,500) was paid to the company for education resources and expertise. The element above £2,500 has been provided at no more than cost and Sheffield South East Learning Partnership has provided a statement of assurance confirming this.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2018.

24 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 YEAR ENDED 31 AUGUST 2019

25 Teaching school trading account	2019		2018	
	£	£	£	£
Direct income				
Government grants		57,500	-	-
Other income		21,296	-	-
Total income		78,796		-
Direct costs				
Direct staff costs	38,327		-	-
Staff development	13,896		-	-
Other direct costs	45		-	-
Total income	52,268		-	-
Other costs				
Support staff costs	6,448		-	-
Other support costs	500		-	-
	6,948		-	-
Total operating costs		(59,216)		-
Surplus from teaching school		19,580		-
Teaching school balances at 1 September 2018		-		-
Teaching school balances at 31 August 2019		19,580		-