

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 2018

	Page
Reference and administrative details	1
Trustees' report	4
Governance Statement	24
Statement on Regularity, Propriety and Compliance	29
Statement of Trustees' Responsibilities	30
Independent Auditor's report on the Financial Statements	31
Independent Reporting Accountant's Report on Regularity	33
Statement of Financial Activities incorporating Income and Expenditure Account	35
Balance Sheet	36
Statement of Cash Flows	37
Notes to the Financial Statements	38

REFERENCE AND ADMINISTRATIVE DETAIL
For the Year Ended 31 August 2018

Members	Jeremy King Roger Pryce Rt Reverend David Rossdale Peter Little
Trustees	Dr Louise Askew Teresa Beach (appointed 1 February 2018) Antony Gilbey Christopher Kane Jeremy King (Chair) Ralph Kugler (appointed 1 February 2018) Sir Steve Lancashire Jonathan Lewis (appointed 17 July 2018) Peter Little (resigned 16 November 2017) Wade Newmark (appointed 1 February 2018) Michael Peters Victoria Pigott Colin Powell Gavin Robert Clive Rockingham Clare Walsh (resigned 23 November 2017)

Executive Leadership Team

Sir Steve Lancashire
Catherine Paine
Katherine Alexander

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

Bankers: Royal Bank of Scotland
3rd Floor, Houblon House
62-63 Threadneedle Street
London, EC2R 8HP

Solicitors: Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol, BS1 4QU

REFERENCE AND ADMINISTRATIVE DETAIL
For the Year Ended 31 August 2018

The REAch2 Academy Trust includes the following academies, all of which have Local Governing Bodies (LGBs), Transition Boards (TBs) or Interim Executive Boards (IEBs).

- ❖ **Aerodrome Primary Academy** - Goodwin Road, Croydon, CR0 4EJ **Headteacher:** Zoe Foulsham
- ❖ **Beccles Primary Academy** - Ellough Road, Beccles, Suffolk, NR34 7AB **Headteacher:** Heather Thorne
- ❖ **Brampton Primary Academy** - Brampton Road, Bexleyheath, Kent, DA7 4SL **Headteacher:** Gemma Clarke
- ❖ **Burrsville Infant Academy** - Craigfield Avenue, Clacton-On-Sea, Essex, CO15 **Headteacher:** Katie Siggery
- ❖ **Bushbury Lane Academy** - Ripon Road, Wolverhampton, WV10 9TR **Headteacher:** Kate Benton
- ❖ **Camulos Academy** - Whitmore Drive, Via Urbis Romanea, Colchester, CO4 6AL **Headteacher:** Daryl Power
- ❖ **Chapel End Junior Academy** - Roberts Road, Walthamstow, London, E17 4LS **Headteacher:** Terence Sheen
- ❖ **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:** Simon Wood
- ❖ **Dorothy Barley Junior Academy** - 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
- ❖ **Green Ridge Primary Academy** - President Road, Aylesbury, Buckinghamshire HP18 0YA **Headteacher:** Aaron Wanford
- ❖ **Gunton Primary Academy** - Gainsborough Drive, Lowestoft, Suffolk, NR32 4LX **Headteacher:** Matthew Jordan
- ❖ **Heath Hayes Primary Academy** - Wimblebury Road, Heath Hayes, Staffordshire, WS12 2EP **Headteacher:** Amy Fidler
- ❖ **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
- ❖ **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:** Iain Owens
- ❖ **Norton Canes Primary Academy** - School Road, Norton Canes, Staffordshire, WS11 9SQ **Headteacher:** Geraldine Croft
- ❖ **Oakfield Primary School** - Oakfield Road, Rugby, Warwickshire, CV22 6AU **Headteacher:** Geraldine 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
- ❖ **Purfleet Primary Academy** - Tank Hill Rd, Purfleet on Thames, Essex, RM19 1TA **Headteacher:** Eugene Samuel
- ❖ **Racemeadow Primary Academy** - Ratcliffe Road, Atherstone, Warwickshire, CV9 1LT **Headteacher:** Joanna Collinson
- ❖ **Ranikhet Primary School** - Spey Road, Tilehurst, Reading, Berkshire, RG30 4ED **Headteacher:** Salima Ducker
- ❖ **Riverside Academy** - Newbold Road, Newbold-on-Avon, Warwickshire, CV21 1EH **Headteacher:** Rebecca Payne
- ❖ **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:** Laura Hands
- ❖ **Silkmore Primary Academy** - Exeter St, Stafford ST17 4EG **Headteacher:** Sarah Barton
- ❖ **Sir Martin Frobisher Academy** - Frobisher Drive, Jaywick, Clacton-on-Sea, Essex CO15 2QH **Headteacher:** Sarah Barton

