

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2021
for
THE RIVERS C OF E MUTLI ACADEMY TRUST

THE RIVERS C OF E MUTLI ACADEMY TRUST

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for the year ended 31 August 2021

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THE RIVERS C OF E MUTLI ACADEMY TRUST

Reference and Administrative Details for the Year Ended 31 August 2021

Members	J Booton (appointed 23/10/2020) C Hoddinott (appointed 13/10/2021) E Hughes (resigned 13/10/2021) A Streather S Yates Worcester Diocese Academy Trust (Corporate Member)
Trustees	K Brunt M Buckley (appointed 31/03/21) A Gaunt (appointed 19/11/20) A Gilbert (appointed 14/10/20) L Gregg C Hoddinott L Hoskyns-Staples (resigned 31/03/21) E Hughes A Jobbins C Nichols E Thomas P West
Company secretary	S Taylor
Senior management team	K Brunt - Executive Head and CEO C Atkinson – School Improvement Executive K Banford – Headteacher N Cale – Head of School E Calvert – Head of School R Dalton – Director of Operations (appointed 01/09/2020) S Grimes (appointed 01/01/2021) C Howitt – Headteacher H Lloyd-Davies – Head of School L Long - Head of School (resigned 31/10/2021) T O'Keeffe-Pullan - Headteacher T Price – Head of School R Pierpoint - Headteacher K Postans – Headteacher K Ramsey – Head of School N Rich – Head of School K Rochester – Director of Education (appointed 01/11/2020) E Rowe – Head of School (resigned 31/12/2020) S Taylor – Director of Finance S Williams – Headteacher
Academies operated	Burlish Park Primary School, Stourport-on-Severn, Worcestershire Cranham Primary School, Warndon, Worcester Cherry Orchard Primary School, Worcester Cutnall Green C of E First School, Cutnall Green, Worcestershire Great Witley C of E Primary School, Great Witley, Worcestershire Heronswood Primary School, Kidderminster, Worcestershire Jubilee Park Academy, Tipton, West Midlands North Worcester Primary Academy, Worcester Northwick Manor Primary School, Northwick, Worcester St Clements C of E Primary School, Worcester St Clement's Pre-School, Worcester St Peter's Droitwich C of E Academy, Droitwich, Worcestershire Summerhill's Little Treasures, Tipton, West Midlands Summerhill Primary Academy, Tipton, West Midlands Wychbold First and Nursery School, Wychbold, Worcestershire
Registered office	Cutnall Green C of E Primary School School Lane Cutnall Green Droitwich WR9 0PH
Registered company number	09199371
Independent auditors	Haines Watts Birmingham LLP 5-6 Greenfield Crescent Edgbaston Birmingham B15 3BE

THE RIVERS C OF E MUTLI ACADEMY TRUST

Reference and Administrative Details
for the Year Ended 31 August 2021

Bankers

Lloyds Bank
The Cross
Worcestershire
WR1 3PY

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

THE RIVERS C OF E MUTLI ACADEMY TRUST

Report of the Trustees for the Year Ended 31 August 2021

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their Annual Report together with the Financial Statements and Auditor's Report of the Charitable Company for the period 1 September 2020 to 31 August 2021. The Annual Report serves the purposes of both a Trustees' report, and a Directors' report under company law.

During the reporting period, the Trust operated 11 primaries, 2 first schools, a pre-school and a children's centre in Worcestershire and Sandwell, West Midlands, England. Its academies have a combined pupil capacity of 5042 and had a roll of 4367 with an additional 437 pre-school places.

Summer Park Multi Academy Trust joined the Trust on 1 November 2020 bringing 2 primary academies in Tipton, West Midlands (Sandwell) which had a combined pupil capacity of 1,206 (including 156 nursery pupils) and recorded a roll of 1014 in the school census in October 2020 (including 60 nursery pupils). Little Treasures children's centre also operates on the site of Summerhill Primary Academy which offers places for children aged 0 to 3 years and had 112 children registered within its provision at the point of transfer.

Cherry Orchard Primary School, Worcester joined the Trust on 1 April 2021 with a pupil capacity of 630 and had 604 pupils on roll on entry to the Trust.

Structure, governance and management

Constitution

The Multi 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 Multi Academy Trust. The Trustees of the Multi Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The registered name of the Charitable Company is The Rivers C of E Multi Academy Trust. Herein, it may be referred to as "The Rivers C of E MAT", "the MAT", or "the Trust".

Details of the Trustees who served during the year 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.

Recruitment and appointment of new Trustees

Trustees are recruited and approved by the Members according to the needs of the Board and the skill set required. Worcester Diocese Academy Trust Members confirm in writing their approval of all Trustees/Members to the Board and this is also confirmed by Worcester Diocese.

Policies and procedures adopted for the induction and training of Trustees

The Trust carries out appropriate training for new Trustees as per The Rivers C of E MAT Induction Policy.

Organisational structure

The MAT has 5 members who appoint the Trustees. The Trustees are responsible for the overall management and responsibility of the MAT. Each of the schools currently within the Trust has a School Improvement Board which is in effect a sub-committee of the main governing body and concentrates on the day to day running of the school according to the scheme of delegation. Each school improvement board has 2 parent representatives and the remainder of the group consists of staff and community members.

Arrangements for setting pay and remuneration of Key Management Personnel

Arrangements for Pay and Remuneration of the Trust's Key Management Personnel is outlined in the Rivers C of E MAT Pay Policy.

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

THE RIVERS C OF E MUTLI ACADEMY TRUST

Report of the Trustees for the Year Ended 31 August 2021

Related parties and other connected charities and organisations

Any transactions with partners of the St Clement's Teaching School and Rivers Teaching School Alliance are on a commercial basis.

Engagement with employees (including disabled persons)

The Rivers CofE MAT has maintained and developed arrangements aimed at providing employees with information on matters of concern to them. This includes regular live briefings given by the CEO and access to the following documents on the Every system: Staff Handbook; Code of Conduct, relevant risk assessments; Safeguarding Policy; COVID-19 policies and procedures; Pay Policy; Equality and Diversity Information and Objectives (encompasses the following protected characteristics: age; disability; race, colour, nationality, ethnic or national origin; sex [including transgender]; gender reassignment; pregnancy and maternity; religion or belief; sexual orientation; and marriage and civil partnership). Employees are consulted regularly at school and MAT level so that their views can be considered in making decisions which are likely to affect their interests. This includes a wellbeing questionnaire. The Trust encourages employees to become involved in its performance by making all data available through Assembly which can be accessed by all heads and strategic leads, sharing data openly at subject leader meetings and enabling financial data to be shared with all heads, school improvement Board members (governing body) and Trustees.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Rivers CofE Academy Trust fosters good business relationships with suppliers, customers and others by treating them as equals, building and maintaining good relationships, ensuring that all business relationships are conducted in an open, transparent and honest manner and conforming to the relevant policies and regulations to ensure legal compliance. Government action note PPN02/2020 was implemented during the coronavirus pandemic to support the Trust's supply chain.

Objectives and aims

The principal activity of the Charitable Company is the operation of The Rivers C of E MAT to provide education for pupils of different abilities up to the age of 11.

The principal objectives of the MAT are as follows:

- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the MAT by keeping the curriculum and organisational structure under continual review;
- to comply with the appropriate statutory and curriculum requirements;
- to make the MAT a valued community resource;
- to close the achievement gap for disadvantaged pupils;
- to ensure pupils are well prepared for the next phase of education academically, socially and emotionally;
- to ensure finance is monitored and driven to ensure value for money and improved outcomes for children.

Public benefit

In setting our objectives the Trustees have given careful consideration to the Charity Commission's guidance on public benefit.

