

RIVERS MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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RIVERS MULTI ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	Anthony Evans Ben Coggan Graham Skinner
Trustees	Anthony Evans, Chairman David Martin, Vice Chair Jonathan Locke, Headteacher Maureen Bray Robin Chalcraft (resigned 29 September 2015) Ray James Michael Rowe (resigned 29 September 2015) Peter Westbrook Paul Wilson Gary Austin Qasim Duranni (resigned 29 September 2015) Shaun Rayner JP (resigned 29 September 2015) Carol Hayward (resigned 29 September 2015) Neil Beardsworth (resigned 29 September 2015)
Company registered number	07697367
Company name	Rivers Multi Academy Trust
Principal and registered office	Leventhorpe School Cambridge Road Sawbridgeworth Herts CM21 9BY
Company Secretary	Jackie Moodie
Accounting Officer	Jonathan Locke, Headteacher
Senior Management Team	Jonathan Locke, Headteacher James Dyke, Deputy Head Malcolm White, Deputy Head Catherine Cusick, Assistant Head Alex Francis, Assistant Head Dave Harvey, Assistant Head Belinda Kistell, Assistant Head Gary Savill, Assistant Head Wendy Shannon, Personnel Manager
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire Cm23 3BT

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Advisers (continued)

Bankers

Lloyds Bank
25 Gresham Street
London
EC2V7HN

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

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

RIVERS MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Rivers Multi Academy Trust (the Charitable Company, the Academy or the Trust) for the year ended 31 August 2016. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates a secondary academy school serving a catchment area in Sawbridgeworth. There is one school currently in the Trust with a capacity of 1,202. This had a roll of 1,210 in the 2016 census.

Structure, Governance and Management

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

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

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

Members' Liability

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

Trustees and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and details of the costs are disclosed in Note 10 to the financial statements.

Method of Recruitment and Appointment or Election of Trustees

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

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Board. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for no less than 3 and no maximum number of Trustees.

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

The Trust is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end The Trust links with a number of local training providers. New Trustees are required to attend a training programme. The induction programme would involve a tour of the School, meetings with students and staff and provision of policy and procedures documents that are appropriate to the role they undertake with particular emphasis on the committee work that they will undertake.

Organisational Structure

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

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

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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

Arrangements for Setting Pay and Remuneration of Key Management Personnel

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

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

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

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

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

- member of Bishop's Stortford and Sawbridgeworth Consortium of Secondary Schools;
- partner with London University - offering undergraduate study at degree level;
- partner with Cambridge University as a Training School;
- strategic partner of the local Teaching School Alliance, Catalyst;
- National Support School supporting School; and
- member of Bishop Stortford Educational Trust (BSET).

The Trust does not have a formal sponsor.

Objectives and Activities

Objects and Aims

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

Objectives, Strategies and Activities

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

- Excellence - growing to be the best you can be.
- Commitment - taking opportunities and being passionate about learning.
- Respect - caring about each other and appreciating our individual skills and needs.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The Academy aims to achieve the following;

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

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

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

Our success in fulfilling our aims can be measured by:

- still having an outstanding OfSTED status;
- upper Quartile sixth A level progress;
- above Average Attainment P8;
- oversubscribed school (200 1st choice year 7, 350 on roll in sixth form);
- SEN and pupil premium outcomes- gap reduced;
- staff morale is high; and
- improved staff retention.

Public Benefit

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

Strategic Report

Achievements and Performance

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

Specific achievements were as follows:

- the school's overall examination results in summer 2016 showed improvement and all three cohorts showed solidly good outcomes, with areas of very good progress;
- GCSE saw improved attainment and good value-added;
- AS level saw improved pass rates and the percentage of A-B grades and at A' Level saw an improved average grade per entry and value-added progress that has hit our upper quartile targets;
- overall all, disadvantaged learners had done well and were approaching the attainment of non-disadvantaged learners. The progress of SEND students was especially strong;
- to ensure standards are maintained and raised at the Academy, the Board and the Senior Leadership Team operate a robust quality assurance process which monitors the quality of teaching and learning and conducts a rigorous review of attainment through school self-evaluation (RAISE online) and Go4Schools to measure the progress of students, paying particular regard to their achievement on entry and levels of subsequent progress achieved;
- the purchase of new software Show My Homework had been a resounding success for students, staff and parents. It also enabled better monitoring of homework setting across the School;
- the Academy received a successful bid application as part of the Government's Priority School Building Programme to secure future funding to rebuild of the sixth form and science block; and
- funding secured and on-going construction relating to the window walling project to improve the appearance of School buildings and improve their energy efficiency.

