

COMPANY REGISTRATION NO. 08452281 (ENGLAND AND WALES)

REACH2 ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2017



REACH2 ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAIL For the Year Ended 31 August 2017

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REACH2 ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAIL For the Year Ended 31 August 2017

Company Members

Jeremy King
Roger Pryce
RT Reverend David Rosedale
Peter Little

Company Trustees

Dr Louise Askew
Antony Gilbey
Rowena Hackwood (Resigned 11 July 2017)
Christopher Kane
Jeremy King (Newly appointed Chair)
Sir Steve Lancashire (Accounting Officer)
Peter Little (Chair - Resigned 16 November 2017)
Michael Peters
Victoria Pigott
Colin Powell
Gavin Robert
Clive Rockingham
Rt Reverend David Rosedale (Resigned 13 December 2016)
Mark Taylor (Resigned 11 July 2017)
Clare Walsh (Resigned 23 November 2017)

Executive Leadership team

Sir Stephen Lancashire
Catherine Paine
Katherine Alexander

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The REAch2 Academy Trust includes the following academies, all of which have Local Governing Bodies (LGB's) or Transition Boards (TB's):

- ❖ **Aerodrome Primary Academy** - Goodwin Road, Croydon, CR0 4EJ **Headteacher:** Zoe Foulsham
- ❖ **Beccles Primary Academy** - Ellough Road, Beccles, Suffolk, NR34 7AB **Headteacher:** Heather Thom
- ❖ **Brampton Primary Academy** - Brampton Road, Bexleyheath, Kent, DA7 4SL **Headteacher:** Gemma Clarke
- ❖ **Broadmead Primary Academy** - 366 Sydenham Road, Croydon, Surrey, CR0 2EA, **Headteacher:** Sarah Findlay-Cobb - left the Trust 1st April 2017
- ❖ **Burrsville Infant Academy** - Craigfield Avenue, Clacton-On-Sea, Essex, C015 **Headteacher:** Katie Siggery
- ❖ **Bushbury Lane Academy** - Ripon Road, Wolverhampton, WV10 9TR **Headteacher:** Kate Benton - joined the Trust 1st March 2017
- ❖ **Camulos Academy** - Whitmore Drive, Via Urbis Romanea, Colchester, CO4 6AL **Headteacher:** Daryl Power
- ❖ **Castle Hill Academy**, Dunley Drive, New Addington, Croydon CR0 0RJ **Headteacher:** Victoria Buckland - left the Trust 1st September 2017
- ❖ **Chapel End Junior Academy** - Roberts Road, Walthamstow, London, E17 4LS **Headteacher:** James Kenyon
- ❖ **Chigwell Primary Academy** - 50 High Road, Chigwell, Essex IG7 6DW **Headteacher:** Elaine Brook
- ❖ **Civitas Academy** - 9 North Street Reading Berkshire RG1 7DA **Headteacher:** Salima Ducker
- ❖ **Concordia Academy** - Westland Avenue, Hornchurch, Essex, RM11 3SD **Headteacher:** Raheel Akhtar
- ❖ **Copperfield Academy** - Dover Road East, Gravesend, Kent DA11 0RB **Headteacher:** Kevin Holmes
- ❖ **Dorothy Barley** - Ivinghoe Road, Dagenham, Essex, RM8 2NB **Headteacher:** Cathy Leicester
- ❖ **Eastbrook Primary Academy** - Manor Hall Road, Southwick, West Sussex BN42 4NF **Headteacher:** Julia Sherlock
- ❖ **Five Spires Academy** - Cherry Orchard, Lichfield, Staffordshire WS14 9AN **Headteacher:** Helen Bye
- ❖ **Garden City Academy** - Radburn Way, Letchworth Garden City, Hertfordshire, SG6 2JZ **Headteacher:** Jenny Redgrove
- ❖ **Guntton Primary Academy** - Gainsborough Drive, Lowestoft, Suffolk, NR32 4LX **Headteacher:** Matthew Jordan
- ❖ **Heath Hayes Primary Academy** - Wimblebury Road, Heath Hayes, Staffordshire, WS12 2EP **Headteacher:** Becky Graham
- ❖ **Kemsley Primary Academy** - Coldharbour Lane, Kemsley, Kent ME10 2RP, United Kingdom **Headteacher:** Cathryn Andrews
- ❖ **Kirby Primary Academy** - Halstead Road, Kirby Cross, Essex, CO13 1LW **Headteacher:** Charlotte Booth-Rylett
- ❖ **Langtons Junior Academy** - Westland Avenue, Hornchurch, Essex, RM11 3SD **Headteacher:** Elaine Brook
- ❖ **Lawley Village Academy** - Bryce Way, Lawley Village, Telford, TF4 2SG **Headteacher:** Laura Hopley
- ❖ **Manor Park Primary Academy** - Church Lane, Aston, Birmingham, B6 5UQ **Headteacher:** Mark Wilson
- ❖ **Martlesham Primary Academy** - Black Tiles Lane, Martlesham, Woodbridge, Suffolk, IP12 4SS, **Headteacher:** Emma Churchman
- ❖ **Milton Court Primary Academy** - Milton Regis, Sittingbourne, Kent, ME10 2EE **Headteacher:** Anthony Cosans
- ❖ **Minerva Academy** - 157 Edgware Road, London, W2 2HR **Headteacher:** Sharon Daniel - relocated to 33-35 Praed Street, London W2 1NR 1st September 2017
- ❖ **Moor Green Primary Academy** - Moor Green Lane, Mosely, Birmingham, B13 8QB **Headteacher:** Nicola Fisher
- ❖ **Northfield St Nicholas Primary** - St Margaret's Road, Lowestoft, Suffolk, NR32 4HN **Headteacher:** Simon Wood
- ❖ **Norton Canes Primary Academy** - School Road, Norton Canes, Staffordshire, WS11 9SQ **Headteacher:** Karen Amos
- ❖ **Oakfield Primary School** - Oakfield Road, Rugby, Warwickshire, CV22 6AU **Headteacher:** Gerry Croft
- ❖ **Pemberley Academy** - Hester Mews, Hodings Rd, Harlow CM20 1NW **Headteacher:** Sarah Rees
- ❖ **Phoenix St. Peter Academy** - Enstone Road, Lowestoft, Suffolk, NR33 0NE **Headteacher:** Nadia Paczuska

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REFERENCE AND ADMINISTRATIVE DETAIL

For the Year Ended 31 August 2017

- ❖ **Purfleet Primary Academy** - Tank Hill Rd, Purfleet on Thames, Essex, RM19 1TA **Headteacher:** Lesley Mabey
- ❖ **Racemeadow Primary Academy** - Ratcliffe Road, Atherstone, Warwickshire, CV9 1LT **Headteacher:** Joanna Collinson
- ❖ **Ranikhet Primary School** - Spey Road, Tilehurst, Reading, Berkshire, RG30 4ED **Headteacher:** Fiona Chapman
- ❖ **Riverside Academy** - Newbold Road, Newbold-on-Avon, Warwickshire, CV21 1EH **Headteacher:** Sue Dutton
- ❖ **Robert Fitzroy Academy** - 80 Brampton Rd, Croydon, Greater London CR0 6JN **Headteacher:** Michelle Rosemond
- ❖ **Scientia Academy** - Mona Road, Burton-upon-Trent, Staffordshire, DE13 0UF **Headteacher:** Yateen Bhoola
- ❖ **Silkmore Primary Academy** - Exeter St, Stafford ST17 4EG **Headteacher:** Sarah Mills
- ❖ **Springhill Primary Academy** - Mossbank Avenue, Burntwood, Staffordshire, WS7 4UN **Headteacher:** Sarah Mills
- ❖ **Sir Martin Frobisher Academy** - Frobisher Drive, Jaywick, Clacton-on-Sea, Essex CO15 2QH **Headteacher:** David Girdlestone
- ❖ **Sprites Primary Academy** - Stonechat Road, Ipswich, Suffolk, IP2 0SA **Headteacher:** Shaun Valentine
- ❖ **St Margaret's Primary Academy** - Church Road, Lowestoft, Suffolk, NR32 4JF **Headteacher:** Rebecca Clarke
- ❖ **St Marks CofE Primary Academy** - Albert Road, South Norwood, London, SE25 4JD **Headteacher:** Kate Wilson
- ❖ **The Globe Primary Academy** - Irene Avenue, Lancing, West Sussex BN15 9NZ **Headteacher:** Ricky Leigh
- ❖ **The Palmer Academy** - 70 Northumberland Ave, Whitley, Reading, RG2 7PP **Headteacher:** Dominic Prendergast
- ❖ **The Woodside Academy** - Barrett Rd, London E17 3ND **Headteacher:** Shane Tewes
- ❖ **Tidemill Academy** - 11 Giffin Street, Deptford, London, SE8 4RJ **Headteacher:** Lorraine Stewart
- ❖ **Tymberwood Academy** - Ceme Road, Gravesend, Kent DA12 4BN **Headteacher:** Matthew Clark
- ❖ **Unity Primary Academy** - Hickory Avenue, Colchester, Essex CO4 3QJ **Headteacher:** Sinead Harper
- ❖ **Veritas Academy** - Weston Road, Stafford, Staffordshire ST18 0AD **Headteacher:** Angela Kerr
- ❖ **Water Lane Primary Academy** - Broadley Road, Harlow, Essex CM19 5RD **Headteacher:** Charmaine Ward
- ❖ **White Meadows Primary Academy** - Whitelea Road, Littlehampton, Wick, West Sussex BN17 7JL **Headteacher:** Yvonne Kidd
- ❖ **Wilshere Dacre Junior Academy** - Fishponds Road, Hitchin, Hertfordshire SG5 1NS **Headteacher:** Sarah Smith

Schools joining the Trust from 01 September 2017

- ❖ **Green Ridge Primary Academy** – President Road, Aylesbury, Buckinghamshire HP18 0YA **Headteacher:** Aaron Wanford
- ❖ **Summerside Primary Academy** – Crossway, Finchley, London N12 0QU **Headteacher:** Nadine Lewis

REACH2 ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAIL **For the Year Ended 31 August 2017**

Other Administrative Information

Registered Office and Head Office:

Reach2 Academy Trust
C/O Scientia Academy
Mona Road
Burton Upon Trent
Staffordshire
DE13 0UF

Company Registration Number: 08452281 (England and Wales)

Auditors: KPMG UK
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2016– 31 August 2017. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

The Academy Trust operated 55 primary academies across the UK. Its academies have a combined pupil capacity of 19,565 and a roll of 16,665 on the school census on 31 October 2016.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of REACh2 Academy Trust are also the directors of the charitable company for the purpose of company law. The Charitable Company is known as REACh2 Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 2.

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 amounts as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

Trust Indemnities

All academies within the Academy Trust have opted into the academies risk protection arrangement (RPA) <https://www.gov.uk/government/publications/risk-protection-arrangement-rpa-for-academies/academies-riskprotection-arrangement-rpa>

RPA cover applies to the central infrastructure of the MAT as well as the individual academies. The RPA provides indemnity for Trustees to a maximum aggregated value of £10 million during any one membership year.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Method of Recruitment and Appointment of Trustees

The management of the Trust is the responsibility of the Trustees who are appointed and co-opted under the terms of the articles of association and funding agreement. The recruitment and succession planning of Trustees must match REACh2 Academy Trust's vision for the next five years. The skills profile of the Board must reflect the governance needs of the Trust.

The following skills categories set out the broad range of skills, knowledge or prior experiences that is expected to be held across the Board:

1. Leadership and Policy
2. Education Performance and Curriculum
3. Finance
4. Risk and Audit
5. Constitutional Governance
6. Strategic Partnerships, External Relationships and Public Relationships
7. Engagements with internal stakeholders
8. Human Resources
9. Estates and Property
10. Health, safety and safeguarding
11. Change management

The REACh2 Board requires its Trustees to have a broad range of skills and previous experiences in order to be effective in governance. The Board carries out a skills audit of Trustees annually to inform the recruitment process, using the categories above to inform decision-making. The steps towards recruiting and appointing a new trustee are set out below:

1. Create and distribute Trustee person specification

A person specification is developed, setting out the 'Roles and Responsibilities' and desired skills / experience required of a new REACh2 Trustee – whether appointed by Members or co-opted by Trustees. The person specification is advertised through 'Academy Ambassadors' to create an open and transparent competition for trustee appointments. Additional information, such as the five-year strategy, may be provided to interested candidates.

2. Shortlisting and Interview

At least one Member will review applications and shortlist to a preferred set of candidates.

These shortlisted candidates will then be interviewed by at least one Member and one existing Trustee. An independent interview panel member may also participate in the interview where this is considered appropriate. This interview will determine whether the candidates are suitable, against the selection criteria and any skills gaps of the current Board. Candidates considered suitable for further consideration will then be invited to shadow a Trust Board meeting or relevant sub-committee meeting.

In cases of co-opted Trustees, a Member is not required to participate in this process, and the shortlisting and interviews may be carried out by Trustees.

3. Final selection

Prior to a formal decision on appointment to the Board, any remaining candidates will attend a Trust board, or sub-committee meeting in an observer capacity to assess overall suitability to work well as part of the existing team of Trustees.

Feedback from Trustees, together with interview outcomes from the interview panel will then be used to inform final selection.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

4. Decision and appointment to REAch2 Board

For appointed Trustees, the final ratification of a potential appointment is provided by Members by ordinary resolution. Once this has been approved successful candidates can commence the REAch2 Trustee induction process.

In cases of co-opted Trustees, a vote of the Trust Board will determine final ratification, after which successful candidates can commence the REAch2 Trustee induction process.

Policies and Procedures Adopted for the Induction and Training of Trustees

During the period under review, the Trustees were in attendance at six trust board meetings. The training and induction provided for new governors will depend on their experience. An induction meeting is undertaken to provide training on charity and educational, legal and financial matters. This series of meetings also sets out the strategy and objectives of the Trust along with the values and vision. All new trustees are given a tour of at least one of the academies in the group, and a chance to meet with staff and students. All trustees are provided with copies of the Trust policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the Trust. On-going governance reviews and training programs are encouraged for all trustees to ensure they continue to make an effective contribution and are keeping up to date with changes in legislation.

Arrangements for setting pay and remuneration of key management personnel

When considering and setting salary levels across the trust a clear set of principles were identified to ensure transparency. In order to ensure fairness and equity throughout the organisation it was proposed that job roles should be banded relative to the average newly qualified teachers starting salary. The highest paid role will not exceed ten times that of a newly qualified teacher. In the academic year 2016 / 17 the average annual salary of a newly qualified teacher across the trust was £23,547.

An annual benchmarking exercise takes place across other Multi-Academy Trusts in particular covering the more senior roles.

Related Parties and other Connected Charities and Organisations

REAch2 Academy Trust has strong collaborative links with Reach South Academy Trust. This relationship is defined through a Memorandum of Understanding that both Trusts approved. A member of Reach South Academy Trust, Peter Little, is also a member of REAch2 Academy Trust. A Trustee of Reach South Academy is the CEO of REAch2.

While the Trusts are separate and independent legal entities they share a common brand and set of values with a declared intent to work in collaboration to the mutual benefit of the MATs. It is this approach to MAT operations and governance that defines the REACH brand. The Memorandum of Understanding sets out how the Trusts would positively cooperate and how that cooperation would be governed.

The strength of the partnership across both Trusts will enable a Reach education. Whilst REAch2 was incorporated as a primary only Trust, Reach South are sponsors of primary and secondary education enabling a Reach education across the UK.

During the academic year Astrea Academy Trust (formerly Reach4 Academy Trust), had a relationship with REAch2 Academy Trust through a defined Memorandum of Understanding that both Trusts had approved. On 31st March 2017 the formal arrangements between the two Trusts expired and both Trusts began operating independently.

On February 2014, a trading company was established, REAch2 Inspiration Ltd. REAch2 Inspiration Ltd is wholly owned by REAch2 academy Trust. REAch2 Inspiration Ltd fully complies with the provision of services "at cost" principle, as any surpluses generated by the company would belong to the Multi Academy Trust. The purpose for establishing REAch2 Inspiration Ltd is to allow a supply of the highest quality 'in house' services, at a low cost to our academies, ensuring budgets are optimised to benefit the education of children within REAch2 Academies and hence providing best value.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Objectives and Activities

Objects and Aims

The principle object and activity of the charitable company is to advance educational benefit by providing a broad and balanced education for primary pupils of all abilities in the UK.

In setting out the trust objectives, consideration has been given to the Charities Commission guidance in respect of public benefit when reviewing the aims and objectives of academies (see 'Public Benefit' section below)

In accordance with the articles of association the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government is part of the wider 'Master Funding Agreement' between the Company and the Secretary of State and 'Supplemental Funding Agreements' for each Academy. The scheme of government specifies, amongst other things, that the academies will be at the heart of their communities promoting community cohesion and sharing facilities; the basis for admitting students to the Academies, that the curriculum should be broad and balanced; there will be an emphasis on the needs of the individual pupils including pupils with special educational needs (SEN).

Objectives, Strategies and Activities

The key objectives during the academic year are listed below

- Improve the outcomes and provision for all children in all of our schools: Reach First
- Improve the efficiency and effectiveness of the Trust operating model: Reach In
- Improve the effectiveness of teams and individuals to meet the changing needs of the Trust: Reach Out
- Strengthen the long-term sustainability of the trust: Reach Further

The Academy's vision is to build an ethos of:

- Every child is capable of extraordinary achievement.
- For any child to realise their inner potential, they need an environment and adult role models that support their love and enjoyment of learning.
- Every child has an absolute right to an equal opportunity to flourish in a REAch2 academy.
- Our pupils will develop the skills, knowledge and attitude to realise their own dreams through a positive contribution to their community and wider society.
- Self-realisation and positive contribution stem from a confidence and strength in one's own identity that allows us to embrace and respect the identity of other individuals and groups in our community and wider society.
- The long-term well-being of our pupils is dependent on a sustainable economy, society and environment. We need to teach our children to be able to contribute to achieving that sustainability as adults.
- It is the responsibility of all of the adult staff in REAch2 Academy to remove the barriers to each individual child's development and create the conditions in which they are able to love and enjoy learning.
- It is the responsibility of each REAch2 Academy to reach out and raise and support the aspiration of their community to believe in their children's potential.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

The main activities for achieving objectives the academy will undertake will be:

- The accountability of the academy will be strengthened by the review and on-going development of new and existing policies and procedures
- The Academy Trust secures value for money and consistent quality of support services through a combination of centrally procured and provided services. Services that are centrally procured by the Academy Trust, but paid for directly by the academies are legal services, internal audit, external audit. Services that are directly provided or procured by the Academy Trust and paid for by the Trust, on behalf of its academies include: school leadership development and training, business and administration, policy development, school and staff performance management, risk management, governance support and training, estates strategic management and capital improvement, media and publicity management, crisis management and health and safety. The academy trust retains a percentage of each academy's monthly EFA income in order to provide these services. The percentage retention for the period to 31st August 2017 was 5.5%.
- Continuing to invest in its staff through investments and training programs to provide exceptional opportunities for learning for our children.
- Ensuring that pupils are offered a variety of experiences through out their primary years. This is best exemplified through our innovative commitment of 11 before 11, which includes a range of experiences that are designed to inspire and stretch children.

Public Benefit

In setting the objectives, the Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties.

This has been considered when reviewing the Academy Trusts aims and objectives and in planning any future activities.