REFERENCE AND ADMINISTRATIVE DETAIL
For the Year Ended 31 August 2018

- ❖ **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
- ❖ **Summerside Primary Academy** – Crossway, Finchley, London N12 0QU **Headteacher:** Nadine Lewis
- ❖ **The Globe Primary Academy** - Irene Avenue, Lancing, West Sussex BN15 9NZ **Headteacher:** Luisa Gould
- ❖ **The Palmer Academy** - 70 Northumberland Ave, Whitley, Reading, RG2 7PP **Headteacher:** Salima Ducker
- ❖ **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** - Cerne 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 Didier
- ❖ **Water Lane Primary Academy** - Broadley Road, Harlow, Essex CM19 5RD **Headteacher:** Sarah Rees
- ❖ **White Meadows Primary Academy** - Whitelea Road, Littlehampton, Wick, West Sussex BN17 7JL **Headteacher:** Luisa Gould
- ❖ **Wilshire Dacre Junior Academy** - Fishponds Road, Hitchin, Hertfordshire SG5 1NS **Headteacher:** Sarah Smith

Schools joining the Trust from 1 September 2018

- ❖ **Henhurst Ridge Primary Academy** - Henhurst Ridge, Branston, Burton on Trent, DE13 9SZ **Headteacher:** Charlotte Hopkins
- ❖ **Newhall Primary Academy** - Roundhouse Way, Harlow, CM17 9SF **Headteacher:** Debbie Gayler
- ❖ **The Limes Primary Academy** - Lime Avenue, Oulton, Lowestoft, Suffolk, NR32 3BQ **Headteacher:** Kate Cracknell

Schools leaving the Trust as at 31-August 2018

- ❖ **Castle Hill Academy** - transferred to Platanos Trust 1 September 2017

TRUSTEES' REPORT

For the Year Ended 31 August 2018

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year/period 1 September 2017 to 31 August 2018. 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 19,455 and a roll of 16,938 at the October 2018 Census date.

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 operates as REAch2 Academy Trust.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company; in the event of it being wound up while they are a member, or within one year after they cease to be a member, such 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/guidance/academies-risk-protection-arrangement-rpa>

RPA cover applies to the central infrastructure of the Trust 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.

Method of Recruitment and Appointment or Election 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:

- Leadership and Policy
- Education Performance and Curriculum
- Finance
- Risk and Audit
- Constitutional Governance
- Strategic Partnerships, External Relationships and Public Relationships
- Engagements with internal stakeholders
- Human Resources
- Estates and Property
- Health, safety and safeguarding
- 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:

TRUSTEES' REPORT (continued)

1. Create and distribute a 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 may also attend a Trustboard, or sub-committee meeting in an observer capacity to assess overall suitability to work well as part of the existing team of Trustees

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 trustees' 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 fulfil 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.

Organisational Structure

The Trust Board delegate authority to three key groups in order to ensure the effective leadership and governance of the Academy Trust. The three key groups are:

- Executive leadership and management team (the Executive Team);
- Regional Boards;
- Local Governing Bodies.

The relationship between the Trust Board and the Executive Team, the Regional Boards and the Local Governing Bodies is characterised as a partnership to realise a common vision and a common purpose. In the case of the Regional Boards and the Local Governing Bodies the relationship between the three tiers of governance is also based on the principles of:

- no duplication of governance.
- governance should be as close as possible to the point of impact of decision-making.

TRUSTEES' REPORT (continued)

The Terms of Reference and the Roles and Functions Overview provides clarity as to who the decision makers are for different levels of decisions. Effectiveness of both management and governance is supported through clarity over who holds the decision-making responsibility and who supports and advises the decision makers.

The Trust Board remains ultimately responsible for the Academy Trust and the conduct of the Academies. The operation of the various elements of governance are crucial to the success of the group. However, there will be circumstances (more the exception than the norm) where the Trust Board might need to intervene and, for example, withdraw delegated authority for a particular element of governance.