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TRUSTEES' REPORT (continued)
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Key Performance Indicators

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

As funding is based on pupil numbers this is a key performance indicator. Total pupil numbers for 2016 were 1,210.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2015/16 this was 72%. The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalents and staffing structures all approved by the Board.

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

Going Concern

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

Financial Review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education Funding Agency (EFA). For the year ended 31 August 2016 the Trust received £6,600,063 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £7,538,410. The Trust brought forward from 14/15, £540,678 restricted funds and £1,537,128 unrestricted funding. The carry forward for 15/16 is £688,870 restricted funding and £1,777,584 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,800,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

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

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,777,584. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2016 was £688,870.

The cash balance of the trust has been very healthy all year, ending the year with a balance of £2,997,780. Trustees in executing their obligation to maintain the Trust's building infrastructure are aware that future maintenance and refurbishment as well as potential expansion requires planned adequate funding. In light of these anticipated on-going costs and reducing revenues the Trustees have again declined to deplete historical cash reserves and have chosen instead to retain as much as possible to support future expenditure. This has been achieved without compromising the quality of the education offering to the Trust's students. The Trustees monitor cash flow as part of the Management Information reports and attempt to hold a minimum of £250,000 to cover short term cash flow variances.

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TRUSTEES' REPORT (continued)
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Investment Policy

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

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

Principal Risks and Uncertainties

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

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

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

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

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

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

Plans for Future Periods

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

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TRUSTEES' REPORT (continued)
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Following on from its extensive and successful window walling project the Trust is seeking to further develop its facilities. Aside from the on-going maintenance projects, the Trust aims to totally refurbish the Science and Sixth Form blocks and is exploring funding for other capital projects.

As an official sponsor approved school and a multi academy trust Rivers is well-placed to consider any possible proposals for more formal collaboration with other organisations. The Members and Directors of the Trust are prioritising their plans to permanently expand the School roll this year.

Funds Held as Custodian Trustee on Behalf of Others

The Trust is the recipient of a small income stream from the Norman Bradley Trust that is used to assist students that are now studying mathematics at university. The fund's principal is managed but not owned by the Academy Trust.

The Academy Trust acts as an agent in distributing 16-19 Bursary Funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where the funds have not been fully applied in the accounting period then an amount will be included as amounts due to the EFA. For further details please refer to Note 22 to the financial statements.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 13 December 2016 and signed on the Board's behalf by:

Anthony Evans
Chair

RIVERS MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Anthony Evans, Chairman	4	4
David Martin, Vice Chair	3	4
Jonathan Locke, Headteacher	4	4
Maureen Bray	4	4
Robin Chalcraft	1	1
Ray James	2	4
Michael Rowe	1	1
Peter Westbrook	2	4
Paul Wilson	4	4
Gary Austin	3	4
Qasim Duranni	0	1
Shaun Rayner JP	0	1
Carol Hayward	1	1
Neil Beardsworth	1	1

There has been no change in the composition of the Board of Trustees in the year. Throughout 2015/16 the board actively sought the engagement of our local primary schools with the development of RMAT. Discussions were useful but for various reasons (national, regional, local and diocesan) none of the primaries felt able to join RMAT in 2015/16. The trust's long term intention of stronger and more formal collaboration with our local schools remains unchanged.

There has been an external review of governance during the year as part of our internal review program.

As a result of the review a new "Strategy Group" has been established to provide greater strategic focus on certain areas:

- expansion +2FE & possible primary provision on site;
- admissions;
- RMAT: other primaries, structure etc;
- local community; pool, arts etc;
- Bishop's Stortford Educational Trust and other local trusts;
- Catalyst and Teaching School Status;
- Curriculum - EBacc; and
- issues around expansion/relocation/building of local schools.

Another review of governance is planned for 2016/2017 to allow changes from the review in 2015/2016 to be implemented and for the governors to evaluate the impact of the changes made.

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GOVERNANCE STATEMENT (continued)

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to address the financial matters arising.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jonathan Locke, Head Teacher	5	6
Anthony Evans, Chairman	5	6
Paul Wilson	5	6
David Martin	5	6
Robin Chalcraft	3	6
Gary Austin	5	6
Qasim Duranni	2	6

REVIEW OF VALUE FOR MONEY

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

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

- a landscaping contract put out to tender with 50% reduction against the previous contract;
- window walling project – achieved a £12k saving by contracting scaffolders and asbestos removal separately; and
- administration review has saved the School in the region of 12 “admin hours” per week.