The primary purpose of the Rivers C of E MAT is the advancement of education through its schools and via the teaching school and to provide support within the local areas and wider community.

The Trust runs an extended day, offering a safe place for pupils while parents are working. The Trust operates both pre- and post-school care and an onsite nursery.

The Trust has given a high priority to providing public benefit to a cross section of the community regardless of family background, but perhaps the greatest benefit the academy can offer is the provision of an education that maximises each pupil's potential.

Strategic report

Achievement and performance

Key performance indicators

The Trustees regularly review assessments of the performance of the Trust's academies. The Trustees review test results as a key performance of the Trust's continuing success, but they also review the improvements of each year group and individuals to ensure that the teaching activities of each of the Trust's academies are effective and there is continuous improvement at all levels.

Due to COVID-19, performance data is not available for the year 2020-2021. However, school improvement continues to be a priority: the school improvement team (SIT) makes regular visits to all schools, carries out performance meetings with heads and the CEO and completes regular reviews of EYFS, quality of education, SEND, phonics, whole school and PP.

THE RIVERS C OF E MUTLI ACADEMY TRUST

Report of the Trustees for the Year Ended 31 August 2021

Financial review

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to a particular purpose. The grants received from the ESFA during the 12-month period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities on page 17.

During the period, DfE/ESFA and LA grants totalled £21,745,000 (2020: £14,562,000). Other income included within the restricted funds, excluding transfers in, totalled to £308,000 (2020: £423,000). The restricted fund expenditure totalled to £22,595,000 (2020: £14,396,000).

The Trust also received grants for capital expenditure from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Trust. It should be noted that this does not present the Trust with any current liquidity problem. The employer contributions continue to increase for the foreseeable. Overall, the Trust has a healthy balance sheet and cash flow and will be using reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and the short term in conjunction with the school development plan and school aims.

As described on page 3 of this report, Summer Park Multi Academy Trust (an existing Multi Academy Trust) and Cherry Orchard Primary School (a converter academy) joined the Rivers C of E Multi Academy Trust during the year. The net assets transferred, being some £12,583,000, are accounted for as a 'gift' to the Trust which is reflected in the Statement of Financial Activities within the relevant fund. Further details of the assets and liabilities transferred are given in note 29 to the financial statements.

The Chief Finance Officer has been reviewing the financial policies, processes and controls with an ongoing review of systems used in supporting financial management. All schools are required to produce monthly financial reports that are reviewed at all levels of governance. These are compared against the budget submitted to the ESFA and reforecasts undertaken when required. Any school that is presenting financial challenges is escalated to the Chief Finance Officer who, along with Trustees and the School Improvement Board, will work on a three to five-year strategic plan to ensure the school's financial viability.

On an annual basis, the Audit and Finance Committee receive and review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the strategic aims of the Trust. The assets were used exclusively for providing education and the associated services to the pupils of the academies. The deficits in the Local Government Pension Schemes (LGPS) are recognised on the Balance Sheet in accordance with the provisions of FRS102.

Going concern

After making appropriate enquiries, the Board of Trustees has 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.

Promoting the success of the company

The Trustees of The Rivers C of E Academy Trust promote the success of the Trust:

- ensuring that the Trust is promoted in the press and social media outlets;
- taking a strategic view so that the likely long-term consequence of any decision is considered fully;
- building and maintaining good business relationships with suppliers, customers and others;
- ensuring that the mental health and wellbeing of employees is a priority: the Trust has a wellbeing link Trustee, mental health first aiders, a staff wellbeing questionnaire, a wellbeing standing item on the agenda of every Trustee meeting;
- ensuring new schools are environmentally friendly;
- ensuring all schools are open for local community use during out-of-school hours;
- ensuring all schools work closely with community groups and other education settings.

Reserves policy

Reserves brought over by schools joining the Trust are accounted for in the school's financial statements. More specifically, reserves are income which becomes available to the Trust and is to be spent at the Trustees' discretion in furtherance of any of the Trust's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is free).

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The policy of the Trustees is to maintain a level of reserves that will be adequate to provide a stable basis for the continuing operation of the Trust whilst ensuring that excessive funds are not accumulated. Cash balances of all academies are pooled into a central deposit account with the accounting of reserves remaining at school level.

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Report of the Trustees for the Year Ended 31 August 2021

Reserves policy (continued)

Excluding the pension scheme liability and capital funds, the Trust's funds carried forward as at 31 August 2021 totalled £2,770,000 (2020: £2,106,000), being restricted general funds of £1,245,000 (2020: £849,000) and unrestricted funds of £1,525,000 (2020: 1,257,000), as shown in the Balance Sheet on page 18 and in note 20 to the financial statements on page 31.

The Trust has a pension scheme deficit in respect of the Local Government Pension Scheme of £21,124,000. The liability is included in restricted reserves and the Trust will have to meet any long-term liability out of restricted reserves. In order to repay the deficit, employer contributions will be 18.9%. In addition, in order to protect the fund, phased lump sum deficit contributions have been scheduled over the next three years at an average of £340,000 per annum. It is anticipated that the recovery period is 19 years. This deficit is considered a long-term deficit and not an immediate liability.

The Trustees are satisfied that the MAT continues to progress towards elimination of the Local Government Pension Scheme deficit and that Trust reserves are managed effectively to eliminate deficits for the future.

Investment policy

The Trust has cash held in bank accounts and investments held with CCLA which were inherited on conversion of Great Witley C of E Primary School into the Trust. The Trustees are satisfied that the amounts held in reserves at the end of the period are at an appropriate level. The Trust will ensure that these funds are deposited as part of a safe and secure investment strategy whilst maximising interest received.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The principal risk areas are the protection of pupils, staff and assets as well as maintaining pupil numbers in order to manage the financial risks. Trustees have implemented a number of systems to assess risks that each school faces, especially in the operational areas (e.g. in relation to teaching, health and safety and school trips), and in relation to the control of finances. The Trust has inherited a number of building related issues on the transfer of the school buildings. CIF grant funding applications have been submitted to further improve individual site facilities to address priorities identified through site suitability and conditions reports and taking professional advice and guidance from the Trust's property consultants. Systems and procedures to minimise operational risks are constantly being reviewed and updated, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk.

A material risk for the Trust in relation to the defined pension scheme has been mitigated as parliament has agreed at the request of the Secretary of State for Education to guarantee that, in the event of an academy closure, outstanding LGPS pension scheme liabilities would be met by the Department of Education. This guarantee came into force on 18 July 2013.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. It should also be noted that procedures are in place to ensure compliance with health and safety of staff, visitors and pupils.

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the Trustees have a duty to report information on fundraising practices. The majority of the income of the Academy is GAG funding from the ESFA to provide education. The Trust receives income from its pre-schools, casual lettings, catering and wrap-around care facilities and the Trust helps to support other like-minded organisations through the secondment of staff, consultation and training activities. Fundraising from the public is a minor part of the Trust's approach to raising money. The Trust does not use professional fundraisers or work with commercial participators except seeking specialist consultation support in preparation for grant applications. Voluntary contributions and donations are requested in accordance with the Charges and Remissions Policy in which we promise not to charge for education provided during school hours and to inform parents on low incomes and in receipt of relevant benefits of the support available to them when asking for contributions. The Rivers C of E Academy Trust and its member academies are committed to ensuring equal opportunities for all pupils, regardless of financial circumstances, to ensure that no child is discriminated against by our offering of school trips, activities and educational extras. Voluntary contributions and donations help to support our efforts to help children live fulfilling and healthy lives. There have been no complaints about fundraising activity this year. All direct fundraising is undertaken by school representatives to ensure that it is not unreasonably intrusive or persistent.