In such circumstances, the Trust Board, along with the Executive Team, would work closely with any Academies concerned and those involved in their governance who would be expected to promptly implement any advice or recommendations made by the Trust Board and the Executive Team. The Trust Board reserves the right to review or remove any power or responsibility which it has delegated, in particular, in circumstances where serious concerns in the running of an Academy (or Academies) are identified, including where:

- there are concerns about financial matters;
- insufficient progress is being made against educational targets (including where intervention by the Secretary of State is being considered or carried out);
- there has been a breakdown in the way the Academy is managed or governed; or
- the safety of pupils or staff is threatened, including a breakdown of discipline.

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 2017 / 18 the average annual salary of a newly qualified teacher across the trust was £25,564.

An annual benchmarking exercise takes place across other Multi-Academy Trusts in particular covering the more senior roles which is reviewed by the remuneration committee. Any recommendation from the remuneration committee is taken to the trust board for final sign off.

Trade union facility time

1. Relevant Union Officials: No. of employees who were relevant union officials during the relevant period 01/04/17 to 31/03/18	4 FTE	Comments: Percentage of total workforce $(4/2606.5) \times 100 = 0.15346$
2. Percentage of time spent on facility time		
Percentage of time	No of Employees	
0%	2	
1-50%	2	2 TU rep spent less than 50% of their time on paid TU facility time
51-99%		
100%		
3. Percentage of pay bill spent on facilities time		
Total cost of facilities time	£25,733.91	Includes costs of TU facility time and TU pooling costs paid to LA's etc.
Total Pay bill	£74,698,929.13	Total R2 pay bill

TRUSTEES' REPORT (continued)

Percentage of total pay bill spent on facility time calculated	0.03445%	
4. Paid trade union activities		
Time spent on paid trade union activities as a percentage of total paid facilities time hours calculated as: Total hours spent on paid TU activities by TU official during period/total paid facility time hours x 100%	>0%	2 TU reps spent 78 + 19.5 hours (paid hours) on TU Facility Time. Nil paid on TU Facilities

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.

Springfield Primary School, a LA maintained school managed by an Interim Executive Board, has been working under a Memorandum of Understanding effective from 1st January 2018.

The school is subject to an academy order with REAch2 identified as the academy sponsor. During the academic year a number of secondment arrangements have been included to support the school including back office support and rapid school improvement.

In 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.

Objects 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).

TRUSTEES' REPORT (continued)

Objectives, Strategies and Activities

Our mission is to run "Great Schools". Some of our schools can already be described in this way, but we want every school in our family to aspire to this and for this to become the reality for every single one of our pupils.

To do this, over the coming five years everything we do will be driven by the following goals:

- Truly Exceptional Performance
- Distinctive Contribution
- Enduring Impact

Truly Exceptional Performance

To become an exemplary provider of primary education, creating and upholding our "above and beyond" performance standards.

As a system leader to contribute to government policy and lead on sector improvement.

Distinctive Contribution

All schools have an educational offer defined by aspiration, enrichment and opportunity that provides social, personal and cultural capital.

In REAch2 schools children develop distinctive characteristics which prepare them for a brighter future.

Enduring Impact

We are the destination of choice as the UK's best provider of primary education

By becoming a dynamic part of the social fabric, we drive the transformation of socially disadvantaged communities

The Trust is an efficient and effective organisation with fit for purpose systems and processes that deliver on Truly Exceptional Performance and Distinctive Contribution

Public Benefit

In setting the objectives, the Trustees confirm that they have complied with their duty to have due regard to the guidance on the public benefit published by the Charity Commission in exercising

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.

TRUSTEES' REPORT (continued)