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 ongoing process designed to identify and prioritise the risks to the achievement of 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 Rivers Multi Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The 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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

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GOVERNANCE STATEMENT (continued)

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

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a termly basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The work undertaken in the year included:

- governance and financial oversight;
- financial planning, monitoring and reporting;
- internal control and internal scrutiny; and
- proper and regular use of funds.

The Internal Auditor has delivered their schedule of work as planned.

No material control issues have arisen as a result of the Internal Auditor's work.

REVIEW OF EFFECTIVENESS

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 13 December 2016 and signed on their behalf, by:

Anthony Evans
Chair

Jonathan Locke
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Jonathan Locke
Accounting Officer

Date: 13 December 2016

RIVERS MULTI ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who act as Governors of Leventhorpe School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by the Board of Trustees on 13 December 2016 and signed on its behalf by:

Anthony Evans
Chair

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

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Gary Miller FCA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
Cm23 3BT
19 December 2016

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO RIVERS
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 March 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Rivers Multi Academy Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF RIVERS MULTI ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO RIVERS
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Price Bailey LLP

Chartered Accountants

19 December 2016

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	4,663	270,799	249,978	525,440	479,160
Charitable activities	3	419,202	6,180,861	-	6,600,063	6,714,235
Other trading activities	4	88,706	30,970	-	119,676	154,991
Investments		14,872	27	-	14,899	22,610
TOTAL INCOME		527,443	6,482,657	249,978	7,260,078	7,370,996
EXPENDITURE ON:						
Charitable activities		286,987	6,393,465	857,958	7,538,410	7,436,245
TOTAL EXPENDITURE	5	286,987	6,393,465	857,958	7,538,410	7,436,245
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		240,456	89,192	(607,980)	(278,332)	(65,249)
Actuarial losses on defined benefit pension schemes	18	-	(700,000)	-	(700,000)	(5,000)
NET MOVEMENT IN FUNDS		240,456	(610,808)	(607,980)	(978,332)	(70,249)
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,537,128	(500,322)	20,171,879	21,208,685	21,278,934
TOTAL FUNDS CARRIED FORWARD		1,777,584	(1,111,130)	19,563,899	20,230,353	21,208,685

All of the Trust's activities derive from acquisitions in the current financial year.

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

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	10		19,563,899		19,923,967
Investments	11		25		25
			19,563,924		19,923,992
CURRENT ASSETS					
Debtors	12	244,407		216,355	
Cash at bank and in hand		2,997,780		2,699,690	
		3,242,187		2,916,045	
CREDITORS: amounts falling due within one year	13	(775,758)		(590,352)	
			2,466,429		2,325,693
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES			22,030,353		22,249,685
Defined benefit pension scheme liability	18		(1,800,000)		(1,041,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			20,230,353		21,208,685
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	14	688,870		540,678	
Restricted fixed asset funds	14	19,563,899		20,171,879	
		20,252,769		20,712,557	
Restricted income funds excluding pension liability		20,252,769		20,712,557	
Pension reserve		(1,800,000)		(1,041,000)	
		18,452,769		19,671,557	
Total restricted income funds			18,452,769		19,671,557
Unrestricted income funds	14		1,777,584		1,537,128
TOTAL FUNDS			20,230,353		21,208,685

The financial statements were approved by the Trustees, and authorised for issue, on 13 December 2016 and are signed on their behalf, by:

Anthony Evans
Chair

The notes on pages 21 to 36 form part of these financial statements.

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	16	640,275	671,940
Cash flows from investing activities:			
Dividends, interest and rents from investments		14,899	22,610
Purchase of tangible fixed assets		(357,084)	(182,003)
Net cash used in investing activities		(342,185)	(159,393)
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		2,699,690	2,187,143
Cash and cash equivalents carried forward	17	2,997,780	2,699,690

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Rivers Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Rivers Multi Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Rivers Multi Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. [The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS']

Reconciliations to previous UK GAAP for the comparative figures are included in note 23.

1.2 Company status

The Academy is a company limited by guarantee. The Members of the Company are the Trustees named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member of the Academy. The Trusts registered office is Leventhorpe School, Cambridge Road, Sawbridgeworth, Hertfordshire, CM21 9BY.

1.3 Fund accounting

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

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.6 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements..