THE RIVERS C OF E MUTLI ACADEMY TRUST
Report of the Trustees
for the Year Ended 31 August 2021

Coronavirus pandemic 2021

For the past two years, COVID-19 has impacted greatly on the Trust's activities as a result of the lockdown periods and the virus control measures. Schools reopened in September 2020 after the initial lockdown. During this period, schools continued to face many challenges. In the event of a positive case, bubble closures were introduced. These closures continued to have an impact on the quality and coverage of the curriculum and teaching across the MAT. The pattern of full closures and bubble closures continued for the rest of the academic year. This inevitably impacted on pupils' progress and standards.

Clearly, the pandemic has affected the Trust's ability to fundraise as a result of the lockdown period and the virus control measures imposed since the reopening of schools. Trustees have ensured that this period has been cost-neutral for the Trust through savings made on energy and other expenses during the period that some of the Trust's schools were closed.

Schools reopened in September 2021 and have remained under the careful supervision of Trustees who met on a regular basis to review COVID-19 risk assessments. Measures have been implemented across all school sites to give staff and pupils all the protections that can be afforded. Schools continue to incur additional costs whilst maintaining a high standard of health and safety aimed at preventing the spread of coronavirus. Staffing absences are increasing and schools have struggled to cover those staff who have tested positive or those who have had to isolate. This has placed additional pressure and cost on to our schools.

The Trust has worked hard to mitigate the impact of the virus on staff and pupils through the following measures:

- introducing a mental health and wellbeing link Trustee;
- producing a wellbeing questionnaire for staff;
- ensuring that staff have kept in regular contact with pupils throughout;
- providing a remote learning platform for pupils across the Trust;
- providing catch-up sessions for targeted children.

Moving forward, the Trust will continue to prioritise pupil and staff wellbeing.

Trustees continue to approve allocation of reserves to invest in Information Technology resources and staff training. This continues to be an area of focus, development and investment.

The Trust's central belief in the importance and benefit of collaboration, both internally and externally, continues to be affected to some extent by the virus control measures. Collaboration amongst staff across the Trust continues to take place in a hybrid way i.e. in person (where relevant and safe) and via Teams.

Streamlined Energy and Carbon Reporting 2020/21

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 – 31 August 2021	Current reporting year 2020/21	Comparison reporting year 2019/20
Energy consumption used to calculate emissions (kWh)	3,614,256	2,262,297
Scope 1 - emissions in metric tonnes CO₂e		
Gas consumption	450.388	258.500
Kerosene consumption	17.781	17.781
LPG consumption	11.345	10.239
Owned transport	1.15	1.23
Total Scope 1	480.66	287.75
Scope 2 - emissions in metric tonnes CO₂e		
Purchased electricity	215.866	168.700
Scope 3 - emissions in metric tonnes CO₂e		
Business travel in employee-owned vehicles	2.20	1.96
Total gross emissions in metric tonnes CO ₂ e	698.72	458.41
Intensity ratio Tonnes CO ₂ e per pupil	0.149	0.126

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Report of the Trustees
for the Year Ended 31 August 2021

Streamlined Energy and Carbon Reporting 2020/21 (continued)

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

- virtual meetings increased across academies in the MAT, reducing need for travel
- converting to LED lighting at Wychbold First and Nursery Schools
- Replaced aged kitchen appliances and washing machine with A* rated appliances at Northwick Manor Primary School
- BEMS controllers updated at:
 - Cranham Primary School
 - Heronswood Primary School
 - Northwick Manor Primary School
 - St Clement's CE Primary School

Future plans

The number of academies within the Trust is expected to increase over the next 3 years through the pipeline identified in the Trust's growth strategy. Educational intervention and support capacity has increased during the academic year through the recruitment of additional associate school leaders, who bring strength and breadth to the central School Improvement Team.

A centralised procurement strategy to realise cost savings and effectiveness across the Trust is being implemented.

The Trustees and school improvement boards continue to promote the Trust within the local community, for example school fairs, choral visits to local old people's homes, donations to local charities, collaboration projects with schools in the independent sector and a community-focussed festival of music.

The Trustees continue to apply for capital funding to further improve and extend the school buildings, which will improve the suitability and condition of the schools.

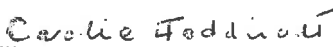
Auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware;
- 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 auditors, Haines Watts, are willing to continue in office and a resolution to appoint them will be proposed at the forthcoming Annual General Meeting.

The Report of the Trustees, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company Directors, on 8 December 2021 and signed on the Board's behalf by:


.....
C Hoddinott
Chair of Trustees

THE RIVERS C OF E MUTLI ACADEMY TRUST

Governance Statement for the Year Ended 31 August 2021

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Rivers C of E 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 of loss.

The Board of Trustees has delegated the day-to-day responsibility to the Executive Principal / 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 the 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 Report of the Trustees and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 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
M Buckley	3	3
K Brunt	7	7
A Gaunt	5	5
A Gilbert	6	7
L Gregg	7	7
C Hoddinott	7	7
L Hoskyns-Staples	4	5
E Hughes	7	7
A Jobbins	7	7
C Nichols	7	7
E Thomas	5	7
P West	7	7

The Trust has an Audit and Finance Committee which comprises at least 3 Trustees, one of whom is the committee chair. This is a sub-committee of the Board of Trustees which meets at least termly and reports key findings and actions to the Board of Trustees. Its duties are as follows:

- to advise on the adequacy and effectiveness of the Trust's governance, risk management, internal control and VFM systems and frameworks;
- to advise on the appointment, re-appointment, dismissal and remuneration of the external and regularity auditor;
- to advise on the need for, and then, where appropriate, the appointment, re-appointment, dismissal and remuneration of, an internal auditor or other assurance provider to enable the Board to sign the corporate governance statement in the annual accounts;
- to advise on an appropriate programme of work to be delivered by independent assurance providers (external auditors and responsible officer). This programme of work to be derived from the Audit Committee's regard of the key risks faced by the Trust;
- to review the external auditor's annual planning document and approve the planned audit approach;
- to receive reports from the external auditor and other bodies and consider any issues raised, the associated management response and action plans;
- to consider individual academy budget proposals for authorisation;
- to consider exceptional requests for expenditure;
- to oversee significant investment and capital financing decisions;
- to oversee the financial position of the Trust.

Attendance at Audit and Finance committee meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
M Buckley	0	1
K Brunt	6	6
E Hughes	1	1
A Jobbins	6	6
C Nichols	6	6
E Thomas	3	5
A Todd (co-opted member)	5	6

As a result of a governance review carried out by CST in 2020-2021, the Audit and Finance Committee will be replaced by the Finance and Operations Committee and the Audit, Risk and Compliance Committee in 2021-2022.

THE RIVERS C OF E MUTLI ACADEMY TRUST

Governance Statement for the Year Ended 31 August 2021

Key changes in Trustees

On the resignation of a Trustee the board reviewed the combined skills and experience of the board members. In accordance with identified need, the number of Trustees comprising the board was increased by two members in addition to appointing a replacement Trustee.

Review of value for money

As Accounting Officer, Kathryn Brunt, Executive Principal/CEO, 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 available.

The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Continually reviewing service level agreements for best value
- Following the Trust's procurement policy
- Avoiding waste and unnecessary extravagance

As a Multi Academy Trust, the Accounting Officer is constantly looking at making use of multiple schools, sharing expertise, experience and data, as well as accessing economies of scale when making shared purchases.

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 Charitable Company 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. Risk Assessment is a standing item on the agenda of every Trustee meeting. The system of internal control has been in place in the Trust for the period 1 September 2020 to 31 August 2021 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 Charitable Company 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 on-going process for identifying, evaluating and managing the Charitable Company's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Board of Trustees and the risk register is a standing item on the agenda.