The main public benefit delivered by the trust is the provision of high quality education to its pupils, which will be evidenced from feedback from external assessments. The Academy Trust has complied with its duty to have due regard to the guidance on public benefit published by the Charities Commission.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Achievements and Performance

Early Years and Key Stage 1 Performance and Achievements

Academy Name	Date Joined Trust	Academy type	GLD 2017	Y1 Phonics	Y2 Phonics (Cumulative) 2017	Y2 Reading 2017	Y2 Writing 2017	Y2 Maths 2017
Aerodrome Primary Academy	01/12/12	Converter	71%	71%	78%	67%	62%	68%
Beccles Primary Academy	01/07/15	Sponsored	70%	82%	90%	57%	57%	57%
Brampton Primary Academy	01/07/14	Converter	71%	72%	85%	72%	52%	68%
Broadmead Primary Academy	01/06/14	Sponsored	N/A	N/A	N/A	N/A	N/A	N/A
Burnsville Infant Academy	01/12/13	Sponsored	80%	87%	98%	69%	58%	73%
Bushbury Primary Academy	01/03/17	Sponsored	N/A	N/A	N/A	N/A	N/A	N/A
Camulos Academy	01/09/16	New Provision	75%	73%	100%	83%	71%	83%
Castle Hill Academy	01/11/13	Sponsored	37%	64%	48%	43%	31%	48%
Chapel End Junior Academy	01/04/13	Sponsored	NA	NA	NA	NA	NA	NA
Chigwell Primary Academy	01/09/15	Sponsored	91%	83%	96%	78%	78%	85%
Civitas Academy	01/09/15	New Provision	66%	83%	NA	NA	NA	NA
Concordia Academy	01/09/16	Free School	80%	NA	NA	NA	NA	NA
Copperfield Academy	01/11/13	Sponsored	17%	71%	90%	32%	32%	40%
Dorothy Barley Junior Academy	01/06/14	Sponsored	NA	NA	NA	NA	NA	NA
Eastbrook Primary Academy	01/09/13	Sponsored	67%	78%	92%	75%	64%	66%
Five Spires Academy	01/09/15	New Provision	79%	NA	NA	NA	NA	NA
Garden City Academy	01/09/12	Sponsored	71%	78%	100%	71%	71%	77%
Guntton Primary Academy	01/10/15	Sponsored	76%	87%	95%	73%	71%	78%
Heath Hayes Academy	01/01/14	Sponsored	82%	74%	73%	54%	50%	63%
Kemsley Primary Academy	01/04/13	Sponsored	70%	87%	80%	63%	60%	74%
Kirby Primary Academy	01/10/13	Sponsored	78%	65%	84%	48%	48%	26%
Langtons Junior Academy	01/04/13	Sponsored	NA	NA	NA	NA	NA	NA
Lawley Village Academy	01/09/15	New Provision	84%	87%	NA	NA	NA	NA
Manor Park Primary School	01/02/16	Sponsored	71%	77%	79%	65%	61%	78%
Martlesham Primary Academy	01/04/16	Sponsored	70%	83%	100%	43%	29%	29%
Milton Court Primary Academy	01/04/13	Sponsored	59%	33%	83%	64%	64%	70%
Minerva Academy	01/09/14	Free School	60%	79%	89%	83%	61%	69%
Moor Green Primary	01/09/15	Sponsored	76%	75%	75%	62%	58%	67%
Northfield St Nicholas Primary Academy	01/07/15	Sponsored	67%	76%	98%	77%	70%	80%
Norton Canes Primary Academy	01/01/14	Sponsored	53%	84%	97%	81%	81%	78%
Oakfield Primary School	01/11/12	Sponsored	71%	71%	86%	79%	75%	71%
Pemberley Academy	01/09/15	Sponsored	73%	77%	100%	75%	71%	85%
Phoenix St Peter Academy	01/08/15	Sponsored	58%	70%	92%	85%	65%	61%
Purfleet Primary Academy	01/04/13	Sponsored	87%	97%	97%	85%	82%	86%
Racemeadow Primary Academy	01/11/13	Sponsored	70%	84%	96%	78%	70%	70%
Ranikhet Academy	01/11/15	Sponsored	62%	93%	90%	73%	78%	80%
Riverside Academy	01/11/12	Sponsored	76%	83%	90%	72%	72%	72%
Scientia Academy	01/09/13	New Provision	76%	93%	93%	82%	80%	90%
Silkmere Primary Academy	01/07/15	Sponsored	80%	90%	91%	82%	82%	82%
Sir Martin Frobisher Academy	01/09/16	Sponsored	63%	82%	78%	69%	59%	65%
Springhill Academy	01/01/14	Sponsored	69%	83%	100%	91%	66%	91%
Sprites Primary Academy	01/07/15	Sponsored	78%	73%	96%	72%	56%	82%
St Margaret's Primary Academy	01/07/15	Sponsored	72%	75%	97%	75%	68%	78%
St. Mark's CofE Primary School	01/09/14	Sponsored	67%	64%	88%	88%	71%	71%
The Globe Primary Academy	01/11/14	Sponsored	76%	86%	96%	73%	65%	73%
The Palmer Academy	01/09/13	Sponsored	66%	80%	92%	80%	75%	80%
The Robert Fitzroy Academy	01/09/12	Sponsored	66%	83%	92%	71%	68%	70%
The Woodside Primary Academy	01/12/12	Sponsored	68%	81%	91%	69%	77%	78%
Tidemill Academy	01/09/13	Converter	63%	73%	98%	76%	67%	73%
Tymberwood Academy	01/02/14	Sponsored	65%	78%	84%	74%	64%	74%
Unity Primary Academy	01/09/14	Sponsored	76%	70%	87%	60%	32%	60%
Veritas Primary Academy	01/09/15	New Provision	74%	79%	97%	86%	86%	86%
Water Lane Primary Academy	01/09/14	Sponsored	76%	83%	92%	79%	71%	79%
White Meadows Primary Academy	01/04/14	Converter	62%	81%	91%	67%	58%	61%
Wilshire-Dacre Junior Academy	01/03/14	Sponsored	NA	NA	NA	NA	NA	NA

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Key Stage 2 Performance and Achievements

Academy Name	Date Joined Trust	Academy type	Expected Standard %				Progress		
			KS2 Combined 2017	KS2 Reading 2017	KS2 Writing 2017	KS2 Maths 2017	Reading Progress 2017	Writing Progress 2017	Maths Progress 2017
Aerodrome Primary Academy	01/12/12	Converter	53%	53%	73%	72%	-0.2	1.4	1.4
Beccles Primary Academy	01/07/15	Sponsored	36%	42%	72%	57%	-3.2	2.8	-1.5
Brampton Primary Academy	01/07/14	Converter	49%	59%	74%	59%	-2.8	-0.3	-3.1
Broadmead Primary Academy	01/06/14	Sponsored	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Burrsville Infant Academy	01/12/13	Sponsored	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bushbury Lane Primary Academy	01/03/17	Sponsored	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Camulos Academy	01/09/16	New Provision	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Castle Hill Academy	01/11/13	Sponsored	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Chapel End Junior Academy	01/04/13	Sponsored	61%	69%	92%	76%	-1.1	1.9	-0.6
Chigwell Primary Academy	01/09/15	Sponsored	82%	91%	91%	91%	-0.7	0.5	0.7
Civitas Academy	01/09/15	New Provision	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Concordia Academy	01/09/16	Free School	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Copperfield Academy	01/11/13	Sponsored	41%	55%	56%	58%	-0.8	-0.6	-0.6
Dorothy Barley Junior Academy	01/06/14	Sponsored	48%	58%	60%	60%	-3.1	-3.8	-2.9
Eastbrook Primary Academy	01/09/13	Sponsored	71%	80%	81%	88%	0.7	0.2	0.8
Five Spires Academy	01/09/15	New Provision	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Garden City Academy	01/09/12	Sponsored	37%	57%	67%	67%	0.0	1.1	0.8
Guntton Primary Academy	01/10/15	Sponsored	51%	65%	76%	68%	-2.3	0.7	-2.0
Heath Hayes Academy	01/01/14	Sponsored	59%	64%	82%	70%	0.2	1.0	-0.2
Kemsley Primary Academy	01/04/13	Sponsored	68%	77%	74%	74%	1.0	0.1	0.6
Kirby Primary Academy	01/10/13	Sponsored	58%	71%	71%	71%	0.6	0.5	-0.9
Langtons Junior Academy	01/04/13	Sponsored	57%	72%	87%	65%	-1.6	1.1	-2.3
Lawley Village Academy	01/09/15	New Provision	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Manor Park Primary School	01/02/16	Sponsored	43%	45%	64%	57%	-0.9	0.4	0.1
Martlesham Primary Academy	01/04/16	Sponsored	58%	80%	90%	80%	-2.2	-1.1	-4.3
Milton Court Primary Academy	01/04/13	Sponsored	30%	47%	73%	50%	-3.2	-1.8	-2.8
Minerva Academy	01/09/14	Free School	33%	SUPP	SUPP	SUPP	SUPP	SUPP	SUPP
Moor Green Primary	01/09/15	Sponsored	88%	88%	92%	88%	3.3	1.6	4.0
Northfield St Nicholas Primary Academy	01/07/15	Sponsored	19%	35%	64%	42%	-4.3	1.1	-4.3
Norton Canes Primary Academy	01/01/14	Sponsored	41%	59%	62%	53%	-4.4	-2.3	-4.1
Oakfield Primary School	01/11/12	Sponsored	52%	66%	59%	69%	1.7	-1.4	2.2
Pemberley Academy	01/09/15	New Provision	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Phoenix St Peter Academy	01/08/15	Sponsored	36%	52%	52%	52%	-2.3	-6.2	-2.4
Purfleet Primary Academy	01/04/13	Sponsored	56%	63%	67%	75%	-0.9	-0.3	0.9
Racemeadow Primary Academy	01/11/13	Sponsored	62%	73%	65%	69%	-0.3	-1.0	-0.6
Ranikhet Academy	01/11/15	Sponsored	58%	58%	74%	79%	0.8	5.2	7.2
Riverside Academy	01/11/12	Sponsored	70%	73%	77%	70%	-3.8	-2.2	-3.1
Scientia Academy	01/09/13	New Provision	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Silkmere Primary Academy	01/07/15	Sponsored	72%	76%	76%	84%	3.7	3.0	3.7
Sir Martin Froisher Academy	01/09/16	Sponsored	30%	45%	67%	43%	-3.8	-6.6	-2.5
Springhill Academy	01/01/14	Sponsored	48%	59%	59%	59%	-1.0	-1.5	-1.8
Sprites Primary Academy	01/07/15	Sponsored	44%	65%	78%	64%	-2.2	0.8	-3.2
St Margaret's Primary Academy	01/07/15	Sponsored	34%	50%	70%	48%	-2.9	-0.8	-4.1
St. Mark's CofE Primary School	01/09/14	Sponsored	40%	60%	75%	55%	-1.9	0.4	-2.8
The Globe Primary Academy	01/11/14	Sponsored	55%	64%	71%	74%	-1.9	-1.9	-2.3
The Palmer Academy	01/09/13	Sponsored	36%	40%	72%	62%	-2.3	2.1	-0.6
The Robert Fitzroy Academy	01/09/12	New Provision	N/A	N/A	N/A	N/A	N/A	N/A	N/A
The Woodside Primary Academy	01/12/12	Sponsored	76%	82%	88%	94%	2.9	4.2	5.0
Tidemill Academy	01/09/13	Converter	71%	75%	83%	86%	2.0	3.4	2.9
Tymberwood Academy	01/02/14	Sponsored	66%	66%	78%	81%	0.6	1.9	2.2
Unity Primary Academy	01/09/14	Sponsored	40%	50%	80%	68%	-1.1	3.1	1.3
Veritas Primary Academy	01/09/15	New Provision	73%	77%	90%	90%	1.2	2.1	0.6
Water Lane Primary Academy	01/09/14	Sponsored	59%	73%	68%	64%	3.7	3.1	2.5
White Meadows Primary Academy	01/04/14	Converter	49%	69%	64%	74%	-1.8	-2.8	-0.5
Wishere-Dacre Junior Academy	01/03/14	Sponsored	57%	70%	83%	75%	-3.2	-0.4	-2.6

*The floor standard is the minimum standard for pupil attainment and / or progress that the government expects schools to meet. No school will be confirmed as being below the floor until December 2017 when schools' performance tables are published. In 2017, a school will be above the floor if:

- at least 65% of pupils meet the expected standard in English reading, English writing and mathematics; or
- the school achieves sufficient progress scores in all three subjects. At least -5 in English reading, -5 in mathematics and -7 in English writing.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

REAch2 Summary

The percentage of pupils achieving the expected standard at the end of Key Stage 2 continues to improve and rose by 10% from 43% in 2016 to 53% in 2017

All schools, within REAch2 met the minimum floor standard for Key Stage 2.

At Key Stage 1, 79% of Year 1 pupils achieved the 32-points core standard in phonics across the Trust compared to 78% in 2016.

Cumulatively, 87% of Year 2 pupils achieved the 32-point score standard in phonics across the Trust compared to 82% in 2016.

At the end of Key Stage 1, results in Reading, Writing and Maths all improved from 2016 to 2017 (Reading from 70% in 2016 to 71% in 2017; Writing from 62% in 2016 to 65% in 2017 and Maths from 70% in 2016 to 72% in 2017)

In the Early Years there was also an improving picture with 69% of EYFS REAch2 achieving a good level of development in 2017 compared to 68% in 2016.

73% of academies inspected by Ofsted since joining the Trust are judged to be 'Good or Outstanding' from 17% before conversion.

Achievements and Performance

Key Performance Indicators

Strategic Report

Aerodrome Primary Academy opened as a converter academy in December 2012.

Its last inspection, in June 2016, judged overall effectiveness to be Good.

Outcomes in July 2017 showed EYFS pupils to be improving and in line with the national average. Attainment in KS1 and KS2 in 2017 were below the national average, though have improved from the previous year.

KS2 progress is broadly average in all three subjects.

The quality of teaching is good overall.

Attendance is below the national average though has improved slightly since the previous year.

Beccles Primary Academy opened as a sponsored academy in July 2015.

Its last inspection, prior to joining the trust, judged overall effectiveness to be Requires Improvement.

Outcomes in July 2017 showed EYFS pupils to be attaining just below national and KS1 pupils to be well below national. Outcomes for KS2 showed attainment and progress to be below national.

The quality of teaching judged good or better is currently 82%.

Attendance is in-line with national and currently stands at 96%.

Brampton Primary Academy opened as a sponsored academy in July 2014.

At the last inspection in Spring 2017, the school was placed into "Special Measures"; outcomes in 2017 showed pupils' attainment and progress to be well below the national average.

In response the Trust has appointed an Executive Headteacher and a Statement of Action has been submitted to OFSTED and found to be fit for purpose.

An HMI Monitoring visit (Autumn term 2017) was very positive and showed that the quality of teaching is improving under the new leadership of both the school and the new Regional Director

Attendance is above national average and currently stands at 97.4%

Broadmead Primary Academy joined the Trust in June 2014.

Its previous inspection prior to joining the trust judged overall effectiveness to be "Requires Improvement". In consultation with the Department for Education, on 1st April 2017 the school transferred to a local Multi Academy Trust, Pioneer Academy.

REACH2 ACADEMY TRUST

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For the Year Ended 31 August 2017

Burrsville Infant Academy opened as a sponsored academy in December 2013.

Its most recent inspection in November 2016, judged overall effectiveness to be Good.

Outcomes in July 2017 showed EYFS pupils to be attaining above the national average and KS1 pupils to be attaining below the national average. The quality of teaching is good and improving, with 100% of teaching judged Good or better. Attendance at the end of 2017 is in line with national at 96%.

Bushbury Lane Academy opened as a sponsored academy in March 2017.

Its previous inspection, prior to joining the trust, judged overall effectiveness to be Requires Improvement

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining below the national average; as are KS2 pupils.

A number of staff changes, following conversion has resulted in 63% of teaching is judged good or better outcomes. Attendance is just below national at 95%.

Camulos Academy opened as a new provision in September 2016.

It has is yet to be inspected as part of the Trust.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining above the national level.

The quality of teaching is judged as 100% good or better.

Attendance is in line with the national average.

Castle Hill Academy joined the Trust in November 2013.

Its most recent inspection judged overall effectiveness to be "Inadequate."

In consultation with the Department for Education, on 1st September 2017 the school transferred to a local Multi Academy Trust, Platanos Academy Trust.

Chapel End Junior Academy opened as a sponsored academy in April 2013.

Its last inspection, in March 2015, judged overall effectiveness to be Good.

KS2 outcomes were in line with national for combined and above national in Writing and Maths.

The quality of teaching is judged to be Good overall.

Attendance is above the national average.

Chigwell Primary Academy opened as a sponsored academy in September 2015.

In its last inspection, before joining the trust, overall effectiveness was judged as Inadequate.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining above the national average.

KS2 outcomes showed pupils to be attaining significantly above national in all subjects.

The quality of teaching is judged as 75% Good or better.

Attendance is in line with the national average.

Civitas Academy opened as a new provision in September 2015.

Its EYFS results in July 2017 were below the national average.

The quality of teaching at good or better is 50%. Attendance is above the national average.

Concordia Academy opened as a free school in September 2016.

It has is yet to be inspected as part of the Trust.

Its EYFS results in July 2017 were well above the national average.

The quality of teaching is 100% Outstanding overall.

Attendance is in line with the national average.

Copperfield Academy opened as a sponsored academy in November 2013.

Its most recent inspection in September 2016, judged overall effectiveness to be Requires Improvement. Internal evaluations by the Trust have raised significant concerns and there has been instability in leadership arrangements over the past year. A new substantive Headteacher took up post in May 2017 and a stable leadership team will be in place for September. The school is being closely supported and monitored.

Outcomes in July 2017 were below national averages in all key stages.

The quality of teaching is consistently Inadequate or Requires Improvement across the school. The new Headteacher has taken swift action and more than a third of teaching staff in September 2017 will be new to the school. KS2 progress broadly in line with the national average. Attendance is below the national average.

REACH2 ACADEMY TRUST

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For the Year Ended 31 August 2017

Dorothy Barley Junior Academy opened as a Sponsored academy in June 2014.
Its last inspection in May 2017, judged overall effectiveness to be Good
Outcomes for KS2 progress in July 2017 were below the national average in all subjects.
The quality of teaching is 100% Good or better.
Attendance is just below the national average.

Eastbrook Primary Academy opened as a sponsored academy in September 2013.
Its most recent inspection in July 2015 judged overall effectiveness to be Outstanding.
Outcomes in July 2017 showed attainment to be broadly in line with national average in EYFS, Phonics and KS1 (though below in Maths).
In KS2 attainment was above the national average in all subjects.
KS2 progress is broadly in line with the national average.
The quality of teaching is consistently Good or Outstanding.
Attendance is below the national average.

Fives Spires Academy opened as a new provision in September 2015.
Its EYFS results in July 2016 were above the national average at 73% and these results have continued to improve in 2017, with 79% achieving GLD at the end of EYFS; and 90% achieving the Phonics Standard at the end of Year One.
The quality of teaching is judged to be 100% Good or better.
Attendance is broadly in line with national at 95.21%.

Garden City Academy opened as a sponsored academy in September 2012.
Its last inspection, in June 2016, judged overall effectiveness to be Requires Improvement.
Outcomes in July 2017 showed EYFS pupils to be at the national average and KS1 pupils to be attaining below national.
Outcomes for KS2 progress were significantly below national and progress is in line with national.
The quality of teaching is Good or better overall.
Attendance is just below the national average.

Gunton Primary Academy opened as a sponsored academy in October 2015.
Its last inspection prior to becoming an academy, judged overall effectiveness to be Requires Improvement.
Outcomes in July 2017 showed EYFS pupils to be above the national average. In KS1 pupils were above the national average in Writing and Maths, but just below in Reading.
Outcomes for KS2 were below national for Reading and Maths, but in-line with national for Writing.
The quality of teaching continues to improve with 93% being Good or better.
Attendance is in-line with the national average.

Heath Hayes Primary Academy opened as a sponsored academy on 1 January 2014.
Its recent inspection, in September 2016, judged overall effectiveness to be Good.
Outcomes in July 2017 showed EYFS pupils to be significantly above national at 82%.
KS1 pupils achieved above the national average for KS1 Reading and Maths, Writing was in line with national average. Outcomes for KS2 were below the national average, with 58% achieving the expected combined standard in Reading, Writing and Maths.
The quality of teaching continues to improve with 86% of teachers being judged as Good or better.
Attendance is in line with the national average at 95.91%.

Kemsley Primary Academy opened as a sponsored academy in April 2013.
Its most recent inspection in February 2015 judged overall effectiveness to be Good.
Outcomes in July 2017 for EYFS were in line with the national average. For KS1 attainment was in line with national in most areas though below national for Reading. Attainment at KS2 is broadly in line with or above the national average and KS2 progress is broadly in line with the national average also.
The quality of teaching is judged by the school to be Good.
Attendance remains above the national average.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Kirby Primary Academy opened as a sponsored academy in October 2013.

Its most recent inspection in September 2016 judged overall effectiveness to be Requires Improvement. Outcomes in July 2017 showed EYFS pupil attainment to be above the national average and KS1 pupils to be attaining below. Outcomes for KS2 progress were in-line with national for Reading but below in Writing and Maths. The quality of teaching judged as Good or better is 38% and is a high priority focus for the school, with 86% new staff. Attendance is just below the national average at 95%.

Langtons Junior Academy opened as a sponsored academy in April 2013.

In January 2015 the academy was inspected and judged overall effectiveness to be Good.

Attainment outcomes in July 2017 for KS2 were above the national average in Reading and Writing but below in Maths and combined.

The quality of teaching is improving and is currently 90% Good or better.

Attendance is in line with the national average.

Lawley Village Academy opened as a new provision in September 2015.

Its EYFS results in July 2017 were above the national average and these have continued to improve.

The overall quality of teaching is judged to be 100% Good or better, leading to outcomes above average nationally.

Attendance is at well above national at 97.15%.

Manor Park Primary opened as a sponsored academy in February 2016.

Its most recent inspection, prior to joining the trust, judged the overall effectiveness to be Inadequate.

In July 2017, EYFS pupil attainment was above the national average; but fell just short of national standards for Age Related Expectations at the end of KS1. KS2 attainment outcomes improved on 2016 but are still below national standards at the end of KS2.

Outcomes for KS2 were above national for progress.

The quality of teaching is improving, with 80% of teaching is consistently Good or better.

Attendance has significantly improved and is now broadly in line with national at 95%, however, persistent absence remains high at 21%.

Martlesham Primary Academy opened as a sponsored academy in April 2016.

Its most recent inspection prior to joining the trust judged overall effectiveness to be Requires Improvement.

Outcomes in July 2017 showed EYFS and KS1 pupil attainment to be below the national average.

Outcomes for KS2 attainment were below national.

The quality of teaching was judged as Requires Improvement and is a focus for the school.

Attendance is just below the national average.

Milton Court Academy opened as a sponsored academy in April 2013.

At its last inspection in March 2017, its overall effectiveness was judged as Requires Improvement. A new Headteacher will take up post in the Autumn Term 2017.

In 2017, outcomes in Phonics and KS2 attainment were exceptionally low and well below the national average.

Outcomes in EYFS and KS1 showed improvement from the previous year, though were still below the national average.

KS2 progress is well below national average.

The quality of teaching is judged as Requires Improvement.

Attendance remains a focus for the school and is significantly below the national average.

Minerva Academy joined the trust as a free school in September 2014.

Its last inspection, in January 2016 judged overall effectiveness as Good.

Outcomes in July 2017 showed EYFS and KS1 pupil attainment to be below the national average.

KS2 attainment was below national in combined, Writing and Maths however Reading was above national.

The quality of teaching is judged to be Good overall.