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

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 Incorporating Income and Expenditure Account.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1.8 Investments

The Academy Trust's shareholding in Herts for Learning Limited is included in the Balance Sheet at the cost of the share capital owned. There is no readily available market value and the cost of a formal valuation exceeds the benefit derived.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank.

1.10 Liabilities and provisions

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 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.

1.11 Financial instruments

The Academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Those basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Taxation

The 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 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.

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

Retirement benefits to employees of the 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 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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the 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 Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 Bursary Funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where the funds have not been fully applied in the accounting period then an amount will be included as amounts due to the EFA.

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Donations	4,663	270,799	-	275,462	231,247
Capital grants	-	-	249,978	249,978	247,913
	<u>4,663</u>	<u>270,799</u>	<u>249,978</u>	<u>525,440</u>	<u>479,160</u>

In 2015, of the total income from donations and capital grants, £3,166 was to unrestricted funds, £228,081 was to restricted funds and £247,913 was to restricted fixed asset funds.

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	5,707,080	5,707,080	5,974,446
Other DfE / EFA grants	-	232,306	232,306	147,032
Schools direct (salaries)	-	162,068	162,068	163,347
	<u>-</u>	<u>6,101,454</u>	<u>6,101,454</u>	<u>6,284,825</u>
Other government grants				
Local Authority grants	-	72,807	72,807	54,422
Other Government grants	-	6,600	6,600	11,400
	<u>-</u>	<u>79,407</u>	<u>79,407</u>	<u>65,822</u>
Other funding				
Catering income	419,202	-	419,202	363,588
	<u>419,202</u>	<u>-</u>	<u>419,202</u>	<u>363,588</u>
	<u>419,202</u>	<u>6,180,861</u>	<u>6,600,063</u>	<u>6,714,235</u>

In 2015, of the total income from charitable activities, £363,588 was to unrestricted funds and £6,350,647 was to restricted funds.

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	7,279	-	7,279	7,884
Other income	81,427	30,970	112,397	147,107
	<u>88,706</u>	<u>30,970</u>	<u>119,676</u>	<u>154,991</u>

In 2015, of the total income from other trading activities, £154,991 was to unrestricted funds and £NIL was to restricted funds.

5. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Provision of education:					
Direct costs	4,310,583	-	568,292	4,878,875	4,830,096
Support costs	952,822	1,057,435	649,278	2,659,535	2,606,149
	<u>5,263,405</u>	<u>1,057,435</u>	<u>1,217,570</u>	<u>7,538,410</u>	<u>7,436,245</u>

In 2016, of the total expenditure, £286,987 (2015 - £353,165) was to unrestricted funds, £6,534,271 (2015 - £6,377,237) was to restricted funds and £717,152 (2015 - £705,843) was to restricted fixed asset funds.

CHARITABLE ACTIVITIES

	2016 £	2015 £
Direct costs	4,878,875	4,830,096
Support costs	2,659,535	2,606,149
	<u>7,538,410</u>	<u>7,436,245</u>

	2016 £	2015 £
Analysis of support costs		
Support staff costs	952,822	866,506
Depreciation	717,152	705,843
Technology costs	5,293	3,245
Premises costs (excluding depreciation)	340,283	295,738
Other costs	630,294	721,438
Governance costs	13,691	13,379
	<u>2,659,535</u>	<u>2,606,149</u>

RIVERS MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

6. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned or leased by the Academy	717,152	705,843
Auditors' remuneration - audit	6,700	8,490
Auditors' remuneration - non-audit	6,991	4,889
Operating lease rentals	10,387	10,361
	10,387	10,361

7. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	4,182,645	4,119,612
Social security costs	302,259	281,482
Operating costs of defined benefit pension schemes	697,682	626,970
	5,182,586	5,028,064
Supply teacher costs	80,819	53,948
	5,263,405	5,082,012

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

	2016 No.	2015 No.
Teachers	87	79
Administration and support	84	87
Management	9	9
	180	175

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

	2016 No.	2015 No.
In the band £ 60,001 - £ 70,000	2	2
In the band £100,001 - £110,000	1	1

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 £670,385 (2015: £634,242).

Included in the above are employer pension contributions of £98,371 (2015 - £83,005).