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

The Audit and Finance Committee considered the need for a specific internal audit function and decided to appoint Claire Rushton as reporting officer. The reporting officer's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period included:

- testing of payroll systems
- testing of cash and bank treasury controls
- testing of pupil premium
- testing of compliance with the scheme of delegation and internal controls
- review of business continuity plans

THE RIVERS C OF E MUTLI ACADEMY TRUST

Governance Statement
for the Year Ended 31 August 2021

The risk and control framework (continued)

The reporting officer reports to the Board of Trustees, through the Audit and Finance Committee on the operation of the system of control and on the discharge of the Board of Trustees' financial responsibilities. The Board can confirm that the reporting officer has delivered their schedule of work as planned. During the current and previous period, there were no material control issues and thus no remedial action was required to be taken.


Review of effectiveness


As Accounting Officer, the Executive Principal/CEO 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 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 and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on its behalf by:


.....
C Hoddinott
Chair of Trustees


.....
K Brunt
Accounting Officer

THE RIVERS C OF E MUTLI ACADEMY TRUST

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2021

As Accounting Officer of The Rivers C of E Multi Academy Trust, I have considered my responsibility to notify the Charitable Company Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Charitable Company, under the Funding Agreement in place between the Charitable Company and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Charitable Company Board of Trustees are able to identify any material irregular or improper use of all funds by the Charitable Company, or material non-compliance with the terms and conditions of funding under the Charitable Company's Funding Agreement and the Academies Financial Handbook 2020.

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



.....
K Brunt
Accounting Officer

8 December 2021

THE RIVERS C OF E MUTLI ACADEMY TRUST

Statement of Trustees' Responsibilities for the Year Ended 31 August 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the Board of Trustees on 8 December 2021 and signed on its behalf by:


.....
C Hoddinott
Chair of Trustees

Report of the Independent Auditors to the Members of
The Rivers C of E Multi Academy Trust

Opinion

We have audited the financial statements of The Rivers C of E Multi Academy Trust (the 'Charitable Company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

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 2021 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 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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.

Report of the Independent Auditors to the Members of
The Rivers C of E Multi Academy Trust

Responsibilities of Trustees

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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company'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 to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory framework applicable to both the Charitable Company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Trustees and other management. The most significant were identified as the Companies Act 2006, the Charities Act 2011, the Charities SORP (FRS102) and the Accounts Direction and Academies Financial Handbook issued by the ESFA.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

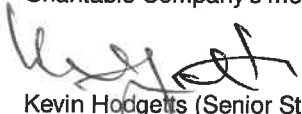
- making enquires of management and Trustees as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

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 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 the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Hodgetts (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

15 December 2021

Independent Reporting Accountant's Assurance Report on Regularity to
The Rivers C of E Multi Academy Trust and the Education and Skills Funding Agency

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

This report is made solely to The Rivers C of E Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Rivers C of E Multi Academy Trust and the 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 The Rivers C of E Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Rivers C of E Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Rivers C of E Multi Academy Trust's funding agreement with the Secretary of State for Education dated 30 September 2014 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the 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 Charitable Company's income and expenditure.

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the Trust's activities;
- A review of governance procedures;
- A review of financial budgeting and monitoring procedures;
- A review of related/connected party transactions in accordance with internal processes and the Academies Financial Handbook;
- A review and sample testing of internal financial controls; and
- A review and sample testing of procurement procedures.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Haines Watts Birmingham LLP
Reporting Accountant
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

15 December 2021

THE RIVERS C OF E MULTI ACADEMY TRUST

**Statement of Financial Activities
for the year ended 31 August 2021**

					2021	2020
	Notes	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	Total funds £'000	Total funds £'000
Income and endowments from						
Donations and capital grants	2	51	80	613	744	354
Transfers into the Trust	29	-	(6,645)	19,228	12,583	(4)
Charitable activities						
Funding for the academies' educational operations	3	135	21,764	-	21,899	14,731
Teaching schools	26	-	180	-	180	180
Other trading activities	4	961	29	-	990	693
Investment income	5	<u>3</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>7</u>
Total		1,150	15,408	19,841	36,399	15,961
Expenditure on						
Raising funds	7	874	1	-	875	484
Charitable activities						
Academies' educational operations	8	18	22,338	1,036	23,392	15,056
Teaching schools	26	2	256	-	258	208
Total	6	894	22,595	1,036	24,525	15,748
NET INCOME/(EXPENDITURE)		256	(7,187)	18,805	11,874	213
Transfers between funds	21	<u>-</u>	<u>(1,649)</u>	<u>1,649</u>	<u>-</u>	<u>-</u>
Other recognised gains/(losses)						
Gains on revaluation of fixed assets		12	-	-	12	3
Actuarial gains/(losses) on defined benefit schemes		<u>-</u>	<u>(1,175)</u>	<u>-</u>	<u>(1,175)</u>	<u>(589)</u>
Net movement in funds		268	(10,011)	20,454	10,711	(373)
Reconciliation of funds						
Total funds brought forward		1,257	(9,868)	31,767	23,156	23,529
Total funds carried forward		<u>1,525</u>	<u>(19,879)</u>	<u>52,221</u>	<u>33,867</u>	<u>23,156</u>

Continuing operations

All income and expenditure has arisen from continuing activities.


The notes form part of these financial statements

THE RIVERS C OF E MULTI ACADEMY TRUST

Statement of Financial Position
31 August 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	14	50,494	31,757
Investments	15	<u>82</u>	<u>70</u>
		50,576	31,827
Current assets			
Debtors	16	1,681	1,024
Cash at bank		<u>5,361</u>	<u>2,238</u>
		7,042	3,262
Creditors			
Amounts falling due within one year	17	<u>(2,580)</u>	<u>(1,216)</u>
Net current assets		<u>4,462</u>	<u>2,046</u>
Total assets less current liabilities		55,038	33,873
Creditors			
Amounts falling due after more than one year	18	(47)	(9)
Pension liability	22	<u>(21,124)</u>	<u>(10,717)</u>
NET ASSETS		<u>33,867</u>	<u>23,156</u>
Funds	20		
Restricted funds:			
General restricted fund		1,245	849
Pension reserve		<u>(21,124)</u>	<u>(10,717)</u>
Restricted fixed asset fund		<u>52,221</u>	<u>31,767</u>
		32,342	21,899
Unrestricted funds:			
General fund		<u>1,525</u>	<u>1,257</u>
Total funds		<u>33,867</u>	<u>23,156</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8 December 2021 and were signed on its behalf by:


.....
C Hoddinott
Chair of Trustees

Company Registration Number: 09199371

The notes form part of these financial statements

THE RIVERS C OF E MULTI ACADEMY TRUST

Statement of Cash Flows
for the year ended 31 August 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Cash generated from operations	27	<u>1,467</u>	<u>566</u>
Net cash provided by operating activities		<u>1,467</u>	<u>566</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(552)	(515)
Capital grants from DfE/ESFA		616	106
Interest received		<u>3</u>	<u>7</u>
Net cash provided by/(used in) investing activities		<u>67</u>	<u>(402)</u>
Cash transferred with schools joining the Trust		<u>1,589</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		3,123	164
Cash and cash equivalents at the beginning of the reporting period		<u>2,238</u>	<u>2,074</u>
Cash and cash equivalents at the end of the reporting period		<u><u>5,361</u></u>	<u><u>2,238</u></u>

The notes form part of these financial statements

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

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the Charitable Company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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

Going concern

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the charity which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

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.

1. Accounting policies - continued

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

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

Land	- not depreciated
Long leasehold buildings	- 50 years straight line on cost
Fixtures, fittings and equipment	- 5 - 15 years straight line on cost
Computer equipment	- 3 years straight line on costs

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

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

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Liabilities

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

Provisions

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

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

1. Accounting policies - continued

Liabilities

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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.