Attendance is below the national average.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Moor Green Primary Academy opened as a sponsored academy in September 2015.

Its last inspection in October 2016 judged overall effectiveness to be Requires Improvement.

In July 2017 attainment in EYFS showed significant improvement and was above the national average; but fell short of national standards for those achieving age related expectations at the end of KS1.

In KS2, outcomes were well above the national average for combined, Reading, Writing and Maths.

The quality of teaching is improving with 94% of teachers being judged as Good or better.

Attendance and persistent absence is improving across the school however is still below the national average at 94%, this remains a focus for the school.

Northfield St. Nicholas Primary Academy opened as a sponsored academy on 1 July 2015.

Its previous inspection in 2013 judged overall effectiveness to be Good.

Outcomes in July 2017 showed EYFS pupils to be attaining slightly below the national average but KS1 pupils to be attaining above. Outcomes for KS2 pupil attainment were significantly below the national average.

The quality of teaching was judged at 54% Good or better.

Attendance is currently slightly below the national average at 95%.

Norton Canes Primary Academy opened as a sponsored academy on 1 January 2014.

Its most recent inspection in November 2016 judged overall effectiveness to be Requires Improvement.

Outcomes in July 2017 showed EYFS pupils to be attaining below the national average.

By the end of Year One, pupils were achieving above the expected standard for Phonics and at the end of Year Two above the national average for attainment.

Outcomes for KS2 pupil attainment, although below the national average, showed a significant improvement on 2016.

The quality of teaching judged at Good or better is 85%.

Attendance has improved and is now at 95.3%.

Oakfield Primary Academy opened as a sponsored academy in November 2012.

Its most recent inspection in June 2016 judged overall effectiveness to be Good.

Outcomes in July 2017 showed EYFS pupils to be attaining above the national average and KS1 pupils to be attaining in line with the national average.

Outcomes for KS2 pupil attainment were below national at 55% but this is cohort specific.

The quality of teaching judged at Good or better is 100%.

Attendance is currently at 94.7%.

The Palmer Academy opened as a sponsored academy in September 2013.

Its most recent inspection in June 2017 judged overall effectiveness to be Good.

Outcomes in July 2017 showed EYFS pupils to be attaining below the national average and KS1 pupils to be attaining well above the national average.

Outcomes for KS2 pupil attainment were below national across all subjects.

The quality of teaching continues to improve with 94% of teaching judged Good or better

Attendance has continued to increase to 95.4% for the academic year.

Pemberley Academy opened as a new school in September 2015.

Its EYFS results in July 2017 were above the national average.

Outcomes in July 2017 for KS1 were above national in Writing and Maths. Reading was slightly below national.

The quality of teaching is judged to be Good overall.

Attendance is at the national average.

Phoenix St. Peter Academy opened as a sponsored academy in August 2015.

Its previous inspection, prior to joining the Trust, in February 2015 judged overall effectiveness as Requires Improvement. Outcomes in July 2017 showed EYFS pupils to be attaining below the national average. In KS1 pupils' attainment was above national in Reading, but below in Writing and Maths.

Outcomes for KS2 pupil attainment were significantly below national in all subjects

The quality of teaching has improved with 100% of teaching judged Good or better

Attendance is just below the national average.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Purfleet Primary Academy opened as a sponsored academy in April 2013.

In October 2016 the academy was inspected and judged overall effectiveness to be Good

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining significantly above the national average.

Outcomes for KS2 pupil attainment were below national in Reading and Writing. KS2 attainment in Maths is in line with the national average.

The quality of teaching was judged at 72% being Good or better.

Attendance has improved for this academic year.

Racemeadow Primary Academy opened as a sponsored academy in November 2013.

In June 2016 the academy was inspected and its overall effectiveness was judged to be Good.

Outcomes in July 2017 showed EYFS pupils to be attaining above the national average, KS1 pupils to be attaining at the national average; and KS2 pupils attaining above national with 62% achieving the expected standard in Reading, Writing and Mathematics.

The quality of teaching has improved with 91% of teaching judged to be Good or better.

Attendance is broadly in line with national and has increased to 95.31% for this year.

Ranikhet Primary School opened as a sponsored academy in November 2015.

In its last inspection, prior to joining the trust overall effectiveness was judged to be Inadequate.

Outcomes in July 2017 showed EYFS pupils to be attaining below the national average and KS1 pupils to be attaining significantly above the national average in Writing and Maths. KS1 attainment in Reading was just below the national average.

Outcomes for KS2 pupil attainment improved on the previous year but were below national in combined, Reading and Writing. KS2 Maths attainment was above the national average at 79%.

The quality of teaching has improved since last year with 60% of teaching now judged as Good or better.

Attendance has improved significantly since the previous year and is now 95.3%

Riverside Academy opened as a sponsored academy in November 2012.

In its last inspection, in May 2014 the overall effectiveness was judged as Good.

Outcomes in July 2017 showed pupils in EYFS, KS1 and KS2 to be attaining significantly above the national average.

The quality of teaching judged 78% of teachers to be outstanding.

Attendance is in line with the national average at 96.17%.

Robert Fitzroy Academy opened as a new academy in September 2012.

In its last inspection, in July 2014, overall effectiveness was judged to be Good.

Outcomes in July 2017 were below the national average, though showed substantial improvement on previous years, particularly for pupils working at greater depth.

The quality of teaching is judged by the school to be 80% good or better, but this was not fully ratified by a recent review of the school which found that there was not enough consistently good teaching. However, this will continue to be monitored over the next academic year.

Attendance is below the national average, but has improved over the academic year.

Scientia Primary Academy opened as a new academy in September 2013.

Its previous inspection in June 2015 judged overall effectiveness to be Good.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining significantly above the national average.

The quality of teaching is judged to be 100% Good or better with 36% of teaching judged as Outstanding. Attendance is above national at 96.63%.

Silkmore Primary Academy opened as a sponsored academy in July 2015.

Its previous inspection, prior to joining the trust, judged overall effectiveness to be Inadequate.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining significantly above the national average.

Outcomes for KS2 pupil attainment were significantly above national across all subjects

The quality of teaching is judged to be Good or better with 75% of teaching graded as Outstanding.

Attendance is above the national average at 95.6%.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Sir Martin Frobisher opened as a sponsored academy in September 2016.

In its previous inspection, prior to joining the trust, overall effectiveness was judged as Requires Improvement.

Outcomes in July 2017 showed EYFS, KS1 and KS2 pupils to be attaining below the national level.

The quality of teaching judged to be Good or better is 85%.

Attendance is below the national average at 93%

Springhill Primary Academy opened as a sponsored academy in January 2014.

Its last inspection in November 2016 judged overall effectiveness to be Requires Improvement.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining in line with the national average.

Outcomes for KS2 pupil attainment were significantly below the national average.

The quality of teaching was judged overall to be Requires Improvement.

Attendance is in line with the national average at 95.6%

Sprites Primary Academy opened as a sponsored academy in July 2015.

In its previous inspection, prior to joining the trust, overall effectiveness was judged as Requires Improvement.

Outcomes in July 2017 showed EYFS pupils to be attaining above the national average. In KS1 pupils were above the national average in attainment for Maths but below in both Reading and Writing.

Outcomes for KS2 pupil attainment were below the national average in Reading and Maths but above in Writing.

The quality of teaching judges 89% of teachers to be Good or better

Attendance is just below the national average.

St Margaret's Primary Academy opened as a sponsored academy in July 2015.

In its previous inspection, prior to joining the trust, overall effectiveness was judged as Requires Improvement.

Outcomes in July 2017 showed EYFS pupils to be attaining above the national average.

In KS1 pupils were above the national average for attainment in Maths, in-line with national for Writing and below national for Reading.

Outcomes for KS2 pupil attainment were significantly below the national average.

The quality of teaching was judged to be at 74% Good or better.

Attendance is below the national average at 94.0%.

St Mark's Academy opened as a sponsored academy in September 2014.

Its previous inspection, in May 2017, judged overall effectiveness to be Good.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining broadly in line with the national average.

KS2 pupil attainment in 2017 was below the national average in Reading and Maths.

KS2 progress overall was below the national average.

The quality of teaching has improved considerably with all teaching now being judged as Good.

Attendance is above the national average.

The Globe Academy opened as a sponsored academy in November 2014.

Its previous inspection, prior to joining the trust, judged overall effectiveness to be Inadequate. In its recent inspection in September 2017, the schools' overall effectiveness was judged as Good.

Outcomes in July 2017 showed EYFS pupils to be attaining above the national average and KS1 pupils to be broadly in line with the national average.

Outcomes for KS2 pupil attainment were below the national average, but still significantly improved on the previous year.

KS2 progress remains below the national average.

The quality of teaching is judged by the school to be 100% good or better

Attendance is below national but has improved when compared to the previous year.

REACH2 ACADEMY TRUST

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For the Year Ended 31 August 2017

Tidemill Academy opened as a converter academy in September 2013.

Its previous inspection in 2008, prior to joining the trust, judged overall effectiveness to be Outstanding.

In 2017, outcomes in EYFS were below the national average and in KS1 they were broadly in line with the national average. Outcomes in July 2017 are above the national average.

KS2 progress in 2017 is above the national average and likely to be in the top 25% nationally.

The school judges the quality of all teaching to be Good, with a high proportion of outstanding teaching across the school. Attendance is above the national average.

Tymberwood Academy opened as a sponsored academy in February 2014.

In its recent inspection, in February 2017, the schools' overall effectiveness was judged as Good.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining broadly in line with national.

Attainment for KS2 pupils' attainment was above national averages, particularly in Writing and Maths.

KS2 progress is in line with the national average in Reading and above the national average in Writing and Maths.

The quality of teaching is judged to be consistently Good or better

Attendance is persistently below the national average – although procedures for improving attendance were praised during the inspection.

Unity Primary Academy opened as a sponsored academy in September 2014 as an amalgamation of the Infant and Junior schools.

In its most recent inspection, in July 2017, its overall effectiveness was judged to be Good.

Outcomes in July 2017 showed EYFS pupils to be attaining above national and KS1 pupils to be attaining below the national level.

Outcomes for KS2 pupil attainment were below the national average in Reading and Maths and above in Writing.

The quality of teaching has improved with 83% of teaching judged to be good or better.

Attendance is below national at 95%.

Veritas Academy opened as a new provision in September 2015.

Outcomes in July 2017 showed EYFS pupils to be attaining above the national average but KS1 pupils attained below national levels.

Outcomes for KS2 pupil attainment were well above the national average in all subjects.

The quality of teaching judged 82% of teaching as Good or better.

Attendance is in line with the national average at 96.15%.

Water Lane Primary Academy opened as a sponsored academy in September 2014.

In its most recent inspection, in June 2017, overall effectiveness was judged as Good.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining above the national level.

Outcomes for KS2 pupil attainment were below the national average in Writing and Maths but above national in Reading.

The quality of teaching has improved with 100% being judged as Good.

Attendance is at the national average.

White Meadows Academy opened as a converter academy in April 2014.

Its previous inspection in January 2017 overall effectiveness was judged as Good.

Outcomes in July 2017 showed EYFS and KS1 pupils to be attaining below the national average but have improved from the previous year.

Outcomes for KS2 pupil attainment were below national overall, though individual subjects were closer to national than the combined score.

KS2 progress is below the national average.

The school judges the quality of teaching to be good overall.

Attendance is below the national average.

Wilshere Dacre Junior Academy opened as a sponsored academy in March 2014.

In its most recent inspection, in September 2016, overall effectiveness was judged as Requires Improvement.

Outcomes in July 2017 for KS2 pupil attainment were just below the national average in Reading, above the national in Writing and in line with national in Maths. The quality of teaching judged 77% of teachers to be Good or better.

Attendance has improved and is now in line with the national average at 96%.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

The Woodside Academy opened as a sponsored academy in December 2012.

In its most recent inspection, in July 2016, judged overall effectiveness to be Outstanding.

Outcomes in July 2017 showed EYFS pupils to be just below the national average and KS1 pupils to be attaining above the national average in Writing and Maths. KS1 Reading attainment was below the national average.

Outcomes for KS2 pupil attainment were significantly above national in all subjects.

The quality of teaching judged 85% of teachers to be Good or better.

Attendance has improved and is in line with the national average at 96%.

Going Concern

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

Financial Review –

During the period, ESFA\LA grants totalled to £93,897k (2016: £90,667k). Other income included within the restricted funds totalled to £1,807k (2016: £1,479k). The restricted fund expenditure totalled to £99,041k (2016: £88,116k).

Most of the Academy 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 particular a purpose. The grants received from the ESFA during the 12-month period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also received grants for fixed assets 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 Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions continue to increase for the foreseeable. Overall the academy 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.

The Trust has appointed a Chief Finance Officer (CFO), who is known as the Finance Director.

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 produced 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 are escalated to the Chief Finance Officer who, along with Trustees and the Regional Team will work on a five-year strategic plan to ensure the schools financial viability.

On an annual basis the 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 serviced 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 provision of FRS102.

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

Reserves Policy

Reserves brought over by schools joining the Trust are accounted for in the school's financial statements. A school/s can apply to access these funds for exceptional expenditure in year once it has met its commitments and covered its other planned expenditure. 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 academy'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 Trustees will keep this level of reserves under review and aim to build and maintain the reserves level whilst in keeping with the principle object of the academy.

Post year-end a revised reserves policy will be implemented across all schools that will look to pool centrally the cash balances of all academies into a central deposit account with the accounting of reserves remaining at school level. A number of consultations in order to implement the policy have taken place across all levels of the organisation.

Total reserves at the end of the period amounted to £225,403k. This balance includes unrestrictive funds (free reserves) of £2,960k which is considered appropriate for the academy trust, and restricted funds excluding pension and fixed assets of £4,690k.

Within the reserves policy users should note that, because of accounting for Local Government Pension Scheme (LGPS), the academy recognises a significant pension fund deficit totalling £31,242k. This deficit is included in restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there was a pension surplus included in the restricted funds this would not create an immediately realisable asset that can be released straight away and expended for the specific purpose of that fund.

Users should note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect of the academy trust in the form of an increase or decrease in employers' pension contributions over a period of years. The academy trust thus takes this fact into account when reviewing current business plans and budgets, and ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the academy trusts budgeted annual income, whilst the deficit may not be eliminated there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the academy trust due to the recognition of the deficit.

Investment Policy

A Trust investment policy is yet to be implemented however at academy level all academies have a deposit and current account which receives a notional amount of interest on the funds the schools hold

Should any potential Investment opportunity arise this would be escalated to the Finance and Risk and Audit Sub Committees for consideration. As of 31 August 2017 no investments were held.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principle risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

The academies Risk Registers and the Trust risk dashboard have been implemented and will be reviewed during the Autumn Term. Where appropriate, systems or procedures have been established to mitigate the risks each academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Trustees have assessed the major risks to which the Academy trust is exposed, in particular those relating

REACH2 ACADEMY TRUST

TRUSTEES REPORT

For the Year Ended 31 August 2017

to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. 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, bullying and school trips) and in relation to the control of finances. They have introduced systems, 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 academy 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 academy 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 its pupils.

Employee consultation and disabled employees

The trust will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. There is a training scheme in operation so that employees who have been injured or disabled in the course of their employment can, where possible, continue employment with the trust.

During employment the Trust seeks to work with the employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

Plans for Future Periods

The number of academies within the Trust is expected to increase to 65 by the 1st September 2018. This in line with the current pipeline and the free school strategy that has been agreed by the ESFA and supports the Trusts 5-year Strategy.

Educational intervention and support capacity has increased during the academic year, through the recruitment of additional associate school leaders who will strengthen the Regional Director-led, multi-disciplinary, regional teams. Additional support has also been addressed at the operational level, to further assist the trust strategy to strengthen the long term sustainability.

In collaboration with its sister Trust, a centralised procurement strategy to realise cost savings and effectiveness across the trusts will also be implemented.

A strategy needs to be implemented to narrow the gap between the highest and lowest performing academies across the trust. To achieve our ambition that all schools meet "the above and beyond" performance standards, underperformance is a focus for the forthcoming year. The Trust has developed the "Schools Causing Concern" Strategy which identifies and allows intervention in schools which are at risk of underperforming.

Funds held as custodian trustee on behalf of others.

The Academy Trust and its Trustees did not act as a custodian trustee during the current or previous period.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT

For the Year Ended 31 August 2017

Auditor

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.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 29 December 2017 and signed on the boards behalf by:



Jeremy King

Chair of Trustees

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT

For the Year Ended 31 August 2017

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that REA ch2 Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Chief Executive, 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 REA ch2 Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weakness or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met six 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
Peter Little - Chair	6	6
Jeremy King - Vice Chair	6	6
Rt. Revd. David Rosedale*	0	2
Colin Powell	3	6
Michael Peters	5	6
Victoria Pigott	5	6
Dr Louise Askew	6	6
Clare Walsh	1	6
Tony Gilbey	5	6
Mark Taylor	6	6
Clive Rockingham*	4	4
Gavin Robert*	4	4
Rowena Hackwood*	2	4
Chris Kane*	2	3
Sir Steve Lancashire (ex-officio)	5	6

(* denotes trustees who joined or left during the reporting year)

Over the reporting period, Trustees undertook a self-evaluation review of governance. The findings of this review have led to the appointment of a Company Secretary, establishment of a new Governance Steering Group within the Trust and creating "Link Trustees" to ensure effective communication between our regional and trust level tiers of governance. Over the coming year, further work to improve communications between tiers of governance will be a priority.

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT

For the Year Ended 31 August 2017

The Academy Trust has five sub committees reporting into the Board of Trustees:

- Finance sub-committee
- Risk and Audit sub-committee
- Human resources sub-committee
- Educational Standards & Performance sub-committee
- Remuneration sub-committee

Each sub-committee comprises at least three Trustees, one of whom is the committee chair. Each committee meets at least termly and presents a report of key findings and actions taken to the Board of Trustees.

The finance committee is a sub-committee of the main board of trustees. Its duties include:

- to develop a financial strategy for the Academy Trust and consider policies, procedures or plans required to realise such strategy,
- to receive financial monitoring reports from individual academies,
- 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.

No significant issues to note were dealt with during the year.

Attendance at the meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Tony Gilbey (Chair)	3	3
Peter Little*	1	1
Rowena Hackwood*	1	2
Jeremy King	3	3
Sir Steve Lancashire (ex-officio)	3	3

(* denotes trustees who joined or left the committee during the reporting year)

The Risk and Audit committee, a sub-committee of the main board of trustees. Its purpose is to:

- Monitor the integrity of the financial statements
- Review internal financial control and reviewing the academy's internal control and risk management systems
- to review the action and implementation of risk management policy across the Academy Trust
- Making recommendations to the governing body in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor
- Reviewing the auditor's independence and objectivity

No significant issues to note were dealt with during the year.

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT

For the Year Ended 31 August 2017

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jeremy King (chair)	3	3
Victoria Pigott	2	3
Gavin Robert*	2	2
Rt. Revd David Rossdale*	0	1
Clive Rockingham*	2	2
Sir Steve Lancashire (ex-officio)	3	3

(* denotes trustees who joined or left the committee during the reporting year)

Review of Value for Money

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

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

- Supporting close working relationship within clusters of schools to enable proactive support and challenge across our academies
- Commencing and reviewing the procurement of services across our academies to achieve better quality, economies of scale and consistent outcomes across the academies.
- Educational outcomes have improved by ongoing support from the region including receiving regular data reviews and moderation of the academies self-evaluation and school development plans. These are reviewed and challenged at all levels of Governance across the Trust.
- Ongoing review both external and internal of our academies in the form of Moderated Trust Review (MTR) and Review of School Effectiveness (ROSE) ensures the expected outcome of the academies during Ofsted are in line with Trust expectations. Intervention is delivered where required.

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 the academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in REAch2 Academy Trust for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risks

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy 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:

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT

For the Year Ended 31 August 2017

- 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 finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programs
- Setting targets to measure financial and other performance
- Clearly defined purchasing (assets purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The board of trustees have considered the need for a specific internal audit function and has decided:

- to appoint Michelle Row as internal auditor.

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

- testing of payroll systems
- testing of purchase systems
- testing of control accounts / bank accounts
- testing of compliance with the scheme of delegation and internal controls

On a termly basis, Michelle Roe the internal auditor reports to the Board of trustees, through the audit 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 internal auditor 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 Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the results of their review of the system of internal control by the audit committee and a plan to ensure continuous improvement of the system is in place.

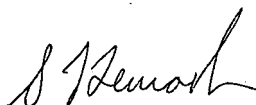
Approved by order of the members of the board of trustees on 29 December 2017 and signed on its behalf by:

Signed



Jeremy King
Chair of Trustees

Signed



Steve Lancashire
Accounting Officer

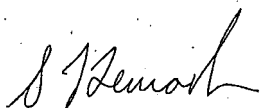
REACH2 ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE For the Year Ended 31 August 2017

As Accounting Officer of Reach2 Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of the funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

I confirm that no instances of material irregularity and 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.



**Sir Steve Lancashire
Accounting Officer**

29 December 2017

REACH2 ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees (who are the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations, including the Annual Accounts Direction published by the Education and Skills Funding Agency (ESFA).

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. The Academies Accounts Direction further requires the financial statements to be prepared in accordance with the Charities SORP (FRS 102).

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 the charitable company's 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 (FRS 102) and the Academies Accounts Direction 2016 to 2017;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the parent charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

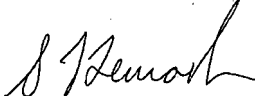
The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/Department for Education 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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 29 December 2017 and signed on its behalf



Jeremy King
Chair of Trustees



Sir Steve Lancashire
CEO and Accounting Officer

REACH2 ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REACH2 ACADEMY TRUST

Opinion

We have audited the financial statements of Reach2 Academy Trust ("the charitable company") for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and related notes, including the accounting policies in note 1.