Strategic Report

Achievements and Performance

Early Years and Key Stage 1 Performance and Achievements

Academy	Date Academy Joined REAch2	Academy Type	2018 GLD	2018 Y1 Phonics	2018 Y2 Phonics (Cumulative)	2018 Y2 Reading (Expected Standard)	2018 Y2 Writing (Expected Standard)	2018 Y2 Maths (Expected Standard)
Aerodrome Primary Academy	01/12/2012	Converter	64%	87%	91%	77%	70%	66%
Beccles Primary Academy	01/07/2015	Sponsored	72%	74%	94%	66%	57%	71%
Brampton Primary Academy	01/07/2014	Converter	74%	81%	91%	74%	71%	78%
Burrsville Infant Academy	01/12/2013	Sponsored	72%	87%	90%	70%	60%	71%
Bushbury Lane Academy	01/05/2017	Sponsored	62%	73%	85%	48%	41%	55%
Camulos Academy	01/09/2016	New Provision	78%	88%	93%	81%	74%	81%
Chigwell Primary Academy	01/09/2015	Sponsored	88%	86%	100%	83%	83%	79%
Civitas Academy	01/09/2015	New Provision	68%	79%	82%	68%	66%	73%
Concordia Academy	01/09/2016	Free School	80%	96%	NA	NA	NA	NA
Copperfield Academy	01/11/2013	Sponsored	73%	59%	90%	48%	45%	65%
Eastbrook Primary Academy	01/09/2013	Sponsored	67%	85%	92%	68%	61%	71%
Five Spires Academy	01/09/2015	New Provision	83%	90%	97%	87%	81%	84%
Garden City Academy	01/09/2012	Sponsored	74%	94%	96%	74%	65%	74%
Green Ridge Primary Academy	01/09/2017	New Provision	62%	71%	96%	70%	70%	78%
Guntton Primary Academy	01/10/2015	Sponsored	74%	82%	95%	80%	77%	80%
Heath Hayes Academy	01/01/2014	Sponsored	69%	67%	100%	68%	68%	80%
Kemsley Primary Academy	01/04/2013	Sponsored	73%	80%	93%	90%	73%	93%
Kirby Primary Academy	01/10/2013	Sponsored	68%	68%	79%	59%	59%	69%
Lawley Village Academy	01/09/2015	New Provision	75%	84%	93%	77%	80%	73%
Manor Park Primary Academy	01/02/2016	Sponsored	74%	82%	91%	65%	55%	62%
Martlesham Primary Academy	01/04/2016	Sponsored	71%	75%	94%	88%	82%	94%
Milton Court Primary Academy	01/04/2013	Sponsored	61%	79%	79%	56%	52%	52%
Moor Green Primary	01/09/2015	Sponsored	76%	86%	89%	77%	72%	79%
Northfield St Nicholas Primary Academy	01/07/2015	Sponsored	68%	84%	98%	73%	64%	71%
Norton Canes Primary Academy	01/01/2014	Sponsored	61%	72%	94%	67%	58%	70%
Oakfield Primary Academy	01/11/2012	Sponsored	77%	81%	96%	70%	70%	79%
Pemberley Academy	01/09/2015	Sponsored	80%	93%	93%	79%	79%	86%
Phoenix St Peter Academy	01/08/2015	Sponsored	68%	73%	82%	57%	50%	57%
Purfleet Primary Academy	01/04/2013	Sponsored	74%	94%	100%	84%	79%	84%
Racemeadow Primary Academy	01/11/2013	Sponsored	71%	85%	92%	80%	72%	76%
Ranikhet Academy	01/11/2015	Sponsored	70%	70%	100%	76%	67%	76%
Riverside Academy	01/11/2012	Sponsored	73%	80%	97%	73%	73%	73%
Scientia Academy	01/09/2013	New Provision	73%	92%	97%	83%	73%	87%
Silkmere Primary Academy	01/07/2015	Sponsored	78%	81%	94%	76%	82%	82%
Sir Martin Frobisher Academy	01/09/2016	Sponsored	33%	46%	90%	72%	67%	77%
Springhill Academy	01/01/2014	Sponsored	67%	86%	100%	76%	76%	76%
Sprites Primary Academy	01/07/2015	Sponsored	78%	64%	92%	59%	63%	70%
St Margaret's Primary Academy	01/07/2015	Sponsored	80%	84%	97%	71%	69%	69%
St. Mark's CofE Primary Academy	01/09/2014	Sponsored	65%	81%	100%	78%	61%	74%
Summerside Primary Academy	01/09/2017	New Provision	63%	86%	98%	72%	67%	80%
The Globe Primary Academy	01/11/2014	Sponsored	74%	83%	98%	77%	72%	78%
The Minerva Academy	01/09/2014	Free School	80%	60%	75%	83%	83%	100%
The Palmer Academy	01/09/2013	Sponsored	81%	71%	91%	75%	71%	82%
The Robert Fitzroy Academy	01/09/2012	Sponsored	67%	81%	97%	71%	68%	73%
The Woodside Primary Academy	01/12/2012	Sponsored	70%	84%	91%	77%	72%	80%
Tidemill Academy	01/09/2013	Converter	63%	90%	92%	71%	66%	71%
Tymberwood Academy	01/02/2014	Sponsored	73%	75%	93%	71%	71%	77%
Unity Primary Academy	01/09/2014	Sponsored	68%	80%	88%	69%	53%	62%
Veritas Primary Academy	01/09/2015	New Provision	74%	85%	81%	82%	73%	82%
Water Lane Primary Academy	01/09/2014	Sponsored	77%	80%	90%	77%	77%	80%
White Meadows Primary Academy	01/04/2014	Converter	57%	83%	92%	72%	57%	74%