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.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education & Skills Funding Agency/Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education & Skills Funding Agency/Department for Education.

Pension costs and other post-retirement benefits

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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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.

Transfer on conversion

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

THE RIVERS C OF E MULTI ACADEMY TRUST

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

1. Accounting policies - continued

Transfer of existing academies into the Academy Trust

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within Donations and capital grant income to the net assets acquired.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

2. Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Donations	51	80	131	248
Capital grants	-	613	613	106
	<u>51</u>	<u>693</u>	<u>744</u>	<u>354</u>

THE RIVERS C OF E MULTI ACADEMY TRUST

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

3. Funding for the academies' educational operations

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
DfE/ESFA grants				
General Annual Grant (GAG)	-	16,198	16,198	10,976
Other DfE/ESFA grants				
UFSM	-	628	628	473
Pupil Premium	-	1,181	1,181	704
Teachers pay grant	-	188	188	145
Teachers pension grant	-	544	544	421
PE and sports premium	-	214	214	168
Start up grant	-	150	150	-
MAT development grant	-	-	-	359
Others	-	389	389	36
	-	19,492	19,492	13,282
Other Government grants				
Local authority grants	-	1,289	1,289	859
Special educational projects	-	657	657	388
Other income from the academies' educational operations	135	11	146	100
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	281	281	-
Other DfE/ESFA COVID-19 funding	-	26	26	33
COVID-19 additional funding (Non-DfE/ESFA)				
Coronavirus Job Retention Scheme	-	-	-	69
Other COVID-19 funding	-	8	8	-
	<u>135</u>	<u>21,764</u>	<u>21,899</u>	<u>14,731</u>

The academy received £281k of funding for catch-up premium and costs incurred in respect of this funding totalled £281k.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the Academy Trust's funding for Universal Infant Free School Meals, Pupil Premium, Teachers pay and Teachers pension grants, PE and Sports premium, start-up grants and MAT development grants are no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified on the same basis.

4. Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Hire of facilities	17	-	17	17
Catering income	57	-	57	39
Teaching & consultancy income	-	12	12	30
Preschool & WAC Income	615	-	615	404
Activities, trips & other income	<u>272</u>	<u>17</u>	<u>289</u>	<u>203</u>
	<u>961</u>	<u>29</u>	<u>990</u>	<u>693</u>

THE RIVERS C OF E MULTI ACADEMY TRUST

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

5. Investment income

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Bank interest received	<u>3</u>	<u>-</u>	<u>3</u>	<u>7</u>

6. Expenditure

	Non-pay expenditure			2021	2020
	Staff costs £'000	Premises £'000	Other costs £'000	Total £'000	Total £'000
Raising funds					
Costs of fundraising					
Direct costs	772	8	95	875	484
Charitable activities					
Academies' educational operations					
Direct costs	14,735	793	1,102	16,630	11,195
Allocated support costs	3,715	1,173	1,874	6,762	3,861
Teaching schools					
Direct costs	163	-	23	186	143
Allocated support costs	<u>67</u>	<u>-</u>	<u>5</u>	<u>72</u>	<u>65</u>
	<u>19,452</u>	<u>1,974</u>	<u>3,099</u>	<u>24,525</u>	<u>15,748</u>

Net income/(expenditure) is stated after charging/(crediting):

	2021 £'000	2020 £'000
Auditors' remuneration	15	14
Auditors' remuneration for non-audit work	11	10
Depreciation - owned assets	1,041	811
Operating lease rentals	<u>129</u>	<u>29</u>

7. Raising funds

Costs of fundraising

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Staff costs	772	-	772	431
Rates and water	8	-	8	13
Activities, trips and other costs	<u>94</u>	<u>1</u>	<u>95</u>	<u>40</u>
	<u>874</u>	<u>1</u>	<u>875</u>	<u>484</u>

THE RIVERS C OF E MULTI ACADEMY TRUST

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

8. Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Direct costs – academies' educational operations	(3)	16,633	16,630	11,195
Direct costs - teaching schools	2	184	186	143
Support costs – academies' educational operations	21	6,741	6,762	3,861
Support costs - teaching schools	-	72	72	65
	<u>20</u>	<u>23,630</u>	<u>23,650</u>	<u>15,264</u>

	2021 Total £'000	2020 Total £'000
Analysis of support costs		
Support staff costs	3,782	1,982
Depreciation	246	197
Technology costs	245	186
Premises costs	1,173	541
Legal costs - other	72	5
Legal costs – on conversion	22	-
Other support costs	1,144	880
Governance costs	<u>150</u>	<u>135</u>
Total support costs	<u>6,834</u>	<u>3,926</u>

9. Trustees' remuneration and benefits

The executive principal and staff Trustees only received remuneration in respect of services they provided undertaking the roles of executive principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Trust in respect of their role as Trustees. The value of Trustees' remuneration was as follows:

	2021 £	2020 £
K Brunt (executive principal and Trustee)		
Remuneration	£125,000 - £130,000	£105,000 - £110,000
Employer's pension contributions	£30,000 - £35,000	£25,000 - £30,000

Other related party transactions are set out in note 25.

Trustees' expenses

During the year ended 31 August 2021, travel and subsistence expenses totalling £nil were reimbursed to nil Trustees (2020: £911, 2 trustees).

THE RIVERS C OF E MULTI ACADEMY TRUST

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

10. Staff costs

	2021	2020
	£'000	£'000
Wages and salaries	13,765	9,310
Social security costs	1,152	760
Operating costs of defined benefit pension schemes	<u>4,367</u>	<u>2,449</u>
	19,284	12,519
Supply teacher costs	146	15
Redundancy payments	10	3
Severance payments	<u>12</u>	<u>5</u>
	<u><u>19,452</u></u>	<u><u>12,542</u></u>

Included in staff restructuring costs is a non-statutory/non-contractual severance payment totalling £11,862 (2020: £4,642).

The average number of persons (including senior management team) employed by the Charitable Company during the year was as follows:

	2021	2020
Teachers (FTE: 2021 - 209, 2020 - 131)	243	152
Administrative (FTE: 2021 - 304, 2020 - 175)	520	310
Management (FTE: 2021 - 15, 2020 - 12)	<u>15</u>	<u>12</u>
	<u><u>778</u></u>	<u><u>474</u></u>

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

	2021	2020
£60,001 - £70,000	8	5
£70,001 - £80,000	4	2
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
£125,001 - £130,000	<u>1</u>	<u>1</u>
	<u><u>15</u></u>	<u><u>8</u></u>

Key Management Personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their service to the Trust was £1,448,823 (2020: £993,296).