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8. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received benefits from an employment with the Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

Jonathan Locke (Headteacher)	Remuneration: £105,000 - £110,000 (2015: £105,000 - £110,000)
	Employer's pension contributions: £15,000 - £20,000 (2015: £10,000 - £15,000)
Carol Hayward (Staff Trustee)	Remuneration: £NIL - £5,000 (2015: £40,000 - £45,000)
	Employer's pension contributions: £NIL - £5,000 (2015: £5,000 - £10,000)
Neil Beardsworth (Staff Trustee)	Remuneration: £NIL - £5,000 (2015: £25,000 - £30,000)
	Employer's pension contribution: £NIL - £5,000 (2015: £NIL - £5,000)

During the year, no Trustees received any reimbursement of expenses (2015 - £21)

9. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 is included within other support costs.

10. TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost						
At 1 September 2015	20,456,702	49,566	5,009	1,680,451	288,472	22,480,200
Additions	25,614	329,148	-	2,322	-	357,084
Transfer between classes	218,797	(293,395)	-	11,618	62,980	-
At 31 August 2016	<u>20,701,113</u>	<u>85,319</u>	<u>5,009</u>	<u>1,694,391</u>	<u>351,452</u>	<u>22,837,284</u>
Depreciation						
At 1 September 2015	1,779,946	-	3,382	591,779	181,126	2,556,233
Charge for the year	464,421	-	1,002	192,955	58,774	717,152
At 31 August 2016	<u>2,244,367</u>	<u>-</u>	<u>4,384</u>	<u>784,734</u>	<u>239,900</u>	<u>3,273,385</u>
Net book value						
At 31 August 2016	<u><u>18,456,746</u></u>	<u><u>85,319</u></u>	<u><u>625</u></u>	<u><u>909,657</u></u>	<u><u>111,552</u></u>	<u><u>19,563,899</u></u>
At 31 August 2015	<u><u>18,676,756</u></u>	<u><u>49,566</u></u>	<u><u>1,627</u></u>	<u><u>1,088,672</u></u>	<u><u>107,346</u></u>	<u><u>19,923,967</u></u>

Included in land and buildings is freehold land at valuation of £8,806,307 (2015 - £8,806,307), which is not depreciated.

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11. FIXED ASSET INVESTMENTS

	Other investments £
Cost	
At 1 September 2015 and 31 August 2016	25
	<u>25</u>

Investments at cost comprise:

	2016 £	2015 £
Other fixed asset investments	25	25
	<u>25</u>	<u>25</u>

All the fixed asset investments are held in the UK

12. DEBTORS

	2016 £	2015 £
Trade debtors	1,671	23,631
VAT recoverable	71,749	29,206
Other debtors	32,093	15,995
Prepayments and accrued income	138,894	147,523
	<u>244,407</u>	<u>216,355</u>

13. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	234,897	100,954
Other taxation and social security	96,207	90,969
Amounts repayable to the EFA	53,875	18,360
Other creditors	121,795	89,538
Accruals and deferred income	268,984	290,531
	<u>775,758</u>	<u>590,352</u>

Deferred income

	2016 £	2015 £
Deferred income at 1 September 2015	76,626	69,381
Resources deferred during the year	140,672	76,626
Amounts released from previous years	(76,626)	(69,381)
	<u>140,672</u>	<u>76,626</u>
Deferred income at 31 August 2016	<u>140,672</u>	<u>76,626</u>

The majority of deferred income held at 31 August 2016 related to £22,938 of EFA funding that relates to the next financial year, and £93,817 which relates to trip income for trips taking place in the next financial year.

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14. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Designated funds						
Sinking fund for wasting assets	80,000	-	-	22,246	-	102,246
General funds						
General funds - all funds	1,457,128	527,443	(286,987)	(22,246)	-	1,675,338
Total unrestricted funds	1,537,128	527,443	(286,987)	-	-	1,777,584
Restricted funds						
General Annual Grant (GAG)	416,862	5,707,080	(5,592,863)	-	-	531,079
Other DfE/ EFA	-	62,792	(62,792)	-	-	-
Pupil Premium	-	69,514	(69,514)	-	-	-
Norman Bradley Trust	102,022	185	(2,400)	-	-	99,807
School trips	8,610	270,799	(279,409)	-	-	-
Schools Direct (salaried)	13,184	162,068	(175,252)	-	-	-
Sponsor capacity funding	-	100,000	(42,016)	-	-	57,984
Other government funding	-	79,407	(79,407)	-	-	-
Other restricted	-	30,812	(30,812)	-	-	-
Pension reserve	(1,041,000)	-	(59,000)	-	(700,000)	(1,800,000)
	(500,322)	6,482,657	(6,393,465)	-	(700,000)	(1,111,130)
Restricted fixed asset funds						
Restricted fixed asset funds	19,923,966	-	(717,152)	357,085	-	19,563,899
EFA capital grants	247,913	249,978	(140,806)	(357,085)	-	-
	20,171,879	249,978	(857,958)	-	-	19,563,899
Total restricted funds	19,671,557	6,732,635	(7,251,423)	-	(700,000)	18,452,769
Total of funds	21,208,685	7,260,078	(7,538,410)	-	(700,000)	20,230,353