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

Key Stage 2 Performance and Achievements

Academy	Date Academy Joined REAch2	Academy Type	Expected Standard %				Progress Scores		
			2018 RWM combined	2018 KS2 Reading	2018 KS2 Writing	2018 KS2 Maths	Reading Progress Score	Writing Progress Score	Maths Progress Score
Aerodrome Primary Academy	01/12/2012	Converter	59%	67%	72%	70%	-0.9	-0.1	0.5
Beccles Primary Academy	01/07/2015	Sponsored	52%	61%	67%	79%	0.1	0.7	0.4
Brampton Primary Academy	01/07/2014	Converter	71%	78%	95%	81%	-1.5	-0.7	-2.4
Bushbury Lane Academy	01/05/2017	Sponsored	43%	53%	71%	53%	-2.6	1.5	-2.7
Chapel End Junior Academy	01/04/2013	Sponsored	62%	73%	80%	71%	-0.5	0	-1.2
Chigwell Primary Academy	01/09/2015	Sponsored	60%	71%	91%	74%	-2.7	0.8	-1.4
Copperfield Academy	01/11/2013	Sponsored	30%	45%	51%	36%	-4.8	-6.6	-7.2
Dorothy Barley Junior Academy	01/06/2014	Sponsored	54%	62%	74%	72%	-2.8	-0.9	-2.2
Eastbrook Primary Academy	01/09/2013	Sponsored	79%	88%	82%	86%	1.3	0.1	2
Garden City Academy	01/09/2012	Sponsored	81%	91%	81%	95%	4.8	-0.2	5.2
Gunton Primary Academy	01/10/2015	Sponsored	64%	73%	78%	76%	-0.3	0.3	-0.3
Heath Hayes Academy	01/01/2014	Sponsored	70%	85%	70%	80%	0.3	-2.9	1.4
Kemsley Primary Academy	01/04/2013	Sponsored	71%	81%	74%	81%	1.9	-0.3	0.3
Kirby Primary Academy	01/10/2013	Sponsored	67%	80%	73%	77%	0.5	-0.3	0.3
Langtons Junior Academy	01/04/2013	Sponsored	71%	84%	81%	76%	0.8	1.4	-1
Manor Park Primary School	01/02/2016	Sponsored	49%	60%	74%	53%	2.2	3.2	2.8
Martlesham Primary Academy	01/04/2016	Sponsored	50%	71%	79%	71%	1.2	1.4	1.5
Milton Court Primary Academy	01/04/2013	Sponsored	52%	58%	61%	53%	-3.7	-1	-3.5
Minerva Academy	01/09/2014	Sponsored	0%	0%	66%	33%			
Moor Green Primary	01/09/2015	Sponsored	66%	70%	82%	78%	0.8	1.9	1.6
Northfield St Nicholas Primary Academy	01/07/2015	Sponsored	32%	51%	54%	53%	-1.5	0.2	-1.8
Norton Canes Primary Academy	01/01/2014	Sponsored	47%	58%	67%	60%	-2.5	-1.7	-2.1
Oakfield Primary School	01/11/2012	Sponsored	75%	84%	75%	78%	1.3	0.9	2.9
Phoenix St Peter Academy	01/08/2015	Sponsored	50%	56%	67%	56%	-2.9	-0.5	-1.2
Purfleet Primary Academy	01/04/2013	Sponsored	51%	58%	85%	60%	-1.9	2.5	-0.5
Racemeadow Primary Academy	01/11/2013	Sponsored	69%	81%	73%	81%	3.1	1.3	3.5
Ranikhet Academy	01/11/2015	Sponsored	25%	40%	48%	52%	-0.2	1.9	1.1
Riverside Academy	01/11/2012	Sponsored	87%	93%	87%	93%	2.8	-0.3	4.5
Scientia Academy	01/09/2013	New Provision	67%	73%	80%	73%	-1.3	-0.4	1.1
Silkmere Primary Academy	01/07/2015	Sponsored	75%	75%	75%	75%	4.2	5.8	3.6
Sir Martin Frobisher Academy	01/09/2016	Sponsored	31%	40%	47%	37%	-4.0	-0.7	-5.1
Springhill Academy	01/01/2014	Sponsored	71%	81%	86%	76%	-1.3	0.4	-0.1
Sprites Primary Academy	01/07/2015	Sponsored	27%	46%	56%	44%	-4.8	-4.3	-5.7
St Margaret's Primary Academy	01/07/2015	Sponsored	45%	55%	60%	66%	-3.8	-1.9	-2.3
St. Mark's CofE Primary School	01/09/2014	Sponsored	71%	86%	76%	76%	1.3	1.4	1.3
Summerside Primary Academy	01/09/2017	New Provision	70%	77%	79%	82%	2.7	3.6	3.2
The Globe Primary Academy	01/11/2014	Sponsored	55%	74%	72%	63%	-0.5	0.7	-2.4
The Palmer Academy	01/09/2013	Sponsored	57%	62%	72%	70%	-2	1.5	0.1
The Woodside Primary Academy	01/12/2012	Sponsored	74%	81%	87%	89%	0.5	2.7	2
Tidemill Academy	01/09/2013	Converter	75%	80%	82%	86%	3.4	2.9	6.1
Tymbervood Academy	01/02/2014	Sponsored	66%	80%	81%	75%	0.2	0.1	1.2
Unity Primary Academy	01/09/2014	Sponsored	68%	81%	79%	77%	1.9	-1.7	2.2
Veritas Primary Academy	01/09/2015	New Provision	75%	86%	86%	89%	1.2	0.5	0
Water Lane Primary Academy	01/09/2014	Sponsored	65%	91%	70%	78%	0.9	0.2	-0.7
White Meadows Primary Academy	01/04/2014	Converter	61%	71%	75%	77%	1.3	1.2	1.9
Wilshire-Dacre Junior Academy	01/03/2014	Sponsored	73%	85%	83%	83%	0.4	-0.8	-0.8