11. Trustees' and officers' insurance

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

THE RIVERS C OF E MULTI ACADEMY TRUST

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

12. Comparatives for the statement of financial activities – year ended 31 August 2020

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Income and endowments from				
Donations and capital grants	28	86	240	354
Transfer from Local Authority on conversion	-	(4)	-	(4)
Charitable activities				
Funding for the academies' educational operations	-	14,640	-	14,640
Teaching schools	-	180	-	180
Other trading activities	705	79	-	784
Investment income	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
Total	740	14,981	240	15,961
 Expenditure on				
Raising funds	525	(3)	(1)	521
Charitable activities				
Academies' educational operations	-	14,191	828	15,019
Teaching schools	-	208	-	208
Total	<u>525</u>	<u>14,396</u>	<u>827</u>	<u>15,748</u>
 NET INCOME/(EXPENDITURE)	215	585	(587)	213
 Transfers between funds	<u>-</u>	<u>(338)</u>	<u>338</u>	<u>-</u>
 Other recognised gains/(losses)				
Gains on revaluation of fixed assets	3	-	-	3
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(589)</u>	<u>-</u>	<u>(589)</u>
Net movement in funds	218	(342)	(249)	(373)
 Reconciliation of funds				
Total funds brought forward	<u>1,039</u>	<u>(9,526)</u>	<u>32,016</u>	<u>23,529</u>
 Total funds carried forward	<u><u>1,257</u></u>	<u><u>(9,868)</u></u>	<u><u>31,767</u></u>	<u><u>23,156</u></u>

THE RIVERS C OF E MULTI ACADEMY TRUST

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

13. Central services

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

- > human resources
- > financial services
- > legal services
- > educational support services
- > governance services
- > estate services
- > IT services

The Trust charges for these services on a flat 5% (2020: 5%) of income. The actual amounts charged during the year were as follows:

	2021	2020
	£'000	£'000
St Clement's CofE Primary School	49	48
Heronswood Primary School	74	65
Cutnall Green CofE First School	25	23
Great Witley CofE Primary School	36	32
Cranham Primary School	85	113
Northwick Manor Primary School	120	81
St Peter's Droitwich CofE Academy	83	77
Wychbold First and Nursery School	28	27
Burlish Park Primary	73	73
North Worcester Primary	23	20
Summerhill Primary Academy	141	-
Jubilee Park Academy	39	-
Cherry Orchard Primary School	53	-
	829	559

14. Tangible fixed assets

	Long leasehold £'000	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
Cost				
At 1 September 2020	33,101	523	634	34,258
Additions	223	257	72	552
Disposals	-	-	(7)	(7)
Transferred in	18,770	414	42	19,226
At 31 August 2021	52,094	1,194	741	54,029
Depreciation				
At 1 September 2020	1,845	223	433	2,501
Charge for year	793	139	109	1,041
Eliminated on disposal	-	-	(7)	(7)
At 31 August 2021	2,638	362	535	3,535
Net book value				
At 31 August 2021	49,456	832	206	50,494
At 31 August 2020	31,256	300	201	31,757

Included in cost or valuation is leasehold land of £3,141,000, which is not depreciated.

The long leasehold interest in the land and buildings of the schools joining the Trust during the year has been transferred into the Trust's fixed assets at cost or valuation as follows:

The land and buildings of Cherry Orchard Primary School were valued at £9,200,000 by an external chartered surveyor on a depreciated replacement cost basis. Land and buildings of the Summer Park schools were transferred at their book value, which in the opinion of the Trustees' was not materially different to fair value at that date.

THE RIVERS C OF E MULTI ACADEMY TRUST

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

15. Fixed asset investments

	Unlisted investments £'000
Market value	
At 1 September 2020	70
Revaluations	<u>12</u>
At 31 August 2021	<u>82</u>
Net book value	
At 31 August 2021	<u>82</u>
At 31 August 2020	<u>70</u>

There were no investment assets outside the UK.

Cost or valuation at 31 August 2021 is represented by:

	Unlisted investments £'000
Valuation in 2021	12
Cost	<u>70</u>
	<u>82</u>

16. Debtors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade debtors	89	210
VAT	271	82
Prepayments and accrued income	<u>1,321</u>	<u>732</u>
	<u>1,681</u>	<u>1,024</u>

17. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	699	393
Social security and other taxes	298	174
Other creditors	466	160
Accruals and deferred income	<u>1,117</u>	<u>489</u>
	<u>2,580</u>	<u>1,216</u>

Deferred Income

	2021 £'000	2020 £'000
Deferred income at 1 September 2020	354	309
Resources deferred in the year	516	354
Amounts released from previous years	<u>(354)</u>	<u>(309)</u>
Deferred income at 31 August 2021	<u>516</u>	<u>354</u>

At the balance sheet date the Trust was holding funds received in advance for universal infant free school meals and parent pay income relating to the 2021/22 academic year.

THE RIVERS C OF E MULTI ACADEMY TRUST

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

18. Creditors: amounts falling due after more than one year

	2021	2020
	£'000	£'000
Other creditors	<u>47</u>	<u>9</u>

Included within other creditors is a loan of £38k from Sandwell MBC which is provided on the following terms; annual payment of £14k for the remaining term of the loan. The loan term remaining as at 31 August 2021 is 3 years.

Also included within in other creditors is a Salix loan of £20k, an annual amount of £4k is payable for the remaining term of the loan. The loan term remaining as at 31 August 2021 is 4 years and 8 months. Also included within other creditors is a CIF loan of £9k, an annual amount of £1k is payable for the remaining term of the loan. The loan term remaining as at 31 August 2021 is 8 years. Both the Salix and CIF loans are from the DfE/ESFA. An analysis of the maturity of these loans is given below:

	2021	2020
	£'000	£'000
Amounts falling due within one year on demand	19	-
Amounts falling due greater than one year	<u>47</u>	<u>9</u>

19. 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 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 cease to be a member.

20. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	2021
	£'000	£'000	£'000	Total funds
				£'000
Fixed assets	-	-	50,494	50,494
Investments	-	82	-	82
Current assets	1,525	3,250	2,267	7,042
Current liabilities	-	(2,087)	(540)	(2,627)
Pension liability	-	(21,124)	-	(21,124)
	<u>1,525</u>	<u>(19,879)</u>	<u>52,221</u>	<u>33,867</u>

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

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	2020
	£'000	£'000	£'000	Total funds
				£'000
Fixed assets	-	-	31,757	31,757
Investments	-	70	-	70
Current assets	1,257	1,833	172	3,262
Current liabilities	-	(1,054)	(162)	(1,216)
Pension liability	-	(10,717)	-	(10,717)
	<u>1,257</u>	<u>(9,868)</u>	<u>31,767</u>	<u>23,156</u>

THE RIVERS C OF E MULTI ACADEMY TRUST

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

21. Movement in funds

	Balance at 1 September 2020	Incoming Resources	Resources Expended	Gains, losses and Transfers	Balance at 31 August 2021
	£'000	£'000	£'000	£'000	£'000
Restricted general funds					
General Annual Grant (GAG)	770	16,198	(15,648)	(236)	1,084
UIFSM	-	628	(628)	-	-
Pupil premium	-	1,181	(1,181)	-	-
Teachers pay grant	-	188	(188)	-	-
Teachers pension grant	-	544	(544)	-	-
PE and sports premium	-	214	(214)	-	-
Start up grants	-	150	(150)	-	-
Catch up premium	-	281	(281)	-	-
Other DfE/ESFA COVID funding	-	26	(26)	-	-
Other DfE/ESFA grants	-	389	(389)	-	-
Other restricted funds	-	2,074	(2,074)	-	-
Teaching school	79	180	(274)	176	161
Transfers in	-	1,589	-	(1,589)	-
	<u>849</u>	<u>23,642</u>	<u>(21,597)</u>	<u>(1,649)</u>	<u>1,245</u>
 Restricted pension fund	 (10,717)	 -	 (998)	 (9,409)	 (21,124)
Transfers in	-	(8,234)	-	8,234	-
	<u>(9,868)</u>	<u>15,408</u>	<u>(22,595)</u>	<u>(2,824)</u>	<u>(19,879)</u>
 Restricted fixed asset funds					
Received on conversion	28,209	19,228	(925)	-	46,512
DfE/ESFA capital grants	2,183	613	(79)	-	2,717
Capital expenditure from GAG	1,042	-	(53)	1,649	2,638
Private sector sponsor	333	-	21	-	354
	<u>31,767</u>	<u>19,841</u>	<u>(1,036)</u>	<u>1,649</u>	<u>52,221</u>
 Total restricted funds	 <u>21,899</u>	 <u>35,249</u>	 <u>(23,631)</u>	 <u>(1,175)</u>	 <u>32,342</u>
 Unrestricted funds	 <u>1,257</u>	 <u>1,150</u>	 <u>(894)</u>	 <u>12</u>	 <u>1,525</u>
 Total funds	 <u>23,156</u>	 <u>36,399</u>	 <u>(24,525)</u>	 <u>(1,163)</u>	 <u>33,867</u>

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Skills Funding Agency, Department of Education, or other funders.