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 2017, and of the charitable company's incoming resources and application of resources, including the charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP (FRS 102) and the *Academies Accounts Direction 2016 to 2017* issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The trustees are responsible for the other information, which comprises the Reference and Administrative Details, the Trustees' Report and Governance Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report which constitutes the Strategic Report and the Directors' Report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

REACH2 ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REACH2 ACADEMY TRUST (CONTINUED)

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 25, the Trustees (who are 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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



Clare Partridge (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

29 December 2017

REACH2 ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REACH2 ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 June 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by during the period 1 September 2016 to 31 August 2017 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 Reach2 Academy Trust (the 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 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 Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of the Academy Trust's funding agreement with the Secretary of State for Education dated 24 August 2014 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 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 Academy Trust's income and expenditure.

REACH2 ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REACH2 ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)


The work undertaken to draw our conclusion included:

- Documenting the framework of authorities which govern the activities of the Academy Trust;
- Reviewing the evidence supporting the representations included in the Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Reviewing the output from the self-assessment questionnaires completed by all staff with Budget Holder responsibility and the Principal on behalf of the Governing Body;
- Testing compliance with delegated authorities for a sample of material transactions;
- Testing transactions with connected parties to determine whether the Trust has complied with the 'at cost' requirements of the Academies Financial Handbook 2016;
- Confirming through enquiry and sample testing that the Trust has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

This list is not exhaustive and we performed additional procedures designed to provide us with sufficient appropriate evidence to express a negative conclusion on regularity consistent with the requirements of Part 9 of the Academies Accounts Direction 2016 to 2017.

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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Clare Partridge
Reporting Accountant
for and on behalf of KPMG LLP
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

29 December 2017

REACH2 ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted Funds	Restricted General	Restricted funds: Fixed asset	Total 2017	Total 2016
	Notes	£ 000	£ 000	£ 000	£ 000	£ 000
Income and endowments from:						
Donations and capital grants	2	-	-	4,303	4,303	5,081
Donations - transfer on conversion	2	-	334	12,562	12,896	166,442
Donations - merger from existing trust		-	-	-	-	52,920
Charitable activities:						
- Funding for educational operations	3	1,316	91,401	-	92,717	88,967
Other trading activities	4	1,212	-	-	1,212	1,308
Investments	5	47	-	-	47	38
Total income and endowments		2,575	91,735	16,865	111,175	314,756
Expenditure on:						
Charitable activities:						
- Educational operations	6,7	2,575	99,041	8,264	109,880	101,098
Inherited defined benefit pension liability	6,7	-	926	-	926	15,533
Assets transferred out of Trust	6,7	-	(2,001)	11,292	9,291	-
Total expenditure	6,7	2,575	97,966	19,556	120,097	116,631
Net income/(expenditure)		-	(6,231)	(2,691)	(8,922)	198,125
Transfers between funds		-	-	-	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	8,429	-	8,429	(14,379)
Net movement in funds		-	2,198	(2,691)	(493)	183,746
Reconciliation of funds						
Total funds brought forward	18	2,960	(28,750)	251,686	225,896	42,150
Total funds carried forward	18	2,960	(26,552)	248,995	225,403	225,896

The deficit restricted general reserve includes surplus restricted general funds of £4,690,000 offset by deficit pension reserves of £31,240,000.

REACH2 ACADEMY TRUST
BALANCE SHEET
AS AT 31 AUGUST 2017

		2017	2016
		£ 000	£ 000
Fixed assets			
Fixed asset investments	27	-	-
Tangible assets	12	247,871	251,686
		247,871	251,686
Current assets			
Stocks	13	7	35
Debtors	14	4,038	3,849
Cash at bank and in hand		13,709	14,122
		17,754	18,006
Current liabilities			
Creditors: amounts falling due within one year	15	(8,512)	(7,000)
Net current assets		9,242	11,006
Total assets less current liabilities		257,113	262,692
Creditors: Amounts falling due after more than one year	17	(468)	(565)
Net assets excluding pension liability		256,645	262,127
Defined benefit pension liability	20	(31,242)	(36,231)
Net assets		225,403	225,896
Funds of the Academy Trust:			
Restricted funds			
- Fixed asset funds	18	248,995	251,686
- Restricted income funds	18	4,690	7,481
- Pension reserve	18, 20	(31,242)	(36,231)
Total restricted funds		222,443	222,936
Unrestricted income funds	18	2,960	2,960
Total funds		225,403	225,896

The accounts set out on pages 35 to 107 were approved by the Board of Trustees and authorised for issue on 29 December 2017 and are signed on its behalf by:



Chair of Trustees

REACH2 ACADEMY TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £ 000	2016 £ 000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	(1,348)	11,352
Cash funds transferred on conversion		(1,511)	1,277
		(2,859)	12,629
Cash flows from investing activities			
Dividends, interest and rents from investments		47	38
Capital funding from sponsors and others		4,303	4,780
Payments to acquire tangible fixed assets		(1,904)	(5,348)
		2,446	(530)
Change in cash and cash equivalents in the reporting period		(413)	12,099
Cash and cash equivalents brought forward		14,122	2,023
Cash and cash equivalents carried forward		13,709	14,122

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Reach2 Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Conversion to an Academy Trust

The conversion of four state maintained schools to academies and their transfer into the Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the schools for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from the maintained schools and legacy academies to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from Local Authority on conversion in the Statement of Financial Activities and analysed under Unrestricted Funds, Restricted General Funds and Restricted Fixed Asset Funds. Further details of the transaction are set out in note x.

1.4 Income

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

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Grants receivable

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

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

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

Sponsorship income

Sponsorship income provided to the Academy Trust 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 the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

On conversion, the school properties were transferred from the Local Authority and legacy academies to the Academy Trust for £nil consideration. Such properties are included in the accounts at fair value.

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management, Trustees' meetings and reimbursed expenses.

1.6 Tangible fixed assets and depreciation

Assets costing £2,000 or more, or £500 or more for electrical assets, are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

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

Leasehold land and buildings	50 years
Furniture and equipment	4 years
Computer equipment	3 years
Motor vehicles	4 years

No depreciation is provided in respect of freehold land.

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

1.7 Liabilities

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

1.8 Leasing and hire purchase commitments

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

1.9 Stock

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

1.10 Taxation

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

1.11 Pensions benefits

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

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.12 Fund accounting

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

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

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

1.13 Financial instruments

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.14 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2017 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

The Academy Trust included properties transferred on conversion at fair value, being recognised in the Statement of Financial Activities in the year of conversion. The Trust engages independent valuation specialists to determine fair value. The valuer used a valuation technique based on a discounted cash flow model as there is a lack of comparable market data because of the nature of the properties.

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

2 Donations and capital grants	Unrestricted funds £ 000	Restricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
Donated assets	-	12,562	12,562	212,386
Other donations	-	-	-	301
Capital grants	-	4,303	4,303	4,780
Funds inherited on transfer	-	334	334	718
Funds inherited on merger	-	-	-	6,258
	<u>-</u>	<u>17,199</u>	<u>17,199</u>	<u>224,443</u>

Capital grants relate to ESFA Devolved Capital and School Conditioning funding.

During the year four new academies joined the Trust (Camulos, Concordia, Sir Martin Frobisher and Bushbury Lane). Their tangible fixed assets at this date totalled £12,562,000 and have been recognised as donated asset the year. As well as transferring their tangible fixed assets, net restricted and unrestricted fund totalling £334,000 were transferred to the Trust. These have been recognised as restricted funds inherited upon conversion.

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Funding for the Academy Trust's educational operations	Unrestricted funds £ 000	Restricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
DfE / ESFA grants				
General Annual Grant (GAG)	-	70,202	70,202	66,182
Start up grants	-	563	563	127
Dfe/ESFA Pupil Premium	-	7,955	7,955	7,769
Other DfE / ESFA grants	-	2,734	2,734	4,813
Other government revenue grants	-	8,140	8,140	6,996
	<u>-</u>	<u>89,594</u>	<u>89,594</u>	<u>85,887</u>
Other income				
School trips	-	628	628	575
Catering	945	-	945	891
Clubs	-	1,081	1,081	848
Music lesson	-	98	98	74
Uniforms	63	-	63	74
Other	308	-	308	618
	<u>1,316</u>	<u>1,807</u>	<u>3,123</u>	<u>3,080</u>
Total funding	<u>1,316</u>	<u>91,401</u>	<u>92,717</u>	<u>88,967</u>

The Master Funding Agreement of the Trust is not subject to the limits on the amount of GAG that it could carry forward at 31 August 2017.

Other DfE/ ESFA grants includes £2,132,000 of Free School Meal Funding and rates relief of £321,000.

Local Authority grants includes £2,464,000 of Local Authority Top up Funding and £2,437,000 of Early Years Funding.

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

4	Other trading activities	Unrestricted funds £ 000	Restricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000	
	Hire of facilities	407	-	407	370	
	Other income	805	-	805	938	
		<u>1,212</u>	<u>-</u>	<u>1,212</u>	<u>1,308</u>	
5	Investment income	Unrestricted funds £ 000	Restricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000	
	Short term deposits	47	-	47	38	
6	Other trading expenses	Staff costs £ 000	Premises and equipment £ 000	Other costs £ 000	Total 2017 £ 000	Total 2016 £ 000
Academies educational operations						
	Direct costs	64,653	5,858	9,975	80,486	73,786
	Allocated support costs	14,888	6,145	8,361	29,394	27,312
		<u>79,541</u>	<u>12,003</u>	<u>18,336</u>	<u>109,880</u>	<u>101,098</u>
Transfers with local authorities						
	Inherited defined benefit pension liability	926	-	-	926	15,533
	Assets transferred out of Trust	-	11,292	(2,001)	9,291	-
		<u>80,467</u>	<u>23,295</u>	<u>16,335</u>	<u>120,097</u>	<u>116,631</u>
	Total expenditure	80,467	23,295	16,335	120,097	116,631

REACH2 ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2017

6 Other trading expenses (continued)

	2017 £ 000	2016 £ 000
Fees paid to auditor for audit services	81	71
Other services	16	16
Operating lease rentals – land and buildings	265	386
Operating lease rentals – plant, machinery and equipment	425	252
Depreciation	8,256	7,468
Impairment	-	4,297
Governors liability insurance	6	6
	<hr/>	<hr/>

During the year Broadmead Academy left the Trust to join another multi academy trust. On transfer out of the Trust £11,292,000 of restricted fixed asset funds left the Trust, with net liabilities (including pension liabilities) of £2,001,000 also transferring out of the Trust. As no consideration was received for this transfer a net charge of £9,291,000 has been recognised in the SOFA.

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

7 Charitable activities – educational operations

	Total 2017 £ 000	Total 2016 £ 000
<i>Direct costs</i>		
Teaching staff costs	38,523	35,173
Other direct staff	17,876	18,303
Direct supply costs	3,396	3,589
Pension costs – including deficit repayment and net service costs	4,858	4,499
Educational supplies	2,300	2,103
Technology costs	1,282	1,657
Staff development	979	688
Recruitment	699	557
School uniform	101	94
Free school meals	796	5,32
Catering	3,144	2,987
Staff transport and travel	667	818
Telephones	403	153
Printing, postage and stationery	296	564
Legal and professional fees	492	1,029
Insurance	187	149
Licences and subscriptions	248	254
Marketing and advertising	39	47
Governance services	-	91
Educational visits	946	794
Educational consultancy	667	885
Music services	315	316
Hire of equipment	581	263
Other educational services	940	776
Bank interest	20	17
Other direct costs	731	448
	<u>80,486</u>	<u>73,786</u>

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

7

Charitable activities – educational operations (continued)

	Total 2017 £ 000	Total 2016 £ 000
<i>Support costs</i>		
Support staff costs	14,888	10,029
Supply staff	0	20
Depreciation and impairment	8,264	11,785
Maintenance of premises and equipment	2,282	1,609
Cleaning	1,094	1,007
Insurance	357	448
Utilities	1,276	1,294
Security	76	79
Rent and rates	695	794
Health and safety	108	93
Other occupancy costs	215	-
Other support costs	42	-
	<u>29,297</u>	<u>27,138</u>
<i>Audit</i>		
- Audit of the financial statements	81	71
- Other	16	16
	<u>97</u>	<u>87</u>
Total support costs	<u>29,394</u>	<u>27,312</u>
Inherited pension liabilities	926	15,533
Impact of assets transferred out of the Trust	9,291	-
Total costs	<u>120,097</u>	<u>116,631</u>

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

8 Staff costs

	Total 2017 £ 000	Total 2016 £ 000
Wages and salaries	57,325	51,667
Social security costs	4,942	3,633
Pension costs	13,702	8,148
Apprenticeship levy	108	-
	<hr/>	<hr/>
Staff costs	76,077	63,448
	<hr/>	<hr/>
Supply staff costs	3,396	3,609
Staff development and other staff costs	68	57
Pension liability inherited on conversions	926	15,533
	<hr/>	<hr/>
	80,467	82,647
	<hr/>	<hr/>

Staff numbers

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

	2017 Number	2016 Number
Teachers	802	766
Administration and support	1,898	1,881
Management	169	139
	<hr/>	<hr/>
	2,869	2,786
	<hr/>	<hr/>

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Staff costs

(Continued)

Staff numbers

The average number of persons employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2017 Number	2016 Number
Teachers	790	760
Administration and support	1,163	1,000
Management	100	93
	<u>2,053</u>	<u>1,853</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,001-£70,000	28	31
£70,001-£80,000	13	11
£80,001-£90,000	8	4
£90,001-£100,000	3	-
£100,001-£110,000	3	4
£110,001-£120,000	3	3
£140,001-150,000	-	2
£170,001-£180,000	1	-
£240,000-£250,000	1	-
	<u>56</u>	<u>55</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £719,651 (2016: £647,828).

Staff severance payments

Included within the staff restructuring costs are severance payments totalling £68,349. Individually, the payments were: £1,026, £1,333, £3,918, £24,982, £31,213

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

9 Remuneration and expenses

Key Management personnel received remuneration in respect of services they provide undertaking their roles within the trust.

No Trustee received any payments in respect of their role as a Trustee.

Sir Steve Lancashire (Chief Executive Officer and Accounting Officer):

Remuneration £240,000 - £250,000 (2016: £170,000 - £180,000)

2015 / 16 remuneration was for four days per week. 2016 / 17 remuneration is a full time salary. This also includes a one off performance related pay element relating to the prior year, but received in 2016/17.

Cathie Paine:

Remuneration £170,000 - £180,000 (2016: £150,000 - £165,000)

Dean Ashton:

Remuneration £70,000 - £80,000 (2016: £140,000 - £150,000)

2015/16 remuneration for a full year's salary. 2016/17 remuneration, part year until March 17.

Katherine Alexander:

Remuneration £110,000 - £120,000 (2016: £100,000 - £110,000)

No Trustee received any remuneration as a member of staff of the Trust.

During the year two of the above employees participated in the Teachers' Pension Scheme. Pension contributions paid on their behalf amounted to £69,000 (2016: £53,000).

During the year two of the above employees participated in the LGPS. Pension contributions paid on their behalf amounted to £52,000 (2016: £70,000).

Payments made to Trustees of the Board relating to travel and subsistence were £3,452 (2016: £nil).

Other related party transactions involving the Trustees are set out within the related parties note.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect directors, education advisory board members and officers from claims arising from negligent acts, errors or omissions whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the costs for the year ended 31 August 2017 were £4,988 (2016: £5,034).

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Central services

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

- Accountancy and financial planning systems
- Accountancy support
- HR support
- Payroll
- Estates strategic management and capital improvement
- Governance support
- Policy development
- Executive Principals and Associate School Leaders
- School Performance Management
- Risk Management
- School leadership development and training
- School leadership performance management
- Trust leadership and networking
- Liaison with regulators and policy makers (e.g. OFSTED, Dfe and ESFA)
- Media and publicity management
- Crisis management

The trust charges for these services based on a percentage of GAG income excluding grants received towards rates and insurance. In 2017 this was 5.5% (2016: 5.5%). In addition where academies have received additional growth funding / place funding from local authorities a further 5.5% has been charged (2016: 5.5%)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11

Central services (continued)

	Total 2017 £ 000	Total 2016 £ 000
<i>The amounts charged during the year were as follows</i>		
Aerodrome Primary Academy	76	76
Beccles Primary Academy	59	62
Brampton Primary Academy	86	86
Broadmead Primary Academy	60	145
Burnsville Infant Academy	45	41
Bushbury Lane Academy	26	-
Camulos Academy	18	-
Castle Hill Academy	122	104
Chapel End Junior Academy	92	91
Chigwell Primary Academy	51	50
Civitas Academy	24	15
Concordia Academy	18	-
Copperfield Academy	95	95
Dorothy Barley Junior Academy	120	115
Eastbrook Primary Academy	86	86
Five Spires Academy	12	13
Garden City Academy	53	57
Gunton Primary Academy	64	56
Heath Hayes Primary Academy	35	35
Kensley Primary Academy	46	45
Kirby Primary Academy	42	41
Langtons Junior Academy	70	71
Lawley Village Academy	15	11
Manor Park Primary Academy	108	63
Martlesham Primary Academy	20	16
Meadow Primary Academy	48	51
Milton Court Primary Academy	47	48
Minerva Academy	53	42
Moor Green Primary Academy	97	91
Northfield St Nicholas Primary Academy	102	99
Norton Canes Primary Academy	49	53
Oakfield Primary Academy	72	58
Pemberley Academy	29	39
Purfleet Primary Academy	108	101
Racemeadow Primary Academy	52	48
Ranikhet Academy	59	53
Riverside Academy	48	47
Robert Fitzroy Academy	138	123
Scientia Academy	62	50
Silkmore Primary Academy	44	45
Sir Martin Frobisher	72	0

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

11 Central services (continued)

	Total 2017 £ 000	Total 2016 £ 000
<i>The amounts charged during the year were as follows</i>		
Springhill Primary Academy	37	42
Sprites Primary Academy	88	89
St Margaret's Primary Academy	86	80
St Mark's Church of England Primary Academy	47	49
The Globe Primary Academy	116	119
The Palmer Primary Academy	94	90
The Woodside Primary Academy	249	236
Tidemill Academy	143	91
Tymberwood Academy	90	92
Unity Primary Academy	81	85
Veritas Primary Academy	42	43
Water Lane Primary Academy	42	43
White Meadows Primary Academy	122	117
Wilshire Dacre Junior Academy	52	57
	<hr/>	<hr/>
	3,812	3,555
	<hr/>	<hr/>

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

12 Tangible fixed assets

	Freehold land and buildings £ 000	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Assets under construction £ 000	Motor vehicles £ 000	Total £ 000
Cost							
At 1 September 2016	7,967	248,245	2,215	1,523	4,093	16	264,059
Transfer on conversion	-	3,699	-	-	(3,699)	-	-
Additions	-	12,880	457	818	598	31	14,890
Disposals	-	(12,129)	(28)	(72)	-	-	(12,229)
At 31 August 2017	7,967	252,695	2,644	2,269	992	47	266,720
Depreciation							
At 1 September 2016	254	10,037	1,261	805	-	16	12,373
Charge for the year	-	6,802	574	840	-	8	8,256
Disposals	-	(1,696)	(20)	(63)	-	-	(1,779)
At 31 August 2017	254	15,143	1,815	1,582	-	24	18,849
Net book value							
At 31 August 2017	7,713	237,551	829	686	992	23	247,871
At 31 August 2016	7,713	238,208	954	718	4,093	-	251,686

Included in buildings is an amount of £7,713,000 in respect of land which is not depreciated.

Where fixed assets have transferred upon merger from existing Academy Trusts or from Local Authorities, the cost recognised in fixed asset additions is equal to the net book value of the fixed assets on the date of transfer. Upon transfer, management have considered the useful economic life of each asset at both the date of its initial recognition, when it was originally purchased, and at the date of transfer to the Trust. Accordingly depreciation has been charged over the reassessed useful economic life of the asset,

13 Stocks

	Total 2017 £ 000	Total 2016 £ 000
Educational resources and supplies	7	35
	7	35

REACH2 ACADEMY TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2017**

14 Debtors	Total 2017 £ 000	Total 2016 £ 000
Trade debtors	1,486	365
Amounts due from related parties	-	98
Other debtors	170	424
Prepayments and accrued income	2,382	2,962
	4,038	3,849
15 Creditors: amounts falling due within one year	Total 2017 £ 000	Total 2016 £ 000
Trade creditors	2,420	1,961
Other taxation and social security	226	497
Other creditors	850	280
Accruals and deferred income	4,905	4,262
Amounts owed to related parties	111	-
	8,512	7,000

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

16	Deferred income	Total 2017 £ 000	Total 2016 £ 000
	Deferred income included within creditors due in one year:		
	Deferred income brought forward	2,156	212
	Released from previous years	(2,156)	(212)
	Amounts deferred in the year	2,953	2,156
		<hr/>	<hr/>
	Deferred income carried forward	2,953	2,156
		<hr/>	<hr/>

Included in deferred income are amounts received in advance from the Local Authorities and the ESFA for Free School Meals, Early Years funding, capital grants and other pupil related income.