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

Sinking fund for wasting assets

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

General funds

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

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14. STATEMENT OF FUNDS (continued)

General Annual Grant (GAG)

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

Other DfE and EFA

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

Pupil Premium

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

Norman Bradley Trust

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

Restricted trip donations

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

Schools Direct (salaried)

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

Sponsor capacity funding

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

Other Government grants

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

Pension reserve

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

Restricted fixed asset fund

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

EFA capital grants

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

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

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15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	19,563,899	19,563,899	19,923,966
Fixed asset investments	-	25	-	25	25
Current assets	1,777,584	1,464,603	-	3,242,187	2,916,045
Creditors due within one year	-	(775,758)	-	(775,758)	(590,351)
Provisions for liabilities and charges	-	(1,800,000)	-	(1,800,000)	(1,041,000)
	<u>1,777,584</u>	<u>(1,111,130)</u>	<u>19,563,899</u>	<u>20,230,353</u>	<u>21,208,685</u>

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the year (as per Statement of Financial Activities)	(278,332)	(65,249)
Adjustment for:		
Depreciation charges	717,151	705,843
Dividends, interest and rents from investments	(14,899)	(22,610)
(Increase)/decrease in debtors	(28,052)	40,278
Increase/(decrease) in creditors	185,407	(69,322)
Defined benefit pension scheme adjustment	59,000	83,000
Net cash provided by operating activities	<u>640,275</u>	<u>671,940</u>

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	2,997,780	2,699,690
Total	<u>2,997,780</u>	<u>2,699,690</u>

18. PENSION COMMITMENTS

The Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £83,827 were payable to the schemes at 31 August 2016 (2015 - £83,127) and are included within creditors.

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18. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%);
- 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; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £481,156 (2015 - £410,670).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £298,000 (2015 - £278,000), of which employer's contributions totalled £196,000 (2015 - £184,000) and employees' contributions totalled £102,000 (2015 - £94,000). The agreed contribution rates for future years are 27.8% for employers and 5.5-12.5% for employees.

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

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18. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	3.60 %	4.00 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.3	22.3
Females	24.5	24.3
Retiring in 20 years		
Males	24.3	24.5
Females	26.7	26.7

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,220,000	911,000
Bonds	542,000	397,000
Property	136,000	103,000
Cash	38,000	58,000
Total market value of assets	<u>1,936,000</u>	<u>1,469,000</u>

The actual return on scheme assets was £249,000 (2015 - £62,000).

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(216,000)	(203,000)
Net interest cost	(39,000)	(64,000)
Total	<u>(255,000)</u>	<u>(267,000)</u>

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18. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2016 £	2015 £
Opening defined benefit obligation	2,510,000	2,211,000
Current service cost	216,000	203,000
Interest cost	97,000	85,000
Contributions by employees	51,000	47,000
Actuarial losses	891,000	18,000
Benefits paid	(29,000)	(54,000)
	<u>3,736,000</u>	<u>2,510,000</u>

Movements in the fair value of the Trust's share of scheme assets:

	2016 £	2015 £
Opening fair value of scheme assets	1,469,000	1,230,000
Interest income	58,000	49,000
Actuarial gains	191,000	13,000
Contributions by employer	196,000	184,000
Contributions by employees	51,000	47,000
Benefits paid	(29,000)	(54,000)
	<u>1,936,000</u>	<u>1,469,000</u>

19. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	10,387	10,387
Between 1 and 5 years	14,558	24,944
	<u>24,945</u>	<u>35,331</u>

20. MEMBERS' LIABILITY

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

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21. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the "at cost" principle stated in the Academies Financial Handbook.

During the year the company paid support costs of £1,000 (2015: £NIL) to Burnt Mill Academy Trust, a company with one Trustee common to Rivers Multi Academy Trust (Mr Qasim Durrani). These transactions were carried out at cost. £NIL was due to Burnt Mill Academy Trust at the year end.

22. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the trust received £13,905 and disbursed £6,422 from the fund. An amount of £25,148 is included in other creditors relating to undistributed funds that is repayable to EFA.

23. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.