Restricted Fixed Asset Funds are resources which are applied to specific capital purposes imposed by the Education Skills Funding Agency, Department for Education, or other funders where the asset acquired or created is held for a specific purpose.

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

THE RIVERS C OF E MULTI ACADEMY TRUST

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

21. Movement in funds - continued

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to limits on the amount of GAG that could be carried forward at 31 August 2021.

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

	Balance at 1 Sep 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, losses and Transfers £'000	Balance at 31 Aug 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	275	11,056	(10,131)	(430)	770
Start up grants	-	-	-	-	-
Other DfE group grants	54	1,624	(1,678)	-	-
Pupil premium	-	704	(704)	-	-
Other restricted funds	-	1,421	(1,421)	-	-
Teaching school	15	180	(208)	92	79
	<u>344</u>	<u>14,985</u>	<u>(14,142)</u>	<u>(338)</u>	<u>849</u>
 Restricted pension fund	(9,870)	-	(258)	(589)	(10,717)
Transfer on conversion	-	(4)	4	-	-
	<u>(9,526)</u>	<u>14,981</u>	<u>(14,396)</u>	<u>(927)</u>	<u>(9,868)</u>
 Restricted fixed asset funds					
Received on conversion	28,931	-	(722)	-	28,209
DfE capital grants	2,147	106	(70)	-	2,183
Capital expenditure from GAG	730	-	(26)	338	1,042
Private sector sponsor	208	134	(9)	-	333
	<u>32,016</u>	<u>240</u>	<u>(827)</u>	<u>338</u>	<u>31,767</u>
 Total restricted funds	<u>22,490</u>	<u>15,221</u>	<u>(15,223)</u>	<u>(589)</u>	<u>21,899</u>
 Unrestricted funds	<u>1,039</u>	<u>740</u>	<u>(525)</u>	<u>3</u>	<u>1,257</u>
 Total funds	<u>23,529</u>	<u>15,961</u>	<u>(15,748)</u>	<u>(586)</u>	<u>23,156</u>

THE RIVERS C OF E MULTI ACADEMY TRUST

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

21. Movement in funds - continued

Analysis by Fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£'000	£'000
St Clement's CofE Primary School	177	214
Heronswood Primary School	217	391
Cutnall Green CofE First School	(56)	3
Great Witley CofE Primary School	75	52
Northwick Manor Primary School	199	158
Cranham Primary School	113	288
St Peter's Droitwich CofE Academy	163	254
Wychbold First and Nursery School	66	70
Burlish Park Primary	80	147
North Worcester Primary Academy	14	111
Summerhill Primary Academy	983	-
Jubilee Park Academy	427	-
Cherry Orchard Primary School	67	-
Teaching School	161	79
MAT	84	339
	<hr/>	<hr/>
Total before fixed assets and pension reserve	2,770	2,106
Restricted fixed asset fund	52,221	31,767
Pension reserve	(21,124)	(10,717)
	<hr/>	<hr/>
Total	33,867	23,156

Cutnall Green CofE Primary is carrying a net deficit of £56k on its funds. The deficit was incurred as a planned action to fund school expansion by opening new classes in years 5 and 6. The school is predicting increases in pupil numbers and future budget plans show recovery of the deficit. To ensure the school returns to a surplus balance on funds the Trust is closely monitoring the retention of pupils after the end of year 4 and the curriculum to ensure it is affordable.

Analysis of academies by cost

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

	Teaching & educational support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	Total 2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
St Clement's	632	287	53	174	1,146	1,117
Heronswood	1,238	325	94	227	1,884	1,759
Cutnall Green	533	96	42	98	769	708
Great Witley	562	182	28	134	906	857
Northwick Manor	2,022	422	85	461	2,990	2,590
Cranham	1,706	188	97	304	2,295	2,071
St Peter's Droitwich	1,407	118	52	179	1,756	1,589
Wychbold	625	53	39	131	848	748
Burlish Park	1,509	238	45	270	2,062	1,975
North Worcester	382	180	34	118	714	443
Summerhill	2,311	767	140	554	3,772	-
Jubilee Park	618	161	23	163	965	-
Cherry Orchard	819	98	13	119	1,049	-
Teaching School	177	67	11	9	264	205
Rivers MAT	311	1,419	125	211	2,066	874
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	14,852	4,601	881	3,152	23,486	14,936

22. Pension and similar obligations

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 Worcestershire County Council for all schools within the Rivers C of E Multi Academy Trust with the exception of Summerhill Primary Academy and Jubilee Park Academy which are managed by the West Midlands Pension Fund. Both are Multi-employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2019 and of the LGPS 31 March 2019.

Contributions amounting to £363,617 were payable to the schemes at 31 August 2021 (2020: £149,247) and are included within creditors.

Teachers' pension scheme

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the teachers' pension scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2019. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to TPS in the period amounted to £1,870,886 (2020: £1,280,061).

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 pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,079,000 (2020: £1,649,000), of which employer's contributions totalled £1,756,000 (2020: £1,444,000) and employees' contributions totalled £323,000 (2020: £205,000). The agreed contribution rates for future years are 24.2% for employers and range from 5.5% to 9.9% for employees.

THE RIVERS C OF E MULTI ACADEMY TRUST

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

22. Pension and similar obligations - continued

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.

In October 2019, the Trust was notified by Worcestershire Pension Fund that additional employer's contributions were to be introduced from 2020/21 over a 3 year period. These are phased lump sum contributions and the amounts notified as payable for future tax years; 2020/21 - £327,000, 2021/22 - £340,000 and 2022/23 - £353,000. The amounts recognised in the Statement of Financial Position are as follows:

	Defined benefit pension plans	
	2021	2020
	£'000	£'000
Present value of funded obligations	(33,528)	(16,237)
Fair value of plan assets	<u>12,404</u>	<u>5,520</u>
	(21,124)	(10,717)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	(21,124)	(10,717)
Net liability	<u>(21,124)</u>	<u>(10,717)</u>

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

	Defined benefit pension plans	
	2021	2020
	£'000	£'000
Current service cost	2,466	1,473
Net interest from net defined benefit asset/liability	271	165
Past service cost	-	46
Administration expenses	<u>17</u>	<u>14</u>
	<u>2,754</u>	<u>1,698</u>
Actual return on plan assets	<u>1,660</u>	<u>732</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	2020
	£'000	£'000
Opening defined benefit obligation	16,237	12,956
Current service cost	2,466	1,473
Past service cost	-	46
Contributions by scheme participants	323	205
Interest cost	427	235
Actuarial losses/(gains)	2,697	1,321
Benefits paid	(276)	(8)
Business combinations	<u>11,654</u>	<u>9</u>
	<u>33,528</u>	<u>16,237</u>

THE RIVERS C OF E MULTI ACADEMY TRUST

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

22. Pension and similar obligations - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£'000	£'000
Opening fair value of scheme assets	5,520	3,086
Assets Interest	156	70
Contributions by employer	1,756	1,444
Contributions by scheme participants	323	205
Assets Admin Expenses	(17)	(14)
Actuarial gains/(losses)	1,522	732
Benefits paid	(276)	(8)
Business combinations	3,420	5
	<u>12,404</u>	<u>5,520</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020
	£'000	£'000
Actuarial gains/(losses)	(1,175)	(589)
	<u>(1,175)</u>	<u>(589)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
Equities	64.00%	65.90%
Government bonds	7.30%	6.70%
Other bonds	5.60%	5.30%
Property	6.00%	5.40%
Cash/liquidity	4.00%	4.20%
Other	13.10%	12.50%
	<u>100.00%</u>	<u>100.00%</u>

The above analysis of major categories of scheme assets is a combined position of Worcestershire County Council and West Midlands Pension Fund.