17	Creditors: amounts falling due after more than one year	Total 2017 £ 000	Total 2016 £ 000
	Other		
	Due 1-2 years	178	110
	Due 2-5 years	228	332
	Due over 5 years	62	123
		<hr/>	<hr/>
		468	565
		<hr/>	<hr/>

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

18	Funds	Balance at 31 August 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses & transfers £ 000	Balance at 31 August 2017 £ 000
	Restricted general funds					
	General Annual Grant	505	70,202	(70,707)	-	-
	Start up grants	-	563	(563)	-	-
	Pupil Premium	-	7,955	(7,955)	-	-
	Other DfE / ESFA grants	-	2,734	(2,734)	-	-
	Other government grants	-	8,140	(8,140)	-	-
	Other restricted funds	-	1,807	(1,807)	-	-
	Funds inherited on transfers	6,976	344	(2,620)	-	4,690
	Funds excluding pensions	7,481	91,735	(94,526)	-	4,690
	Pension reserve	(36,231)	-	(3,440)	8,429	(31,242)
	Total restricted general funds	(28,750)	91,735	(97,966)	8,429	(26,552)
	Restricted fixed asset funds					
	DfE / ESFA capital grants	51,065	4,303	(8,264)	-	47,104
	Donated assets	200,621	12,562	(11,292)	-	201,891
	Total restricted fixed asset funds	251,686	16,865	(19,556)	-	248,995
	Total restricted funds	222,936	108,600	(117,522)	8,429	224,443
	Unrestricted funds					
	General funds	2,960	2,575	(2,575)	-	2,960
	Total funds	225,896	111,175	(120,097)	9,007	225,403

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds (continued)

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

Restricted general funds must be used for the normal running costs of the Trust. In line with the Master Funding Agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Restricted fixed asset funds are used solely for capital purposes in line with the strategic objectives of the Trust.

Unrestricted funds will be used towards meeting the charitable objectives of the Trust at the discretion of the Trustees.

Funds transfers relate to the pension scheme movements during the period, fixed assets purchased from unrestricted funds and recurrent expenditure purchased from non GAG funding.

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

18

Funds (continued)

	Total 2017 £ 000	Total 2016
<i>Analysis of academies by fund balances</i>		
Aerodrome Primary Academy	353	425
Beccles Primary Academy	132	133
Brampton Primary Academy	(120)	122
Broadmead Primary Academy	-	195
Burnsville Infant Academy	78	54
Bushbury Lane Academy	72	-
Camulos Academy	119	-
Castle Hill Academy	43	(16)
Chapel End Junior Academy	202	218
Chigwell Primary Academy	138	118
Civitas Academy	-12	14
Concordia Academy	81	-
Copperfield Academy	(4)	153
Dorothy Barley Junior Academy	514	378
Eastbrook Primary Academy	349	320
Five Spires Academy	(6)	11
Garden City Academy	147	151
Gunton Primary Academy	54	1
Heath Hayes Primary Academy	49	43
Kemsley Primary Academy	113	71
Kirby Primary Academy	100	12
Langtons Junior Academy	282	189
Lawley Village Academy	5	3
Manor Park Primary Academy	237	363
Martlesham Primary Academy	(26)	26
Meadow Primary Academy	26	22
Milton Court Primary Academy	40	60
Minerva Academy	151	(83)
Moor Green Primary Academy	97	189
Northfield St Nicholas Primary Academy	159	91
Norton Canes Primary Academy	46	(4)
Oakfield Primary Academy	244	232
Pemberley Academy	67	14
Purfleet Primary Academy	44	93
Racemeadow Primary Academy	158	86
Ranikhet Academy	93	79
Reach2 Head office	(563)	1,777
Riverside Academy	167	135
Robert Fitzroy Academy	443	487
Scientia Academy	165	61
Silkmore Primary Academy	13	(9)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18

Funds (continued)

	Total 2017 £ 000	Total 2016
<i>Analysis of academies by fund</i>		
Sir Martin Frobisher Academy	129	-
Springhill Primary Academy	167	17
Sprites Primary Academy	96	160
St Margaret's Primary Academy	130	107
St Mark's Church of England Primary Academy	62	78
The Globe Primary Academy	289	329
The Palmer Primary Academy	407	476
The Woodside Primary Academy	656	846
Tidemill Academy	753	1,471
Tymberwood Academy	143	113
Unity Primary Academy	115	204
Veritas Primary Academy	37	15
Water Lane Primary Academy	149	123
White Meadows Primary Academy	189	193
Wilshire Dacre Junior Academy	54	95
	7,650	10,441
Fixed asset reserves	248,995	251,686
Pension reserve	(31,242)	(36,231)
	225,403	225,896

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds (continued) Analysis of academies by cost

	Teaching Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding fixed asset expenses) £'000	Fixed Asset Expenses £'000	Total 2017 £'000
Aerodrome Primary Academy	2,309	221	631	186	412	3,759
Beccles Primary Academy	999	126	143	109	142	1,519
Brampton Primary Academy	1,432	216	125	318	138	2,229
Broadmead Primary Academy	1,328	153	80	541	184	2,286
Bunsville Infant Academy	828	121	77	194	221	1,441
Bushbury Lane Academy	307	47	43	105	28	530
Castle Hill Academy	2,141	380	161	315	160	3,157
Camulos Academy	372	71	25	195	285	948
Chapel End Junior Academy	1,547	180	125	320	172	2,344
Chigwell Primary Academy	723	154	65	122	33	1,097
Concordia Academy	286	28	27	128	102	571
Concordia Academy	149	34	9	56	2	250
Copperfield Academy	1,674	217	114	429	248	2,682
Copperfield Academy	1,805	162	112	285	137	2,501
Dorothy Barley Junior Academy	1,351	163	117	279	112	2,022
Dorothy Barley Junior Academy	14	5,126	390	2,882	116	8,528
Eastbrook Primary Academy	256	85	37	80	55	513
Eastbrook Primary Academy	889	124	97	187	242	1,539
REACH2 Head office	1,071	52	96	176	67	1,462
Five Spires Academy	517	140	71	115	2	845
Garden City Academy	777	79	39	207	171	1,273
Gunton Primary Academy	652	75	47	137	89	1,000
Heath Hayes Primary Academy	1,020	139	71	208	86	1,524
Kemsley Primary Academy	215	40	13	137	53	458
Kirby Primary Academy	1,639	234	106	436	100	2,515
Langtons Junior Academy	318	83	33	148	32	614
Lawley Village Academy	801	132	74	209	113	1,329
Manor Park Primary Academy	708	112	123	183	170	1,296
Martlesham Primary Academy	500	109	84	416	303	1,412
Meadow Primary Academy	1,397	143	150	341	62	2,093
Milton Court Primary Academy	1,764	151	151	256	178	2,500
Minerva Academy	837	107	142	134	-57	1,163
Moor Green Primary Academy	1,061	145	39	399	251	1,895
Northfield St Nicholas Primary Academy	370	116	19	66	266	837
Norton Canes Primary Academy	1,943	214	112	343	302	2,914
Oakfield Primary Academy	755	79	86	154	48	1,122
Pemberley Academy	1,077	111	48	303	16	1,555
Purfleet Primary Academy	714	111	84	172	192	1,273
Racemeadow Primary Academy	2,230	242	321	463	-120	3,136
Ranikhet Academy	1,002	160	98	201	300	1,761
Riverside Academy	797	59	97	210	100	1,263
Robert Fitzroy Academy	1,179	134	79	299	74	1,765
Scientia Academy	743	70	70	116	213	1,212
Silkmere Primary Academy	1,406	167	134	316	220	2,243
Sir Martin Frobisher Academy	1,302	168	138	373	454	2,435
Springhill Primary Academy	408	404	9	231	3	1,055
Sprites Primary Academy	1,093	718	50	640	122	2,623
St Margaret's Primary Academy	899	674	107	393	183	2,256
St Mark's Church of England Primary Academy	4,854	643	379	871	608	7,355
The Globe Primary Academy	2,302	277	176	757	261	3,773
The Palmer Primary Academy	1,621	297	37	311	349	2,615
The Woodside Primary Academy	1,347	205	91	446	-64	2,025
Tidemill Academy	741	150	100	142	88	1,221
Tymberwood Academy	662	112	42	115	203	1,134
Unity Primary Academy	2,274	227	50	427	69	3,047
Veritas Primary Academy	779	105	102	159	39	1,184
Water Lane Primary Academy	2,309	221	631	186	412	3,759
White Meadows Primary Academy	999	126	143	109	142	1,519
Wilshire-Dacre Junior Academy	1,432	216	125	318	138	2,229
	35,170	28,346	2,107	22,493	11,765	109,099

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19	Analysis of net assets between funds	Unrestricted funds £ 000	General Restricted funds £ 000	Restricted fixed assets £ 000	Total 2017 £ 000
Fund balances as at 31 August 2017 are represented by:					
	Tangible fixed assets	-	-	247,871	247,871
	Current assets	2,960	13,670	1,124	17,754
	Creditors	-	(8,980)	-	(8,980)
	Defined benefit pension liability	-	(31,242)	-	(31,242)
		<u>2,960</u>	<u>(26,552)</u>	<u>248,995</u>	<u>225,403</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £107k (2016: £nil) were payable to the Teachers Pension Scheme at 31 August 2017 and are included within creditors.

Contributions amounting to £85k (2016: £nil) were payable to the Local Government Pension Scheme at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

The pension costs are assessed in accordance with the advice of independent qualified actuaries.

The employer's pension costs paid to TPS in the period ended 31 August 2017 amounted to £8,530,000 (2016: £8,148,000).

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

Teachers' Pension Scheme Changes

During the previous year the employer contribution rate was 16.48%. The TPS valuation for 2012 determined an employer rate of 16.48% which was payable from September 2015. The next valuation of the TPS will be as at March 2019, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**20 Pension and Similar Obligations (continued)****Teachers' Pension Scheme Changes (continued)**

Under the definitions set out in Financial Reporting Standard (FRS102), the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information on the scheme.

Local Government Pension Schemes

Reach2 is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Separate disclosure has been provided for each scheme - City of Westminster Pension Fund, Essex Pension Fund, Kent County Council Pension Fund, Royal County of Berkshire Pension Fund, West Midlands Pension Fund, Hertfordshire County Council Pension Fund, London Borough of Barking and Dagenham Pension Fund, London Borough of Croydon Pension Fund, London Borough of Havering Pension Fund, London Borough of Lewisham Pension Fund, Staffordshire Pension Fund, Suffolk Pension Fund, Warwickshire Pension Fund, West Sussex County Council Pension Fund, London Borough of Bexley Pension Fund, London Borough of Waltham Forest Pension Fund, Shropshire County Pension Fund.

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.

	£'000				
	Pension liability b/fwd	Inherited (liability) / asset in year	Net service costs	Actuarial gains / (losses)	Pension liability c/fwd
City of Westminster					
Minerva Academy	(94)		(30)	103	(21)
	(94)	-	(30)	103	(21)
Essex					
Burrsville Infant Academy	(784)		(86)	121	(749)
Camulos Academy	-		(32)	5	(27)
Chigwell Primary Academy	(441)		(42)	157	(326)
Kirby Primary Academy	(803)		(58)	248	(613)
Pemberley Academy	(17)		(25)	(5)	(47)
Purfleet Primary Academy	(1,262)		(116)	242	(1,136)
Sir Martin Frobisher	-	(718)	(140)	79	(779)
Unity Primary Academy	(1,530)		(142)	324	(1,348)
Water Lane Primary Academy	(585)	-	(63)	85	(563)
	(5,422)	(718)	(704)	1,256	(5,588)
Kent County Council					
Combined Academies (4)	(4,733)		(565)	1,827	(3,471)
	(4,733)	-	(565)	1,827	(3,471)
Royal County Council of Berkshire					
Combined Academies (3)	(1,322)		(245)	(60)	(1,627)
	(1,322)	-	(245)	(60)	(1,627)
West Midlands					
Bushbury Lane Academy	0	(364)	(18)	(21)	(403)
Manor Park Primary Academy	(1,662)		(170)	126	(1,706)
Moor Green Primary Academy	(392)		(82)	(500)	(974)
	(2,054)	(364)	(270)	(395)	(3,083)
Hertfordshire County Council					
Garden City Academy	(373)		(39)	143	(269)
Wilshire Dacre Junior Academy	(344)		(33)	104	(273)
	(717)	-	(72)	247	(542)
London Borough of Barking and Dagenham					
Dorothy Barley Junior Academy	(649)		(90)	369	(370)
	(649)	-	(90)	369	(370)
London Borough of Croydon					
Aerodrome Primary Academy	(884)		(184)	257	(811)
Broadmead	(2,008)	2,008			-
Castlehill	(1,358)		(203)	482	(1,079)
Robert Fitzroy Academy	(423)		(208)	237	(394)
St Marks Church of England Primary School	(434)		(31)	96	(369)
	(5,107)	2,008	(626)	1,072	(2,653)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

London Borough of Havering				
Concordia Academy		(7)	1	(6)
Langtons Junior School	(425)	(56)	292	(189)
	(425)	(63)	293	(195)
London Borough of Lewisham				
Tidemill Academy	(1,578)	(176)	532	(1,222)
	(1,578)	(176)	532	(1,222)
Staffordshire				
Combined Academies (7)	(2,185)	(277)	266	(2,196)
	(2,185)	(277)	266	(2,196)
Suffolk				
Beccles Primary Academy	(558)	(36)	179	(415)
Gunton Primary Academy	(818)	(46)	299	(565)
Martlesham Primary Academy	(85)	(16)	37	(64)
Phoenix St. Peter Primary Academy	(287)	(29)	92	(224)
Northfield St Nicholas Primary Academy	(1,289)	(77)	436	(930)
Sprites Primary Academy	(802)	(63)	331	(534)
St Margarets Primary Academy	(377)	(44)	142	(279)
	(4,216)	(311)	1,516	(3,011)
Warwickshire				
Combined Academies (3)	(2,116)	(244)	678	(1,682)
	(2,116)	(244)	678	(1,682)
West Sussex County Council				
Eastbrook Primary Academy	(686)	(94)	301	(479)
The Globe Primary Academy	(865)	(84)	421	(528)
White Meadows Primary Academy	(541)	(87)	188	(440)
	(2,092)	(265)	910	(1,447)
London Borough of Bexley				
Brampton Primary Academy	(574)	(69)	9	(634)
	(574)	(69)	9	(634)
London Borough of Waltham Forest				
Chapel End Junior Academy	(556)	(20)	452	(124)
The Woodside Primary Academy	(2,252)	(128)	(485)	(2,865)
Reach2 Head Office	(68)	(111)	(224)	(403)
	(2,876)	(259)	(257)	(3,392)
Shropshire County Council				
Lawley Village Academy	(71)	(18)	(14)	(103)
	(71)	(18)	(14)	(103)
Total 2017	(36,231)	926	(4,284)	8,352
				(31,237)

Rounding differences between individual pensions schemes give rise to small difference between this table and the primary statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

The total contribution made for the period ended 31 August 2017 were:

	£000's		
	Ers	Ees	Total
City of Westminster			
Minerva Academy	21	10	31
	<u>21</u>	<u>10</u>	<u>31</u>
Essex			
Burrsville Infant Academy	55	18	73
Camulos Academy	24	7	31
Chigwell Primary Academy	32	9	41
Kirby Primary Academy	29	8	37
Pemberley Academy	23	7	30
Purfleet Primary Academy	83	30	113
Sir Martin Frobisher	75	23	98
Unity Primary Academy	93	28	121
Water Lane Primary Academy	30	11	41
	<u>444</u>	<u>141</u>	<u>585</u>
Kent County Council			
Combined Academies (4)	332	97	429
	<u>332</u>	<u>97</u>	<u>429</u>
Royal County Council of Berkshire			
Combined Academies (3)	130	45	175
	<u>130</u>	<u>45</u>	<u>175</u>
West Midlands			
Bushbury Lane Academy	22	5	27
Manor Park Primary Academy	107	38	145
Moor Green Primary Academy	59	22	81
	<u>188</u>	<u>65</u>	<u>253</u>
Hertfordshire County Council			
Garden City Academy	73	16	89
Wilshire Dacre Junior Academy	43	10	53
	<u>116</u>	<u>26</u>	<u>142</u>
London Borough of Barking and Dagenham			
Dorothy Barley Junior Academy	94	30	124
	<u>94</u>	<u>30</u>	<u>124</u>
London Borough of Croydon			
Aerodrome Primary Academy	115	42	157
Castlehill	180	54	234
Robert Fitzroy Academy	83	42	125
St Marks Church of England Primary School	59	12	71
	<u>437</u>	<u>150</u>	<u>587</u>
London Borough of Havering			
Concordia Academy	5	2	7
Langtons Junior School	51	12	63
	<u>56</u>	<u>14</u>	<u>70</u>
London Borough of Lewisham			
Tidemill Academy	143	47	190
	<u>143</u>	<u>47</u>	<u>190</u>
Staffordshire			
Combined Academies (7)	331	92	423
	<u>331</u>	<u>92</u>	<u>423</u>
Suffolk			
Beccles Primary Academy	57	12	69
Gunton Primary Academy	61	13	74
Martlesham Primary Academy	25	5	30
Phoenix St. Peter Primary Academy	47	10	57
Northfield St Nicholas Primary Academy	121	24	145
Sprites Primary Academy	95	20	115
St Margarets Primary Academy	89	18	107
	<u>495</u>	<u>102</u>	<u>597</u>

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Warwickshire

Combined Academies (3)

172	59	231
172	59	231

West Sussex County Council

Eastbrook Primary Academy

79 22 101

The Globe Primary Academy

127 26 153

White Meadows Primary Academy

150 36 186

356 84 440

London Borough of Bexley

Brampton Primary Academy

85 22 107

85 22 107

London Borough of Waltham Forest

Chapel End Junior Academy

62 12 74

The Woodside Academy

497 104 601

Reach2 Head Office

489 129 618

551 141 692

Shropshire County Council

Lawley Village Academy

5 4 9

5 4 9

Total 2017

3,956 1,129 5,085

The estimated value of employer contributions for the year ended 31 August 2018 is £3,956,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

City of Westminster Pension Fund

Principal Actuarial Assumptions (%)	2017	2016
Rate of increase in salaries	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.3
Discount rate for scheme liabilities	2.6	2.2
Inflation assumption (CPI)		2.3

Commutation

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

Retiring today:		
Males	24.4	22.1
Females	26.0	25.3
Retiring in 20 years:		
Males	26.7	24.4
Females	28.3	27.7

Asset split (%):

Equities	76.0	74.0
Property	9.0	10.0
Government bonds	4.0	3.0
Corporate bonds	10.0	12.0
Cash	1.0	1.0
Total market value of assets	<u>100.0</u>	<u>100.0</u>

Fair Value of fund assets	101	55
Present value of the defined benefit obligation	(122)	(149)
Net defined benefit pension liability	<u>(21)</u>	<u>(94)</u>

**Total Expenditure Recognised in the
Statement of Financial Activities**

Operating cost

Current service cost (net of employee contributions)	50	37
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Financing cost

Interest on net defined benefit liability/(asset)	1	1
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Pension expense	<u>51</u>	<u>38</u>
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

	2017	2016
Analysis of Pension Finance Income		
Interest income on assets	2	1
Interest on pension liabilities	(3)	(2)
Pension finance costs	(1)	(1)
Net movement on assets and liabilities		
B/fwd balance 1 September 2016	(94)	-
Inherited on transfer/merger	-	(13)
Employer contribution	21	20
Current service cost	(50)	(37)
Past service cost	-	-
Interest expense	(3)	(2)
Interest income on assets	2	1
Actuarial (losses) / gains	103	(63)
Deficit at 31 August 2017	(21)	(94)
Movement in the present value of defined benefit obligations:		
B/fwd balance 1 September 2016	149	-
Inherited on transfer/merger	-	35
Current service cost	50	37
Interest expense	3	2
Employee contributions	10	9
Actuarial (gains)/ losses	(90)	66
Benefits paid	-	-
At 31 August 2017	122	149
Movement in the fair value of fund assets:		
B/fwd balance 1 September 2016	55	-
Inherited on transfer/merger	-	22
Interest on assets	2	1
Remeasurement gains/ (losses)	13	3
Employer contributions	21	20
Employee contributions	10	9
Benefits paid	-	-
At 31 August 2017	101	55
Actual return on assets:	15	4
History of experience gains and losses:		
Experience gains and losses on assets		
Amount	13	3
Percentage of assets	12.9%	5.5%

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Essex Pension Fund

Principal Actuarial Assumptions (%)	Burrsville Infant Academy 2017	Burrsville Infant Academy 2016	Camulos Academy 2017	Camulos Academy 2016	Chigwell Primary Academy 2017	Chigwell Primary Academy 2016	Kirby Primary Academy 2017	Kirby Primary Academy 2016	Pemberley Academy 2017	Pemberley Academy 2016	Purfleet Primary Academy 2017	Purfleet Primary Academy 2016	Sir Martin Froisher 2017	Sir Martin Froisher 2016	Unity Primary Academy 2017	Unity Primary Academy 2016	Water Lane Primary Academy 2017	Water Lane Primary Academy 2016	Total 2017	Total 2016
Rate of increase in salaries	4.2	4.1	4.2		4.2	4.1	4.2	4.1	4.2	4.1	4.2	4.1	4.2	4.1	4.2	4.1	4.2	4.1	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.3	2.7		2.7	2.3	2.7	2.3	2.7	2.3	2.7	2.3	2.7	2.3	2.7	2.3	2.7	2.3	2.7	2.3
Discount rate for scheme liabilities	2.6	2.2	2.6		2.6	2.2	2.6	2.2	2.6	2.2	2.6	2.2	2.6	2.2	2.6	2.2	2.6	2.2	2.6	2.2
Inflation assumption (CPI)	2.6	2.3	2.6		2.6	2.3	2.6	2.3	2.6	2.3	2.6	2.3	2.6	2.3	2.6	2.3	2.6	2.3	2.6	2.3
Commutation																				
The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:																				
Retiring today:																				
Males	22.2	22.9	22.2		22.2	22.9	22.2	22.9	22.2	22.9	22.2	22.9	22.2	22.9	22.2	22.9	22.2	22.9	22.2	22.9
Females	24.7	25.3	24.7		24.7	25.3	24.7	25.3	24.7	25.3	24.7	25.3	24.7	25.3	24.7	25.3	24.7	25.3	24.7	25.3
Retiring in 20 years:																				
Males	24.3	25.2	24.3		24.3	25.2	24.3	25.2	24.3	25.2	24.3	25.2	24.3	25.2	24.3	25.2	24.3	25.2	24.3	25.2
Females	27.0	27.7	27.0		27.0	27.7	27.0	27.7	27.0	27.7	27.0	27.7	27.0	27.7	27.0	27.7	27.0	27.7	27.0	27.7
Asset split (%):																				
Equities	65.0	69.0	65.0		65.0	69.0	65.0	69.0	65.0	69.0	65.0	69.0	65.0	69.0	65.0	69.0	65.0	69.0	65.0	69.0
Property	10.0	11.0	10.0		10.0	11.0	10.0	11.0	10.0	11.0	10.0	11.0	10.0	11.0	10.0	11.0	10.0	11.0	10.0	11.0
Government bonds	6.0	4.0	6.0		6.0	4.0	6.0	4.0	6.0	4.0	6.0	4.0	6.0	4.0	6.0	4.0	6.0	4.0	6.0	4.0
Corporate bonds	4.0	4.0	4.0		4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Other	12.0	9.0	12.0		12.0	9.0	12.0	9.0	12.0	9.0	12.0	9.0	12.0	9.0	12.0	9.0	12.0	9.0	12.0	9.0
Cash	3.0	3.0	3.0		3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	12.0	3.0	4.29	3.00
Total market value of assets	100.0	100.0	100.0	0.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Fair Value of fund assets	304	174	34		134	76	332	249	61	23	618	421	446	331	653	422	302	212	2,850	1,908
Present value of the defined benefit obligation	(1,053)	(958)	(61)		(460)	(517)	(945)	(1,052)	(108)	(40)	(1,754)	(1,683)	(1,225)	(1,049)	(2,001)	(1,952)	(865)	(797)	(8,411)	(8,048)
Net defined benefit pension liability	(749)	(784)	(27)		(326)	(441)	(613)	(803)	(47)	(17)	(1,136)	(1,262)	(779)	(718)	(1,348)	(1,530)	(563)	(585)	(5,561)	(6,140)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

	Burrsville Infant Academy		Camulos Academy		Chigwell Primary Academy		Kirby Primary Academy		Pemberley Academy		Purfleet Primary Academy		Sir Martin Frobisher		Unity Primary Academy		Water Lane Primary Academy		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Total Expenditure Recognised in the Statement of Financial Activities																				
Current service cost (net of employee contributions)	125	68	56		65	45	70	46	48	23	172	76	200		203	133	80	54	963	445
Financing cost																				
Interest on net defined benefit liability/(asset)	16	16	-		11	10	17	17	0	-	27	23	15		32	33	13	12	131	111
Total operating charge	141	84	56	-	76	55	87	63	48	23	199	99	215	-	235	166	93	66	1,094	556
Analysis of Pension Finance Income																				
Interest income on assets	5	5	-		2	2	6	8	1	-	10	13	8		11	13	5	7	48	48
Interest on pension liabilities	(21)	(21)	-		(11)	(12)	(23)	(25)	(1)	-	(37)	(36)	(23)		(43)	(46)	(18)	(19)	(177)	(159)
Pension finance income/ (costs)	(16)	(16)	-	-	(9)	(10)	(17)	(17)	-	-	(27)	(23)	(15)	-	(32)	(33)	(13)	(12)	(129)	(111)
Net movement on assets and liabilities																				
Br/fwd balance 1 September 2016	(784)	(784)	-		(441)	-	(803)	(447)	(17)	-	(1,262)	(615)	-		(1,530)	(889)	(585)	-	(5,422)	(2,735)
Inherited on transfer/merger						(259)							(718)				(333)		(718)	(592)
Employer contribution	55	50	24		32	33	29	31	23	17	83	80	75		93	91	30	34	444	336
Current service cost	(125)	(68)	(56)		(65)	(45)	(70)	(46)	(48)	(23)	(172)	(76)	(200)		(203)	(133)	(80)	(54)	(1,019)	(445)
Interest expense	(21)	(21)	-		(11)	(12)	(23)	(25)	1	-	(37)	(36)	(23)		(43)	(46)	(18)	(19)	(175)	(159)
Interest income on assets	5	5	-		2	2	6	8	(1)	-	10	13	8		11	13	5	7	48	48
Actuarial gains/(losses)	121	34	5		157	(160)	248	(324)	(5)	(11)	242	(628)	79		324	(566)	85	(220)	1,256	(1,875)
Deficit at 31 August 2017	(749)	(784)	(27)	-	(326)	(441)	(613)	(803)	(47)	(17)	(1,136)	(1,262)	(779)	-	(1,348)	(1,530)	(563)	(585)	(5,588)	(5,422)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

	Burrsville Infant Academy 2017 2016		Camulos Academy 2017 2016		Chigwell Primary Academy 2017 2016		Kirby Primary Academy 2017 2016		Pemberley Academy 2017 2016		Purfleet Primary Academy 2017 2016		Sir Martin Frobisher 2017 2016		Unity Primary Academy 2017 2016		Water Lane Primary Academy 2017 2016		Total 2017 2016	
Movement in the present value of defined benefit obligations:																				
B/fwd balance 1 September 2016	958	517	-	-	517	-	1,052	635	40	-	1,683	884	1,049	-	1,952	1,149	797	-	8,048	3,185
Inherited on transfer/merger	-	-	-	-	-	285	-	-	0	-	-	-	-	-	-	-	476	-	-	761
Current service cost	125	68	56	-	65	45	70	46	48	23	172	76	200	-	203	133	80	54	963	445
Interest cost	21	21	-	-	11	12	23	25	1	-	37	36	23	-	43	46	18	19	177	159
Employee contributions	18	16	7	-	9	10	8	9	7	5	30	25	23	-	28	28	11	11	134	104
Actuarial Losses / (Gains)	(67)	338	(2)	-	(139)	165	(198)	345	12	12	(154)	663	(34)	-	(222)	600	(41)	237	(843)	2,360
Benefits paid	(2)	(2)	-	-	(3)	-	(10)	(8)	-	-	(14)	(1)	(36)	-	(3)	(4)	-	-	(68)	(15)
At 31 August 2017	1,053	958	61	-	460	517	945	1,052	108	40	1,754	1,683	1,225	-	2,001	1,952	865	797	8,411	6,999
Movement in the fair value of fund assets:																				
B/fwd balance 1 September 2016	174	91	-	-	76	-	249	188	23	-	421	269	331	-	422	260	212	-	1,908	808
Inherited on transfer/merger	-	-	-	-	-	26	-	-	-	-	-	-	-	-	-	-	143	-	-	169
Interest on assets	5	5	-	-	2	2	6	8	1	-	10	13	8	-	11	13	5	7	48	48
Remeasurements gains / (losses)	54	14	3	-	18	5	50	21	7	1	88	35	45	-	102	34	44	17	408	127
Employer contributions	55	50	24	-	32	33	29	31	23	17	83	80	75	-	93	91	30	34	420	336
Employee contributions	18	16	7	-	9	10	8	9	7	5	30	25	23	-	28	28	11	11	134	104
Benefits paid	(2)	(2)	-	-	(3)	-	(10)	(8)	-	-	(14)	(1)	(36)	-	(3)	(4)	-	-	(68)	(15)
At 31 August 2017	304	174	34	-	134	76	332	249	61	23	618	421	446	-	653	422	302	212	2,850	1,577
Actual return on assets:	59	19	3	-	20	7	56	29	8	1	98	48	53	-	113	47	49	24	456	175
History of experience gains and losses:																				
Experience gains and (losses) on assets																				
Amount	54	14	3	-	18	5	50	21	7	1	88	35	45	-	102	34	44	17	408	127
Percentage of assets	17.8%	8.0%	8.8%	-	13.4%	6.6%	15.1%	8.4%	11.5%	4.3%	14.2%	8.3%	10.1%	-	15.6%	8.1%	14.6%	8.0%	14.3%	8.1%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Warwickshire County Council Pension Fund

Principal Actuarial Assumptions (%)

	2017	2016
Rate of increase in salaries	3	4.1
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1
Inflation assumption (CPI)		

Commutation

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

Retiring today:

Males	22.5	22.4
Females	24.7	24.4

Retiring in 20 years:

Males	24.3	24.3
Females	26.7	26.6

Asset split (%):

Equities	65	65.0
Property	11	11.0
Government bonds	22	23.0
Corporate bonds		
Other		
Cash	2	1.0
Total market value of assets	100.0	100.0

Fair Value of fund assets	1,961	1,464
Present value of the defined benefit obligation	(3,643)	(3,836)
Net defined benefit pension liability	(1,682)	(2,372)

Total Expenditure Recognised in the
Statement of Financial Activities

Current service cost (net of employee contributions)	364	256
Administration expenses		
Financing cost		
Interest on net defined benefit liability/(asset)	52	51
Pension Expense	416	307

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS 20 Pension and Similar Obligations (continued) FOR THE YEAR ENDED 31 AUGUST 2017

2017 2016

Analysis of Pension Finance Income

Interest income on assets	33	44
Interest cost on pension liabilities	(85)	(95)
Pension finance income/ (costs)	(52)	(51)

Net movement on assets and liabilities

B/fwd balance 1 September 2016	(2,116)	(1,313)
Inherited on transfer/merger	-	-
Employer contribution	172	160
Current service cost	(364)	(256)
Past service cost	-	-
Interest expense	(85)	(95)
Interest income on assets	33	44
Actuarial gains/(losses)	678	(656)

Deficit at 31 August 2017

(1,682) (2,116)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2016	3,836	2,357
Inherited on transfer/merger	-	-
Current service cost	364	256
Interest cost	85	95
Employee contributions	59	56
Actuarial (gain)/ loss	(688)	1,083
Benefits paid	(13)	(11)

At 31 August 2017

3,643 3,836

Movement in the fair value of fund assets:

B/fwd balance 1 September 2016	1,464	1,044
Inherited on merger/transfer	-	-
Interest on income	33	44
Administration expenses	-	-
Remeasurements gains/ (losses)	246	171
Employer contributions	172	160
Employee contributions	59	56
Benefits paid	(13)	(11)

At 31 August 2017

1,961 1,464

Actual return on assets:

279 215

Experience gains and losses on assets

Amount	246	171
Percentage of assets	12.5%	11.7%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Kent County Council Pension Fund

Principal Actuarial Assumptions (%)	2017	2016
Rate of increase in salaries	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.3
Discount rate for scheme liabilities	2.6	2.2
Inflation assumption (CPI)	2.7	2.3

Commutation

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

Retiring today:		
Males	23.0	22.9
Females	25.1	25.3

Retiring in 20 years:		
Males	25.2	25.2
Females	27.4	27.7

Asset split (%):

Equities	70.0	68.0
Property	12.0	14.0
Government bonds	1.0	1.0
Corporate bonds	10.0	14.0
Other	4.0	1.0
Cash	3.0	2.0
Total market value of assets	<u>100.0</u>	<u>100.0</u>

Fair Value of fund assets	3750	2,729
Present value of the defined benefit obligation	<u>(7,221)</u>	<u>(7,462)</u>
Net defined benefit pension liability	<u>(3,471)</u>	<u>(4,733)</u>

**Total Expenditure Recognised in the
Statement of Financial Activities**

Current service cost (net of employee contributions)	796	454
Administration expenses	2	1
Financing cost		
Interest on net defined benefit liability/(asset)	101	82
Pension Expense	<u>899</u>	<u>537</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

	2017	2016	
Analysis of Pension Finance Income			
Interest income on assets	64	89	
Interest cost on pension liabilities	(165)	(171)	
Pension finance income/ (costs)	(101)	(82)	
Net movement on assets and liabilities			
B/fwd balance 1 September 2016	(4,733)	-	
Inherited on transfer/merger	-	(2,218)	
Employer contribution	332	303	
Current service cost	(796)	(454)	(464)
Past service cost	-	-	
Interest expense	(165)	(171)	(165)
Interest income on assets	64	89	64
Actuarial gains/(losses)	1,827	(2,282)	1,827
Deficit at 31 August 2017	(3,471)	(4,733)	
Movement in the present value of defined benefit obligations:			
B/fwd balance 1 September 2016	7,462	-	
Inherited on transfer/merger	-	4,245	
Current service cost	796	454	
Interest cost	165	171	
Employee contributions	97	88	
Actuarial (gain)/ loss	(1,267)	2,507	
Benefits paid	(32)	(3)	
At 31 August 2017	7,221	7,462	
Movement in the fair value of fund assets:			
B/fwd balance 1 September 2016	2,729	-	
Inherited on merger/transfer	-	2,027	
Interest on income	64	89	
Administration expenses	(2)	(1)	
Remeasurements gains/ (losses)	562	226	
Employer contributions	332	303	
Employee contributions	97	88	
Benefits paid	(32)	(3)	
At 31 August 2017	3,750	2,729	
Actual return on assets:			
	626	315	
Experience gains and losses on assets			
Amount	562	226	
Percentage of assets	15.0%	8.3%	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Royal County Council of Berkshire Pension Fund

Principal Actuarial Assumptions (%)	Total	
	2017	2016
Rate of increase in salaries	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.3
Discount rate for scheme liabilities	2.6	2.2
Inflation assumption (CPI)	2.7	2.3

Commutation

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

Retiring today:

Males	23.0	22.9
Females	25.1	26.2

Retiring in 20 years:

Males	25.2	25.2
Females	27.4	28.5

Asset split (%):

Equities	50.0	49.0
Property	14.0	13.0
Government bonds	-	2.0
Corporate bonds	16.0	14.0
Other	8.0	18.0
Cash	12.0	4.0
Total market value of assets	100.0	100.0

Fair Value of fund assets	782	718
Present value of the defined benefit obligation	(2,409)	(2,040)
Net defined benefit pension liability	(1,627)	(1,322)

Total Expenditure Recognised in the
Statement of Financial Activities

Current service cost (net of employee contributions)	347	198
Financing cost		
Interest on net defined benefit liability/(asset)	29	20
Pension expense	376	218

Analysis of Pension Finance Income

Expected return on pension scheme assets	16	22
Interest on pension liabilities	(44)	(42)
Pension finance costs	(28)	(20)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**20 Pension and Similar Obligations (continued)**

	Total	
	2017	2016
Net movement on assets and liabilities		
B/fwd balance 1 September 2016	(1,322)	-
Inherited on transfer/merger		(588)
Employer contribution	130	123
Current service cost	(347)	(198)
Interest expense	(44)	(42)
Interest income on assets	16	22
Actuarial gains/(losses)	(60)	(639)
Deficit at 31 August 2017	(1,627)	(1,322)
Movement in the present value of defined benefit obligations:		
B/fwd balance 1 September 2016	2,040	-
Inherited on transfer/merger		1,072
Current service cost	347	198
Interest expense	44	42
Employee contributions	45	43
Actuarial Gains / (losses)	(67)	685
At 31 August 2017	2,409	2,040
Movement in the fair value of fund assets:		
B/fwd balance 1 September 2016	718	-
Inherited on transfer/merger		484
Interest on income	16	22
Remeasurement Gains / (Losses)	(127)	46
Employer contributions	130	123
Employee contributions	45	43
At 31 August 2017	782	718
Actual return on assets:	(111)	68
History of experience gains and losses:		
Experience gains and losses on assets		
Amount	(127)	46
Percentage of assets	(16.2%)	6.4%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

West Midlands Pension Fund

Principal Actuarial Assumptions (%)	Bushbury Lane Primary Academy		Manor Park Primary Academy		Moor Green Primary Academy		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Rate of increase in salaries	4.2		4.2	3.8	4.2	3.8	4.2	3.8
Rate of increase for pensions in payment/inflation	2.7		2.7	2.0	2.7	2.0	2.7	2.0
Discount rate for scheme liabilities	2.6		2.6	2.2	2.6	2.2	2.6	2.2
Inflation assumption (CPI)	2.7		2.7	2.0	2.7	2.0	2.7	2.0

Commutation

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

Retiring today:

Males	21.8		21.8	23.1	21.8	23.1	21.8	23.1
Females	24.3		24.3	25.8	24.3	25.8	24.3	25.8

Retiring in 20 years:

Males	24.0		24.0	25.3	24.0	25.3	24.0	25.3
Females	26.6		26.6	28.1	26.6	28.1	26.6	28.1

Asset split (%):

Equities	63.0		63.0	59.0	63.0	59.0	63.0	59.0
Property	7.0		7.0	8.0	7.0	8.0	7.0	8.0
Government bonds	7.0		7.0	7.0	7.0	7.0	7.0	7.0
Corporate bonds	4.0		4.0	9.0	4.0	9.0	4.0	9.0
Other	14.0		14.0	11.0	14.0	11.0	14.0	11.0
Cash	5.0		5.0	6.0	5.0	6.0	5.0	6.0
Total market value of assets	100.0	-	100.0	100.0	100.0	100.0	100.0	100.0

Fair Value of fund assets

Fair Value of fund assets	56		252	99	489	344	797	443
Present value of the defined benefit obligation	(459)		(1,958)	(1,761)	(1,463)	(736)	(3,880)	(2,497)
Net defined benefit pension liability	(403)	-	(1,706)	(1,662)	(974)	(392)	(3,083)	(2,054)

Total Expenditure Recognised in the
Statement of Financial Activities

Current service cost (net of employee contributions)	36		242	62	133	74	411	136
Financing cost								
Interest on net defined benefit liability/(asset)	4		35	24	8	6	47	30
Pension expense	40	-	277	86	141	80	458	166

Analysis of Pension Finance Income

Expected return on pension scheme assets	1		4	1	8	7	13	8
Interest on pension liabilities	(5)		(39)	(25)	(16)	(16)	(60)	(41)
Pension finance costs	(4)	-	(35)	(24)	(8)	(9)	(47)	(33)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

	Bushbury Lane Primary Academy	Manor Park Primary Academy	Moor Green Primary Academy	Total				
		2017	2016	2017	2016			
Net movement on assets and liabilities								
B/fwd balance 1 September 2016	-	(1,662)	-	(2,054)	-			
Inherited on transfer/merger	(364)	-	(1,069)	(364)	(1,248)			
Employer contribution	22	107	77	188	118			
Current service cost	(36)	(242)	(62)	(411)	(136)			
Interest expense	(5)	(39)	(25)	(60)	(41)			
Interest income on assets	1	4	1	13	11			
Actuarial gains/(losses)	(21)	126	(584)	(395)	(758)			
Deficit at 31 August 2017	(403)	(1,706)	(1,662)	(3,083)	(2,054)			
Movement in the present value of defined benefit obligations:								
B/fwd balance 1 September 2016	-	1,761	-	2,497	-			
Inherited on transfer/merger	390	-	1,069	390	1,444			
Current service cost	36	242	62	411	136			
Interest expense	5	39	25	60	41			
Employee contributions	23	38	15	83	35			
Benefits net of transfers in	5	-	-	(2)	40			
		(122)	590	(122)	801			
Actuarial Gains / (losses)			563	563	801			
At 31 August 2017	459	1,958	1,761	3,880	2,497			
Movement in the fair value of fund assets:								
B/fwd balance 1 September 2016	-	99	-	443	-			
Inherited on transfer/merger	26	-	-	26	196			
Interest on income	1	4	1	13	11			
Remeasurement Gains / (Losses)	2	4	6	69	43			
Employer contributions	22	107	77	188	118			
Employee contributions	5	38	15	65	35			
Benefits net of transfers in		-	-	(7)	40			
At 31 August 2017	56	252	99	797	443			
Actual return on assets:	3	8	7	82	54			
History of experience gains and losses:								
Experience gains and losses on assets								
Amount	2	0	4	6	63	37	69	43
Percentage of assets	3.6%	-	1.6%	6.1%	12.9%	10.8%	8.7%	9.7%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**20 Pension and Similar Obligations (continued)****Hertfordshire County Council Pension Fund**

Principal Actuarial Assumptions (%)	Garden City Academy		Wilshire Dacre Junior Academy		Total	
	2017	2016	2017	2016	2017	2016
Rate of increase in salaries	3.6	3.6	2.5	3.6	3.1	3.6
Rate of increase for pensions in payment/inflation	2.1	2.1	2.4	2.1	2.3	2.1
Discount rate for scheme liabilities	2.1	2.1	2.5	2.1	2.3	2.1
Inflation assumption (CPI)	2.0	2.0	2.4	2.0	2.2	2.0

Commutation

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

Retiring today:						
Males	22.5	22.3	22.5	22.3	22.5	22.3
Females	24.9	24.5	24.9	24.5	24.9	24.5
Retiring in 20 years:						
Males	24.1	24.3	24.1	24.3	24.1	24.3
Females	26.7	26.7	26.7	26.7	26.7	26.7

Asset split (%):

Equities	65.0	63.0	65.0	63.0	65.0	63.0
Property	7.0	7.0	7.0	7.0	7.0	7.0
Government bonds	25.0	28.0	25.0	28.0	25.0	28.0
Corporate bonds	-	-	-	-	-	0
Other	-	-	-	-	-	-
Cash	3.0	2.0	3.0	2.0	3.0	2.0
Total market value of assets	100.0	100.0	100.0	100.0	100.0	100.0