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

22. Pension and similar obligations - continued

Principal actuarial assumptions at the balance sheet date for Worcestershire County Council:

	2021	2020
Discount rate	1.70%	1.80%
Future salary increases	4.30%	3.80%
Future pension increases	2.90%	2.40%
CPI inflation	2.80%	2.30%

Principal actuarial assumptions at the balance sheet date for West Midlands Pension Fund:

	2021	2020
Discount rate	1.70%	1.63%
Future salary increases	3.85%	3.22%
Future pension increases	2.85%	2.22%
CPI inflation	2.85%	N/A

The current mortality assumptions include sufficient allowance for future improvement in mortality rates. The assumed life expectations on retirement age 65 for the Worcestershire County Council pension scheme are:

	2021	2020
Retiring today		
Males	22.7	22.6
Females	25.1	25.0
Retiring in 20 years		
Males	24.4	24.2
Females	27.1	27.0

The current mortality assumptions include sufficient allowance for future improvement in mortality rates. The assumed life expectations on retirement age 65 for the West Midlands Pension Fund are:

	2021	2020
Retiring today		
Males	21.6	21.9
Females	24.0	24.4
Retiring in 20 years		
Males	23.4	23.8
Females	25.8	26.0

THE RIVERS C OF E MULTI ACADEMY TRUST

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

22. Pension and similar obligations - continued

Sensitivity analysis as at 31 August 2021
Worcestershire Pension Fund

Disclosure item	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
		+0.1% p.a.	+0.1% p.a.	+ 0.1% p.a.	1 year increase in life expectancy
	£000s	discount rate £000s	inflation £000s	pay growth £000s	£000s
Liabilities	23,149	22,656	23,652	23,216	23,867
Assets	(9,161)	(9,161)	(9,161)	(9,161)	(9,161)
Deficit/(Surplus)	13,988	13,495	14,491	14,055	14,706
Projected Service Cost for next year	2,082	2,028	2,138	2,082	2,154
Projected Net Interest Cost for next year	228	232	237	229	240

Sensitivity analysis as at 31 August 2021
West Midlands Pension Fund

	Sensitivity 1	Sensitivity 2	Sensitivity 3
	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	10,074	10,379	10,693
Projected service cost	947	986	1,027
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	10,403	10,379	10,355
Projected service cost	987	986	986
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	10,665	10,379	10,101
Projected service cost	1,026	986	947
Adjustment to life expectancy assumptions	+ 1 year	None	- 1 year
Present value of total obligation	10,811	10,379	9,965
Projected service cost	1,030	986	944

THE RIVERS C OF E MULTI ACADEMY TRUST

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

23. Long-term commitments, including operating leases

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£'000	£'000
Within one year	146	26
Between one and five years	<u>175</u>	<u>25</u>
	<u><u>321</u></u>	<u><u>51</u></u>

24. Capital commitments

	2021	2020
	£'000	£'000
Contracted but not provided for in the financial statements	<u>282</u>	<u>-</u>

25. Related party disclosures

Owing to the nature of the Trust 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

There were no related party transactions for the year ended 31 August 2021 other than certain Trustees' remuneration and expenses already disclosed in note 9.

THE RIVERS C OF E MULTI ACADEMY TRUST

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

26. Teaching school trading account

	2020/21 £'000	2020/21 £'000	2019/20 £'000	2019/20 £'000
Income				
<u>Direct income</u>				
NCTL income	40		40	
SLE income	45		21	
<u>Other income</u>				
Fundraising and other trading activities	95		119	
	<hr/>		<hr/>	
Total income		180		180
Expenditure				
<u>Direct costs</u>				
Direct staff costs	177		120	
Staff development	4		-	
Other direct costs	6		23	
	<hr/>		<hr/>	
Total direct costs		(187)		(143)
<u>Other costs</u>				
Support staff costs	67		55	
Technology costs	1		2	
Recruitment and support	1		-	
Other support costs	2		8	
	<hr/>		<hr/>	
Total other costs		(71)		(65)
		<hr/>		<hr/>
Total expenditure		258		208
Surplus/(Deficit) from all sources		(78)		(28)
Contribution from Rivers MAT to Teaching School		160		92
Balance at 1 September 2020		79		15
		<hr/>		<hr/>
Balance at 31 August 2021		161		79

The national strategy to form Teaching School Hubs resulted in loss of the designated status of St Clement's Teaching School. In September 2021 the accumulated funds were reallocated to the MAT central reserves and the staff transferred to work within the central team. Training activities continue under the banner of 'The Rivers Teaching Alliance' which is managed by the central team, these activities include delivery of Initial Teacher Training in partnership with Worcester University. From 1 September 2021 the Teaching School will no longer be ran through The Rivers C of E MAT.

27. Reconciliation of net income to net cash flow from operating activities

	2021 £'000	2020 £'000
Net income for the reporting period (as per the Statement of Financial Activities)	11,874	213
Adjustments for:		
Depreciation charges	1,041	811
Capital grants from DfE/ESFA	(616)	(106)
Transfer from Local Authority on conversion	(12,583)	4
Interest received	(3)	(7)
Increase in debtors	(657)	(128)
Increase/(decrease) in creditors	1,413	(475)
Difference between pension charge and cash contributions	998	254
	<hr/>	<hr/>
Net cash provided by operations	1,467	566

THE RIVERS C OF E MULTI ACADEMY TRUST

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

28. Analysis of changes in net funds

	At 1/9/20	Cash flow	At 31/8/21
	£'000	£'000	£'000
Net cash			
Cash at bank	<u>2,238</u>	<u>3,123</u>	<u>5,361</u>
	<u>2,238</u>	<u>3,123</u>	<u>5,361</u>
Total	<u><u>2,238</u></u>	<u><u>3,123</u></u>	<u><u>5,361</u></u>

29. New schools joining the Trust

Summer Park Multi Academy Trust

On 1 November 2020 Summer Park Multi Academy Trust, comprising of two primary schools, Summerhill Primary Academy and Jubilee Primary Academy, joined Rivers C of E Multi Academy Trust under the Academies Act 2010. All the operations, assets and liabilities were transferred to Rivers C of E Multi Academy Trust from Summer Park Multi Academy Trust (company number 08591050).

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as transfers in - academies joining the Trust.

Cherry Orchard Primary School

In addition to the above, on 1 April 2021, Cherry Orchard Primary School converted to an academy and joined the Trust under the Academies Act 2010. All the operations, assets and liabilities were transferred to Rivers C of E Multi Academy Trust from Worcestershire County Council for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as transfers in from Local Authority on conversion.

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

	Unrestricted	Restricted	Restricted	
	funds	general	fixed asset	
	£'000	funds	funds	Total
	£'000	£'000	£'000	£'000
Summer Park Multi Academy Trust				
Tangible fixed assets				
- Leasehold land and buildings	-	-	9,570	9,570
- Other tangible fixed assets	-	-	458	458
Revenue funds transferred	-	1,589	-	1,589
LGPS pension deficit	-	(7,023)	-	(7,023)
Cherry Orchard Primary School				
Tangible fixed assets				
- Leasehold land and buildings	-	-	9,200	9,200
LGPS pension deficit	-	(1,211)	-	(1,211)
	<u>-</u>	<u>(1,211)</u>	<u>-</u>	<u>(1,211)</u>
	<u>-</u>	<u>(6,645)</u>	<u>19,228</u>	<u>12,583</u>