Fair Value of fund assets	488	401	494	401	982	802
Present value of the defined benefit obligation	(757)	(774)	(767)	(745)	(1,524)	(1,519)
Net defined benefit pension liability	(269)	(373)	(273)	(344)	(542)	(717)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	104	60	68	55	172	115
Financing cost						
Interest on net defined benefit liability/(asset)	8	8	8	8	16	16
Pension expense	112	68	76	63	188	131

Analysis of Pension Finance Income

Expected return on pension scheme assets	9	12	8	12	17	24
Interest on pension liabilities	(17)	(20)	(16)	(20)	(33)	(40)
Pension finance costs	(8)	(8)	(8)	(8)	(16)	(16)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**20 Pension and Similar Obligations (continued)**

	Garden City Academy		Wilshire Dacre Junior Academy		Total	
	2017	2016	2017	2016	2017	2016
Net movement on assets and liabilities						
B/fwd balance 1 September 2016	(373)	-	(344)	-	(717)	-
Inherited on transfer/merger	-	(208)	-	(203)	-	(411)
Employer contribution	73	58	43	47	116	105
Current service cost	(104)	(60)	(68)	(55)	(172)	(115)
Interest expense	(17)	(20)	(16)	(20)	(33)	(40)
Interest income on assets	9	12	8	12	17	24
Actuarial gains/(losses)	143	(155)	104	(125)	247	(280)
Deficit at 31 August 2017	(269)	(373)	(273)	(344)	(542)	(717)
Movement in the present value of defined benefit obligations:						
B/fwd balance 1 September 2016	774	-	745	-	1,519	-
Inherited on transfer/merger	-	490	-	495	-	985
Current service cost	104	60	68	55	172	115
Interest expense	17	20	16	20	33	40
Employee contributions	16	13	10	11	26	24
Benefits net of transfers in	(2)	(2)	(6)	-	(8)	(2)
Actuarial Gains / (losses)	(152)	193	(66)	164	(218)	357
At 31 August 2017	757	774	767	745	1,524	1,519
Movement in the fair value of fund assets:						
B/fwd balance 1 September 2016	401	-	401	-	802	-
Inherited on transfer/merger	-	282	-	292	-	574
Interest on income	9	12	8	12	17	24
Remeasurement Gains / (Losses)	(9)	38	38	39	29	77
Employer contributions	73	58	43	47	116	105
Employee contributions	16	13	10	11	26	24
Benefits net of transfers in	(2)	(2)	(6)	-	(8)	(2)
At 31 August 2017	488	401	494	401	982	802
Actual return on assets:	-	50	46	51	46	101
History of experience gains and losses:						
Experience gains and losses on assets						
Amount	(9)	38	38	39	29	77
Percentage of assets	(1.8%)	9.5%	7.7%	9.7%	3.0%	9.6%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

London Borough of Barking and Dagenham Pension Fund

Principal Actuarial Assumptions (%)	2017	2016
Rate of increase in salaries	2.9	3.6
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1
Inflation assumption (CPI)	2.7	2.3

Commutation

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

Retiring today:		
Males	22.0	21.8
Females	24.7	24.0
Retiring in 20 years:		
Males	24.0	24.1
Females	26.4	26.5

Asset split (%):

Equities	75	69.0
Property	6	6.0
Government bonds	19	21.0
Cash	0	4.0
Total market value of assets	100.0	100.0

Fair Value of fund assets	1118	699
Present value of the defined benefit obligation	(1,488)	(1,348)
Net defined benefit pension liability	(370)	(649)

**Total Expenditure Recognised in the
Statement of Financial Activities**

Operating cost

Current service cost (net of employee contributions)	170	127
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Financing cost

Interest on net defined benefit liability/(asset)	14	14
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Pension expense	184	141
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2017 2016

Analysis of Pension Finance Income

Interest income on assets	16	20
Interest on pension liabilities	(30)	(34)
Pension finance costs	(14)	(14)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)
Net movement on assets and liabilities

B/fwd balance 1 September 2016	(649)	-
Inherited on transfer/merger	-	(343)
Employer contribution	94	97
Current service cost	(170)	(127)
Past service cost	-	-
Interest expense	(30)	(34)
Interest income on assets	16	20
Actuarial (losses) / gains	369	(262)
Deficit at 31 August 2017	(370)	(649)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2016	1,348	-
Inherited on transfer/merger	-	814
Current service cost	170	127
Interest expense	30	34
Employee contributions	30	32
Actuarial (gains)/ losses	(79)	341
Benefits paid	(11)	-
At 31 August 2017	1,488	1,348

Movement in the fair value of fund assets:

B/fwd balance 1 September 2016	699	-
Inherited on transfer/merger	-	471
Interest on assets	16	20
Remeasurement gains/ (losses)	290	79
Employer contributions	94	97
Employee contributions	30	32
Benefits paid	(11)	-
At 31 August 2017	1,118	699

Actual return on assets:

306	-	99
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History of experience gains and losses:

Experience gains and losses on assets		
Amount	290	79
Percentage of assets	25.9%	11.3%

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Croydon Pension Fund

	Aerodrome Primary Academy		Broadmead Primary Academy		Castle Hill Academy		Robert Fitzroy Academy		St Marks COFE Academy		Total	
Principal Actuarial Assumptions (%)	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Rate of increase in salaries	2.9	3.1	-	3	2.9	3.1	2.9	3.1	2.9	3.1	2.9	3.1
Rate of increase for pensions in payment/inflation	2.4	2.1	-	2	2.4	2.1	2.4	2.1	2.4	2.1	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1	-	3.7	2.5	2.0	2.5	2.1	2.5	2.0	2.5	2.4
Inflation assumption (CPI)	2.4	2.3	-	2.3	2.4	2.3	2.4	2.3	2.4	2.3	2.4	2.3
Commutation												
The current mortality assumptions include sufficient allowance for future improvements in mortality rates.												
The assumed life expectations on retirement age 65 are:												
Retiring today:												
Males	22.3	22.3	-	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
Females	24.4	24.4	-	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4
Retiring in 20 years:												
Males	24	24.4	-	24.4	24	24.4	24	24.4	24	24.4	24.0	24.4
Females	26.2	26.7	-	26.7	26.2	26.7	26.2	26.7	26.2	26.7	26.2	26.7
Asset split (%):												
Equities	69.0	70.0	-	70.0	69.0	70.0	69.0	70.0	69.0	70.0	69.00	70.00
Property	11.0	9.0	-	9.0	11.0	9.0	11.0	9.0	11.0	9.0	11.00	9.00
Government bonds	17.0	21.0	-	21.0	17.0	21.0	17.0	21.0	17.0	21.0	17.00	21.00
Corporate bonds	0.0	-	-	-	0.0	-	0.0	-	0.0	-	0.00	0.00
Other	0.0	-	-	-	0.0	-	0.0	-	0.0	-	0.00	0.00
Cash	3.0	-	-	-	3.0	-	3.0	-	3.0	-	3.00	0.00
Total market value of assets	100.0	-	-	-	100.0	-	100.0	-	100.0	100.0	100.0	100.0
Fair Value of fund assets												
	832	728	-	644	1216	1,027	297	290	239	169	1,368	1,187
Present value of the defined benefit obligation	(1643)	(1,612)	-	(2,652)	(2295)	(2,385)	(691)	(713)	(608)	(603)	(2,942)	(2,928)
Net defined benefit pension liability	(811)	(884)	-	(2,008)	(1,079)	(1,358)	(394)	(423)	(369)	(434)	(1,574)	(1,741)
Total Expenditure Recognized in the Statement of Financial Activities												
Current service cost (net of employee contributions)	279	191	-	174	354	242	280	134	81	65	640	390
Financing cost	20	19	-	49	29	30	11	6	9	11	40	36
Interest on net defined benefit liability/(asset)	209	210	-	223	383	272	291	140	90	76	680	426
Analysis of Pension Finance Income												
Interest income on assets	17	20	-	16	23	28	7	8	4	4	28	32
Interest on pension liabilities	(37)	(39)	-	(65)	(52)	(58)	(18)	(14)	(13)	(15)	(68)	(68)
Pension finance Income/(costs)	(20)	(19)	-	(49)	(29)	(30)	(11)	(6)	(9)	(11)	(40)	(36)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

29 Pension and Similar Obligations (continued)

	Aerodrome Primary Academy		Broadmead Primary Academy		Castle Hill Academy		Robert Fitzroy Academy		St Marks Church of England Primary		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Net movement on assets and liabilities												
Bifwd balance 1 September 2016	(884)	-	(2,008)	-	(1,358)	-	(423)	-	(434)	(306)	(5,107)	(306)
Inherited on transfer/merger	-	(464)	2008	(1,331)	-	(778)	-	(130)	-	-	2,008	(594)
Employer contribution	115	134	-	203	180	179	83	84	59	64	437	262
Current service cost	(279)	(191)	-	(174)	(254)	(242)	(280)	(134)	(81)	(65)	(994)	(290)
Interest expense	(37)	(39)	-	(65)	(52)	(58)	(18)	(14)	(13)	(15)	(120)	(68)
Interest income on assets	17	20	-	16	23	28	7	8	4	-4	51	32
Actuarial gains/(losses)	257	(344)	-	(657)	482	(487)	237	(217)	98	(116)	1,072	(677)
Deficit at 31 August 2017	(811)	(884)	-	(2,008)	(1,079)	(1,358)	(394)	(423)	(369)	(434)	(2,653)	(1,741)
Movement in the present value of defined benefit obligations:												
Bifwd balance 1 September 2016	1,612	-	-	-	2,385	-	713	-	603	375	2,928	375
Inherited on transfer/merger	-	906	-	1,640	-	1,412	-	280	-	-	-	1,166
Current service cost	279	191	-	174	354	242	280	134	81	65	640	390
Interest cost	37	39	-	65	52	58	18	14	13	15	68	68
Employee contributions	42	39	-	39	54	52	42	33	12	13	96	85
Actuarial Losses / (Gains)	(324)	438	-	734	(548)	621	(362)	252	(89)	135	(785)	825
Benefits paid	(3)	(1)	-	-	(2)	-	-	-	(2)	-	(5)	(1)
At 31 August 2017	1,643	1,612	-	2,652	2,295	2,385	691	713	608	603	2,942	2,928
Movement in the fair value of fund assets:												
Bifwd balance 1 September 2016	728	0	-	-	1,027	-	290	-	169	69	1,187	69
Inherited on transfer/merger	-	442	-	309	-	634	-	150	-	-	-	592
Interest on assets	17	20	-	16	23	28	7	8	4	4	28	32
Remeasurements gains / (losses)	(67)	94	-	77	(66)	134	(125)	35	(3)	19	(195)	148
Employer contributions	115	134	-	203	180	179	83	64	59	64	257	262
Employee contributions	42	39	-	39	54	52	42	33	12	13	96	85
Benefits paid	(3)	(1)	-	-	(2)	-	-	-	(2)	-	(5)	(1)
At 31 August 2017	832	728	-	644	1,216	1,027	297	290	239	169	1,368	1,167
Actual return on assets:	(50)	114	-	93	(43)	162	(118)	43	1	23	(167)	180
History of experience gains and losses:												
Experience gains and (losses) on assets	(67)	94	-	77	(66)	134	(125)	35	(3)	19	(195)	148
Amount	(8.1%)	12.9%	-	12.0%	(5.4%)	13.0%	(42.1%)	12.1%	(1.3%)	11.2%	(14.3%)	12.5%
Percentage of assets												

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**20 Pension and Similar Obligations (continued)****London Borough of Havering Pension Fund**

	Langtons Junior Academy		Concordia Academy		Total	
	2017	2016	2017	2016	2017	2016
Principal Actuarial Assumptions (%)						
Rate of increase in salaries	2.7	3.1	2.7		2.7	
Rate of increase for pensions in payment/inflation	2.4	2.1	2.4		2.4	
Discount rate for scheme liabilities	2.5	2.0	2.5		2.5	
Inflation assumption (CPI)		2.3				
Commutation						
The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:						
Retiring today:						
Males	22.0	22.1	22.0		22.0	22.1
Females	24.2	24.1	24.2		24.2	24.1
Retiring in 20 years:						
Males	23.9	24.2	23.9		23.9	24.2
Females	26.3	26.7	26.3		26.3	26.7
Asset split (%):						
Equities	75.0	71.0	75.0	71.0	75.0	71.0
Property	6.0	5.0	6.0	5.0	6.0	5.0
Government bonds	17.0	21.0	17.0	21.0	17.0	21.0
Cash	2.0	3.0	2.0	3.0	2.0	3.0
Total market value of assets	100.0	100.0	100.0	100.0	100.0	100.0
Fair Value of fund assets	674	578	7	-	681	578
Present value of the defined benefit obligation	(863)	(1,003)	(13)	-	(876)	(1,003)
Net defined benefit pension liability	(189)	(425)	(6)	-	(195)	(425)
Total Expenditure Recognised in the Statement of Financial Activities						
Operating cost						
Current service cost (net of employee contributions)	98	64	12		110	64
Financing cost						
Interest on net defined benefit liability/(asset)	9	8	-		9	8
Pension expense	107	72	12	-	119	72
Analysis of Pension Finance Income						
Interest income on assets	12	18	-		12	18
Interest on pension liabilities	(21)	(26)	-		(21)	(26)
Pension finance costs	(9)	(8)	-	-	(9)	(8)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**20 Pension and Similar Obligations (continued)****Net movement on assets and liabilities**

B/fwd balance 1 September 2016	(425)	(204)	-	(425)	(204)
Inherited on transfer/merger	-	-	-	-	-
Employer contribution	51	49	5	56	49
Current service cost	(98)	(64)	(12)	(110)	(64)
Past service cost	-	-	-	-	-
Interest expense	(21)	(26)	-	(21)	(26)
Interest income on assets	12	18	-	12	18
Actuarial (losses) / gains	292	(198)	1	293	(198)
Deficit at 31 August 2017	(189)	(425)	(6)	(195)	(425)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2016	1,003	654	-	1,003	654
Inherited on transfer/merger	-	-	-	-	-
Current service cost	98	64	12	110	64
Interest expense	21	26	-	21	26
Employee contributions	12	11	2	14	11
Actuarial (gains)/ losses	(267)	248	(1)	(268)	248
Benefits paid	(4)	-	-	(4)	-
At 31 August 2017	863	1,003	13	876	1,003

Movement in the fair value of fund assets:

B/fwd balance 1 September 2016	578	450	-	578	450
Inherited on transfer/merger	-	-	-	-	-
Interest on assets	12	18	-	12	18
Remeasurement gains/ (losses)	25	50	-	25	50
Employer contributions	51	49	5	56	49
Employee contributions	12	11	2	14	11
Benefits paid	(4)	-	-	(4)	-
At 31 August 2017	674	578	7	681	578

Actual return on assets:

37	68	-	-	37	68
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History of experience gains and losses:

Experience gains and losses on assets					
Amount	25	50	-	25	50
Percentage of assets	3.7%	8.7%	0.0%	3.7%	8.7%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

London Brough of Lewisham

Principal Actuarial Assumptions (%)	2017	2016
Rate of increase in salaries	3.1	4.1
Rate of increase for pensions in payment/inflation	2.5	2.1
Discount rate for scheme liabilities	2.4	2.1
Inflation assumption (CPI)	2.3	2.3

Commutation

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

Retiring today:		
Males	22.2	21.7
Females	24.6	24.0
Retiring in 20 years:		
Males	24.0	24.4
Females	26.5	26.7

Asset split (%):

Equities	64.0	68.0
Property	8.0	8.0
Government bonds	19.0	21.0
Cash	9.0	3.0
Total market value of assets	<u>100.0</u>	<u>100.0</u>

Fair Value of fund assets	1,299	934
Present value of the defined benefit obligation	(2,521)	(2,512)
Net defined benefit pension liability	<u>(1,222)</u>	<u>(1,578)</u>

**Total Expenditure Recognised in the
Statement of Financial Activities**

Operating cost

Current service cost (net of employee contributions)	285	154
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Financing cost

Interest on net defined benefit liability/(asset)	34	35
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Pension expense	<u>319</u>	<u>189</u>
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2017 2016

Analysis of Pension Finance Income

Interest income on assets	22	27
Interest on pension liabilities	(56)	(62)
Pension finance costs	<u>(34)</u>	<u>(35)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities

B/fwd balance 1 September 2016	(1,578)	-
Inherited on transfer/merger	-	(923)
Employer contribution	143	129
Current service cost	(285)	(154)
Past service cost	-	-
Interest expense	(56)	(62)
Interest income on assets	22	27
Actuarial (losses) / gains	532	(595)
Deficit at 31 August 2017	(1,222)	(1,578)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2016	2,512	-
Inherited on transfer/merger	-	1,546
Current service cost	285	154
Interest expense	56	62
Employee contributions	47	37
Actuarial (gains)/ losses	(377)	715
Benefits paid	(2)	(2)
At 31 August 2017	2,521	2,512

Movement in the fair value of fund assets:

B/fwd balance 1 September 2016	934	-
Inherited on transfer/merger	-	623
Interest on assets	22	27
Remeasurement gains/ (losses)	155	120
Employer contributions	143	129
Employee contributions	47	37
Benefits paid	(2)	(2)
At 31 August 2017	1,299	934

Actual return on assets:

177	147
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History of experience gains and losses:

Experience gains and losses on assets		
Amount	155	120
Percentage of assets	11.9%	12.8%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Stafforshire

Principal Actuarial Assumptions (%)	Total	
	2017	2016
Rate of increase in salaries	2.8	2.5
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1
Inflation assumption (CPI)	2.4	2.3

Commutation

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

Retiring today:

Males	22.1	22.1
Females	24.4	24.3

Retiring in 20 years:

Males	24.1	24.3
Females	26.4	26.6

Asset split (%):

Equities	76.0	72.4
Property	8.0	9.3
Government bonds	12.0	8.0
Corporate bonds	0.0	2.0
Other	0.0	4.5
Cash	4.0	4.7
Total market value of assets	100.0	100.0

Fair Value of fund assets	2,335	1,790
Present value of the defined benefit obligation	(4,531)	(3,974)
Net defined benefit pension liability	(2,196)	(2,184)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	604	361
Financing cost		
Interest on net defined benefit liability/(asset)	4	68
Total operating charge	608	429

Analysis of Pension Finance Income

Interest income on assets	6	50
Interest on pension liabilities	(10)	(118)
Pension finance income/ (costs)	(4)	(68)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities	Total	
	2017	2016
B/fwd balance 1 September 2016	(2,194)	(445)
Inherited on transfer/merger	-	(1,308)
Employer contribution	331	279
Current service cost	(604)	(361)
Interest expense	(10)	(118)
Interest income on assets	4	50
Actuarial gains/(losses)	277	(291)
Deficit at 31 August 2017	(2,196)	(2,194)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2016	140	636
Inherited on transfer/merger	-	2,271
Current service cost	604	361
Interest cost	10	118
Employee contributions	92	78
Actuarial Losses / (Gains)	3,720	510
Benefits paid	(35)	-
At 31 August 2017	4,531	3,974

Movement in the fair value of fund assets:

B/fwd balance 1 September 2016	99	201
Inherited on transfer/merger	-	963
Interest on assets	6	50
Remeasurements gains / (losses)	1,842	219
Employer contributions	331	279
Employee contributions	92	78
Benefits paid	(35)	-
At 31 August 2017	2,335	1,790

Actual return on assets:	1,842	219
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History of experience gains and losses:

Experience gains and (losses) on assets		
Amount	5,562	729
Percentage of assets	238.2%	40.7%

Suffolk Pension Fund									
Principal Actuarial Assumptions (%)		2017		2016		2017		2016	
Rate of increase in salaries		2.7	4.1	2.7	4.1	2.7	4.1	2.7	4.1
Rate of increase for pensions in payment/inflation		2.4	2.1	2.4	2.1	2.4	2.1	2.4	2.1
Discount rate for scheme liabilities		2.5	2.1	2.5	2.1	2.5	2.1	2.5	2.1
Inflation assumption (CPI)		2.4	2.3	2.4	2.3	2.4	2.3	2.4	2.3
Commutation		The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:							
Retiring today:		21.9	22.4	21.9	22.4	21.9	22.1	21.9	22.2
Males		21.9	22.4	21.9	22.4	21.9	22.1	21.9	22.2
Females		24.4	24.4	24.4	24.3	24.4	24.3	24.4	24.3
Retiring in 20 years:		23.9	24.3	23.9	24.3	23.9	24.3	23.9	24.3
Males		23.9	24.3	23.9	24.3	23.9	24.3	23.9	24.3
Females		26.4	26.9	26.4	26.6	26.4	26.6	26.4	26.7
Asset split (%):									
Equities		68.0	69.0	68.0	69.0	68.0	69.0	68.0	69.0
Property		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Government bonds		21.0	20.0	21.0	20.0	21.0	20.0	21.0	20.0
Cash		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total market value of assets		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Fair Value of fund assets		492	399	549	431	549	431	618	306
Present value of the defined benefit obligation		(907)	(957)	(1,114)	(1,249)	(907)	(957)	(897)	(683)
Net defined benefit pension liability		(415)	(558)	(565)	(818)	(415)	(558)	(279)	(377)
Total Expenditure Recognised in the Statement of									
Financial Activities									
Current service cost (net of employee contributions)		81	73	90	61	90	61	124	83
Financing cost		12	13	17	18	17	18	9	9
Interest on net defined benefit liability/(asset)		93	86	107	79	107	79	133	92
Total operating charge		93	86	107	79	107	79	133	92
Analysis of Pension Finance Income									
Interest income on assets		9	12	9	11	9	11	7	8
Interest on pension liabilities		(21)	(25)	(26)	(29)	(26)	(29)	(16)	(17)
Pension finance income/(costs)		(12)	(13)	(17)	(18)	(17)	(18)	(9)	(9)
Interest on pension liabilities		(174)	(150)	(174)	(150)	(174)	(150)	(88)	(88)
Interest income on assets		76	62	76	62	76	62	76	62

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

	Beccles Primary Academy		Gunton Primary Academy		Martlesham Primary Academy		Phoenix St. Peter Primary Academy		Northfield St Nicholas Primary Academy		Sprites Primary Academy		St Margarets Primary Academy		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Net movement on assets and liabilities																
B/fwd balance 1 September 2016	(558)	-	(818)	-	(85)	-	(287)	(169)	(1,289)	(827)	(802)	(502)	(377)	(230)	(4,216)	(1,728)
Inherited on transfer/merger	-	(358)	-	(532)	-	(43)	-	-	-	-	-	-	-	-	-	(933)
Employer contribution	57	70	61	57	25	11	47	60	121	130	95	90	89	81	495	499
Current service cost	(81)	(73)	(90)	(61)	(39)	(10)	(70)	(63)	(172)	(137)	(142)	(99)	(124)	(83)	(718)	(526)
Interest expense	(21)	(25)	(26)	(29)	(3)	(1)	(11)	(12)	(45)	(56)	(28)	(34)	(16)	(17)	(150)	(174)
Interest income on assets	9	12	9	11	1	1	5	6	19	25	12	15	7	8	62	78
Actuarial gains/(losses)	179	(184)	299	(264)	37	(43)	92	(109)	436	(424)	331	(272)	142	(136)	1,516	(1,432)
Deficit at 31 August 2017	(415)	(558)	(565)	(818)	(64)	(85)	(224)	(287)	(930)	(1,289)	(534)	(802)	(279)	(377)	(3,011)	(4,216)
Movement in the present value of defined benefit obligations:																
B/fwd balance 1 September 2016	957	-	1,249	-	133	-	507	289	2,160	1,423	1,342	861	683	400	7,031	2,973
Inherited on transfer/merger	-	619	-	830	-	73	-	-	-	-	-	-	0	-	-	1,522
Current service cost	81	73	90	61	39	10	70	63	172	137	142	99	124	83	718	526
Interest cost	21	25	26	29	3	1	11	12	45	56	28	34	16	17	150	174
Employee contributions	12	15	13	12	5	2	9	13	24	27	20	19	18	17	101	105
Actuarial Losses / (Gains)	(155)	225	(248)	317	(30)	47	80	130	(516)	517	(198)	329	67	166	(998)	1,731
Benefits paid	(9)	-	(16)	-	-	-	-	-	(30)	-	(16)	-	-11	-	(82)	-
At 31 August 2017	907	957	1,114	1,249	150	133	677	507	1,855	2,160	1,320	1,342	897	683	6,920	7,031
Movement in the fair value of fund assets:																
B/fwd balance 1 September 2016	399	-	431	-	48	-	220	120	871	598	540	359	306	170	2,815	1,245
Inherited on transfer/merger	0	261	-	298	-	30	-	-	-	-	0	-	0	-	-	589
Interest on assets	9	12	9	11	1	1	5	6	19	25	12	15	7	8	62	78
Remeasurements gains / (losses)	24	41	51	53	7	4	172	21	(80)	93	135	57	209	30	518	299
Employer contributions	57	70	61	57	25	11	47	60	121	130	95	90	89	81	495	499
Employee contributions	12	15	13	12	5	2	10	13	24	27	20	19	18	17	102	105
Benefits paid	-9	-	(16)	-	-	-	(1)	-	(30)	-	-16	-	-11	-	(83)	-
At 31 August 2017	492	399	549	431	86	48	453	220	925	871	786	540	618	306	3,909	2,815
Actual return on assets:	33	53	60	64	8	5	177	27	(61)	118	147	72	216	38	580	377
History of experience gains and losses:																
Experience gains and (losses) on assets																
Amount	24	41	51	53	7	4	172	21	(80)	93	135	57	209	30	518	299
Percentage of assets	4.9%	10.3%	9.3%	12.3%	8.1%	8.3%	38.0%	9.5%	(8.6%)	10.7%	17.2%	10.6%	33.8%	9.8%	13.3%	10.6%

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

West Sussex Pension Fund

Principal Actuarial Assumptions (%)	Eastbrook Primary		The Globe Primary		White Meadows Primary		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Rate of increase in salaries	3.1	3.6	3.1	3.6	3.1	3.6	3.1	3.6
Rate of increase for pensions in payment/inflation	2.5	2.1	2.5	2.1	2.5	2.1	2.5	2.1
Discount rate for scheme liabilities	2.4	2.1	2.4	2.1	2.4	2.1	2.4	2.1
Inflation assumption (CPI)	2.4	2.3	2.4	2.3	2.4	2.3	2.4	2.3

Commutation

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

Retiring today:								
Males	23.6	24.4	23.6	24.4	23.6	24.4	23.6	24.4
Females	25.0	25.8	25.0	25.8	25.0	25.8	25.0	25.8
Retiring in 20 years:								
Males	26.0	26.9	26.0	26.9	26.0	26.9	26.0	26.9
Females	27.8	28.5	27.8	28.5	27.8	28.5	27.8	28.5

Asset split (%):

Equities	52.0	73.0	52.0	73.0	52.0	73.0	52.0	73.0
Property	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Government bonds	37.0	16.0	37.0	16.0	37.0	16.0	37.0	16.0
Cash*	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total market value of assets	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Fair Value of fund assets	969	752	1364	1,071	1368	1,088	3,701	2,911
Present value of the defined benefit obligation	(1,448)	(1,438)	(1,892)	(1,936)	(1,808)	(1,629)	(5,148)	(5,003)
Net defined benefit pension liability	(479)	(686)	(528)	(865)	(440)	(541)	(1,447)	(2,092)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	158	112	192	132	225	144	575	388
Financing cost								
Interest on net defined benefit liability/(asset)	15	16	19	19	12	12	46	47
Total operating charge	173	128	211	151	237	156	621	435

Analysis of Pension Finance Income

Interest income on assets	17	22	24	31	23	30	64	83
Interest on pension liabilities	32	(38)	43	(50)	(35)	(42)	(110)	(130)
Pension finance income/ (costs)	(15)	(16)	(19)	(19)	(12)	(12)	(46)	(47)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities	Eastbrook Primary		The Globe Primary		White Meadows Primary		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
B/fwd balance 1 September 2016	(686)		(865)		(541)		(2,092)	
Inherited on transfer/merger		(394)		(476)		(308)		(1,178)
Employer contribution	79	70	127	108	150	130	356	308
Current service cost	(158)	(112)	(192)	(132)	(225)	(144)	(575)	(388)
Interest expense	(32)	(38)	(43)	(50)	(35)	(42)	(110)	(130)
Interest income on assets	17	22	24	31	23	30	64	83
Actuarial gains/(losses)	301	(234)	421	(346)	188	(207)	910	(787)
Deficit at 31 August 2017	(479)	(686)	(528)	(865)	(440)	(541)	(1,447)	(2,092)
Movement in the present value of defined benefit obligations:								
B/fwd balance 1 September 2016	1438		1936		1,629		5,003	
Inherited on transfer/merger		925		1,229		1,050		3,204
Current service cost	158	112	192	132	225	144	575	388
Interest cost	32	38	43	50	35	42	110	130
Employee contributions	22	21	26	25	36	31	84	77
Actuarial Losses / (Gains)	(188)	342	(302)	500	(77)	362	(567)	1,204
Benefits paid	(14)		(3)		(40)		(57)	
At 31 August 2017	1,448	1,438	1,892	1,936	1,808	1,629	5,148	5,003
Movement in the fair value of fund assets:								
B/fwd balance 1 September 2016	752		1071		1,088		2,911	
Inherited on transfer/merger		531		753		742		2,026
Interest on assets	17	22	24	31	23	30	64	83
Remeasurements gains / (losses)	113	108	119	154	111	155	343	417
Employer contributions	79	70	127	108	150	130	356	308
Employee contributions	22	21	26	25	36	31	84	77
Benefits paid	(14)		(3)		(40)		(57)	
At 31 August 2017	969	752	1,364	1,071	1,368	1,088	3,701	2,911
Actual return on assets:	130	130	143	185	134	185	407	500
History of experience gains and losses:								
Experience gains and (losses) on assets								
Amount	113	108	119	154	111	155	343	417
Percentage of assets	11.7%	14.4%	8.7%	14.4%	8.1%	14.2%	9.3%	14.3%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

London Borough of Bexley Pension Fund

Principal Actuarial Assumptions (%)

	2017	2016
Rate of increase in salaries	3.7	3.3
Rate of increase for pensions in payment/inflation	2.2	1.8
Discount rate for scheme liabilities	2.4	2.1
Inflation assumption (CPI)	2.2	1.8

Commutation

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

Retiring today:

Males	23	23.2
Females	26	25.6

Retiring in 20 years:

Males	25.2	25.5
Females	28.3	28.5

Asset split (%):

Equities	60.1	61.8
Property	10.6	11.1
Other bonds	8.7	7.7
Cash	0.7	1.3
Other bonds	19.9	18.1
Total market value of assets	100.0	100.0

Fair Value of fund assets	855	656
Present value of the defined benefit obligation	(1,489)	(1,230)
Net defined benefit pension liability	(634)	(574)

Total Expenditure Recognised in the
Statement of Financial Activities

Operating cost

Current service cost (net of employee contributions)	143	97
Admin expenses	3	4

Financing cost

Interest on net defined benefit liability/(asset)	11	11
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Pension expense	157	112
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2017 2016

Analysis of Pension Finance Income

Interest income on assets	15	20
Interest on pension liabilities	(26)	(31)
Pension finance costs	(11)	(11)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities

B/fwd balance 1 September 2016	(574)	-
Inherited on transfer/merger	-	(345)
Employer contribution	85	90
Current service cost	(143)	(101)
Past service cost	-	-
Interest expense	(26)	(31)
Interest income on assets	15	20
Actuarial (losses) / gains	9	(207)
Deficit at 31 August 2017	(634)	(574)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2016	1,230	-
Inherited on transfer/merger	-	791
Current service cost	143	97
Interest expense	26	31
Employee contributions	22	21
Actuarial (gains)/ losses	92	290
Benefits paid	(24)	-
At 31 August 2017	1,489	1,230

Movement in the fair value of fund assets:

B/fwd balance 1 September 2016	656	-
Inherited on transfer/merger	-	446
Interest on assets	15	20
Remeasurement gains/ (losses)	101	79
Employer contributions	85	90
Employee contributions	22	21
Benefits paid	(24)	-
At 31 August 2017	855	656

Actual return on assets:

116	99
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History of experience gains and losses:

Experience gains and losses on assets		
Amount	101	79
Percentage of assets	11.8%	12.0%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

London Borough of Waltham Pension Forest Pension Fund

Principal Actuarial Assumptions (%)	Chapel End Junior Academy		Woodside Primary Academy		Reach2		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Rate of increase in salaries	3.7	3.4	3.7	3.6	3.7	3.4	3.7	3.4
Rate of increase for pensions in payment/inflation	2.2	2.0	2.2	2.1	2.2	2.0	2.2	2.0
Discount rate for scheme liabilities	2.5	2.2	2.4	2.1	2.4	2.2	2.5	2.2
Inflation assumption (CPI)	2.2	1.9	2.2	2.3	2.2	1.9	2.2	1.9

Commutation

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

Retiring today:								
Males	22.4	25.5	22.4	24.4	22.4	25.5	22.4	25.5
Females	25.4	28	25.4	25.8	25.4	28	25.4	28
Retiring in 20 years:								
Males	24.6	23.3	24.6	26.9	24.6	23.3	24.6	23.3
Females	27.7	25.6	27.7	28.5	27.7	25.6	27.7	25.6

Asset split (%):

Equities	63.0	65.0	63.0	73.0	63.0	65.0	63.0	65.0
Property	9.0	7.0	9.0	8.0	9.0	7.0	9.0	7.0
Other bonds	12.0	15.0	12.0	16.0	12.0	15.0	12.0	15.0
Cash	6.0	2.0	6.0	3.0	6.0	2.0	6.0	2.0
Other	10.0	11.0	10.0	0.0	10.0	11.0	10.0	11.0
Total market value of assets	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Fair Value of fund assets	333	135	2,344	1,826	1,477	666	4,154	2,627
Present value of the defined benefit obligation	(457)	(691)	(5,209)	(4,078)	(1,880)	(805)	(7,546)	(5,574)
Net defined benefit pension liability	(124)	(556)	(2,865)	(2,252)	(403)	(139)	(124)	(556)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	72	31	580	310	587	173	1,239	514
Admin costs	2	1	17		17	7	36	8
Financing cost								
Interest on net defined benefit liability/(asset)	11	12	45	37	-4	(8)	52	41
Total operating charge	85	44	642	347	600	172	1,327	563

Analysis of Pension Finance Income

Interest income on assets	4	18	46	59	23	10	73	87
Interest on pension liabilities	(15)	(6)	(91)	(96)	(19)	(18)	(125)	(120)
Pension finance income/ (costs)	(11)	12	(45)	(37)	4	(8)	(52)	(33)

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20 Pension and Similar Obligations (continued)

	Chapel End Junior Academy		Woodside Primary Academy		Reach2		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Net movement on assets and liabilities								
B/fwd balance 1 September 2016	(555)	-	(2,252)	-	(68)	(52)	(2,875)	(52)
Inherited on transfer/merger	-	(315)	-	(1,153)	-	-	-	(1,468)
Employer contribution	62	48	497	422	489	265	1,048	735
Current service cost	(72)	(31)	(580)	(310)	(587)	(173)	(1,239)	(514)
Interest expense	(15)	(18)	(91)	(96)	(19)	(10)	(125)	(124)
Interest income on assets	4	6	46	59	23	18	73	83
Actuarial gains/(losses)	452	(245)	(485)	(1,174)	(241)	(187)	(274)	(1,606)
Deficit at 31 August 2017	(124)	(555)	(2,865)	(2,252)	(403)	(139)	(3,392)	(2,946)
Movement in the present value of defined benefit obligations:								
B/fwd balance 1 September 2016	691	-	4,078	-	734	-	5,503	-
Inherited on transfer/merger	0	381	-	2,390	-	227	-	2,998
Current service cost	72	31	580	310	587	173	1,239	514
Interest cost	15	18	91	96	19	10	125	124
Employee contributions	12	9	104	88	129	74	245	171
Actuarial Losses / (Gains)	-325	252	460	1,238	297	321	432	1,811
Benefits paid	-8	-	(104)	(44)	114	-	2	(44)
At 31 August 2017	457	691	5,209	4,078	1,880	805	7,546	5,574
Movement in the fair value of fund assets:								
B/fwd balance 1 September 2016	136	-	1,826	-	666	292	2,628	292
Inherited on transfer/merger	0	66	-	1,237	-	-	-	1,303
Interest on assets	4	6	46	59	23	18	73	83
Remeasurements gains / (losses)	127	7	(25)	64	56	17	158	88
Employer contributions	62	48	497	422	489	265	1,048	735
Employee contributions	12	9	104	88	129	74	245	171
Benefits paid	-8	-	(104)	(44)	114	-	2	(44)
At 31 August 2017	333	136	2,344	1,826	1,477	666	4,154	2,628
Actual return on assets:	131	13	21	123	79	35	231	171
History of experience gains and losses:								
Experience gains and (losses) on assets								
Amount	127	7	(25)	64	56	17	158	88
Percentage of assets	38.1%	5.1%	(1.1%)	3.5%	3.8%	2.6%	3.8%	3.3%

20 Pension and Similar Obligations (continued)**Shropshire County Council Pension Fund**

Principal Actuarial Assumptions (%)	2017	2016
Rate of increase in salaries	3.7	3.4
Rate of increase for pensions in payment/inflation	2.2	2.0
Discount rate for scheme liabilities	2.5	2.2
Inflation assumption (CPI)	2.2	1.9

Commutation

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

Retiring today:		
Males	23	23.9
Females	26.2	26.4

Retiring in 20 years:		
Males	25.2	26.2
Females	28.5	29.2

Asset split (%):

Equities	51.2	53.2
Property	4.8	5.3
Other bonds	23.5	19.7
Cash	4.7	1.7
Other bonds	15.8	20.1
Total market value of assets	100.0	100.0

Fair Value of fund assets	15	35
Present value of the defined benefit obligation	(118)	(106)
Net defined benefit pension liability	(103)	(71)

Total Expenditure Recognised in the Statement of Financial Activities**Operating cost**

Current service cost (net of employee contributions)	22	5
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Financing cost

Interest on net defined benefit liability/(asset)	1	1
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Pension expense	23	6
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2017 2016

Analysis of Pension Finance Income

Interest income on assets	1	1
Interest on pension liabilities	(2)	(2)
Pension finance costs	(1)	(1)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**20 Pension and Similar Obligations (continued)****Net movement on assets and liabilities**

B/fwd balance 1 September 2016	(71)	-
Inherited on transfer/merger	-	-
Employer contribution	5	3
Current service cost	(22)	(5)
Past service cost		(18)
Interest expense	(2)	(2)
Interest income on assets	1	1
Actuarial (losses) / gains	(14)	(50)
Deficit at 31 August 2017	(103)	(71)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2016	106	-
Inherited on transfer/merger	-	-
Current service cost	22	5
Past service cost		44
Interest expense	2	2
Employee contributions	4	2
Actuarial (gains)/ losses	(16)	53
Benefits paid		-
At 31 August 2017	118	106

Movement in the fair value of fund assets:

B/fwd balance 1 September 2016	35	-
Inherited on transfer/merger	-	-
Interest on assets	1	1
Remeasurement gains/ (losses)	(30)	3
Employer contributions	5	3
Employee contributions	4	2
Impact of past service		26
At 31 August 2017	15	35

Actual return on assets:

(29)	4
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History of experience gains and losses:

Experience gains and losses on assets		
Amount	(30)	3
Percentage of assets	(200.0%)	8.6%

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

21 Reconciliation of net income to cash flows from operating activities	2017 £ 000	2016 £ 000
Net income for the reporting period	(8,922)	198,125
<i>Adjusted for</i>		
Net deficit/(surplus) transferred on conversion	(9,969)	(200,302)
Capital grants from DfE / ESFA and other capital income	(4,303)	(4,780)
Investment income	(47)	(38)
Defined benefit pension cost less contributions payable	473	2,621
Defined benefit pension net finance cost/(income)	661	678
Depreciation, amortisation and impairment of fixed assets	8,256	11,765
Decrease/(increase) in stocks	21	(31)
(Increase)/decrease in debtors	(189)	(2,168)
Increase/(decrease) in creditors	1,415	5,482
Loss on disposal of tangible fixed assets	11,292	-
	(1,348)	11,352

22 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £ 000	2016 £ 000
Amounts due within one year	14	14
Amounts due within two and five years	226	230
Amounts due after five years	471	11
	711	255

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

23 Related party transactions

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

During the year, the academy trust entered into the following transactions with Astrea Academy Trust a company in which Sir Steve Lancashire was a trustee until 1/4/17 and Reach South a company in which some REAch2 employees provided seconded services.

- Supplies relating to staff employed by REAch2 for Reach South amounted to £188,000 in the year, with a debtor balance of £118,000 at the year end.
- Supplies relating to staff employed by REAch2 for Astrea Academy Trust amounted to £159,000 in the year, with no debtor balance at the year end.

In entering into the transactions the trust has complied with the requirements of the Academies Financial Handbook 2016.

Dr Louise Askew - a trustee of the Board and NLG provided governor training supporting our LGBs during the academic year. Transactions totalling £2,850.25 were invoiced and paid in full during the year.

Mike Peters - a trustee of the Board provided consultancy services as part of a complex internal investigation that took place during the year. Transactions totalling £6,166.10 were invoiced and paid in full during the year.

24 Post balance sheet events

After the year-end, the following school converted to Academy Trust status and joined Reach2 Academy Trust.

Academy	Location	Date of conversion
Greenridge Primary Academy	Aylesbury	1 st September 2017
Summerside Primary Academy	North London	1 st September 2017

At the time of signing the accounts management have not been able to determine the fair value of assets and liabilities acquired by the Trust.

25 Members' liability

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

REACH2 ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

26 Conversion to an academy

During the year, the below joined the Trust with all of their operations and assets and liabilities being transferred to Reach2 Academy Trust from the relevant Local Authorities and legacy academies for £nil consideration.

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

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

Academy	Location	Date of conversion
Camulos Academy	Colchester	1 st September 2016
Concordia Academy	Romford	1 st September 2016
Sir Martin Frobisher Academy	Clacton On Sea	1 st September 2016
Bushbury Lane Academy	Wolverhampton	1 st March 2017

	2017
Net assets transferred:	£ 000
Leasehold land and buildings	12,562
Cash	362
	<hr/>
Recognised as income within the SOFA	12,924
	<hr/>
LGPS pension deficit recognised as expenditure within the SOFA	(954)
	<hr/>
Total net assets acquired	11,970
	<hr/>

27 Investments

Reach2 Academy Trust owns 100% of the issued ordinary share capital of Reach2 Inspiration Limited, a company incorporated in England and Wales. The subsidiary is engaged in the supply of services to education. Its financial year ends on 31 August 2017.

The accounts of the subsidiary do not justify consolidation, as Reach2 Inspiration Limited is not deemed to be material to the organisation as a whole. The materiality of the trading company will be reviewed on an annual basis, thus ensuring that the financial statements continue to be prepared using best accounting practice.