*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 2018 when schools' performance tables are published. In 2018, 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 (continued)

REAch2 Summary

The percentage of pupils achieving the expected standard at the end of Key Stage 2 continues to improve and rose by 7 percentage points from 53% in 2017 to 60% in 2018.

Three schools may be classified as below floor when the performance tables are published in December. These are Sprites, Sir Martin Frobisher and Copperfield.

At Key Stage 1, 81% of Year 1 pupils achieved the 32-point score standard in phonics across the Trust compared to 79% in 2017.

Cumulatively, 93% of Year 2 pupils achieved the 32-point score standard in phonics across the Trust compared to 91% in 2017.

At the end of Key Stage 1, results in Reading, Writing and Maths all improved from 2017 to 2018 (Reading from 71% in 2017 to 73% in 2018; Writing from 65% in 2017 to 67% in 2018 and Maths from 72% in 2017 to 75% in 2018).

In the Early Years there was also an improving picture with 70% of EYFS REAch2 achieving a good level of development in 2018 compared to 69% in 2017.

At the end of the financial year 69% of academies inspected by Ofsted since joining the Trust are judged to be 'Good or Outstanding' from 17% prior to conversion.

Achievements and Performance

Key Performance Indicators Strategic Report

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 2018 showed EYFS pupils to be making good progress from their starting points. Pupils in KS1 achieved above the national average, including in Y1 phonics which improved considerably from 2017 to 2018 (71% to 7%). Pupils in KS2 achieved results slightly below the national average. KS2 progress is broadly average in all three subjects. The quality of teaching is good overall. Attendance is slightly below the national average though has improved since the previous year where it was markedly below.

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. Its inspection in June 2018 also judged the school to Require Improvement. The school was judged to not be making improvement rapidly enough and not taking consistent action to reverse the legacy of underachievement, though some positive indications were noted such as improvements to Y6. Outcomes in July 2018 showed EYFS pupils to be attaining broadly in line with national average. In Phonics and KS1, outcomes were below national. Outcomes for KS2 showed attainment to be well below national but it has improved since the previous year (36% RWM combined in 2017 and 52% in 2018). The quality of teaching is weak overall, with much teaching inadequate or requiring improvement. However, in EYFS and Y6 the quality of teaching is good. Attendance is in-line with national.

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. These have improved significantly in all key stages in 2018. Three HMI monitoring visits took place in 2017-18 and were very positive, indicating that leaders were taking effective action and that the quality of teaching is improving. By the end of the academic year, all inadequate teaching has been eliminated and the proportion of 'good or better teaching has increased. Several new teachers are due to start the school in September 2018. Attendance is above national average and currently stands at 96.3%. It is expected that the school will be removed from 'special measures' in the 2018-19 academic year.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

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 2018 showed EYFS pupils to be in line with 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 2018 is slightly below national at 95%.

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. An MTR in May 2018 judged the school as Requires Improvement. Below national average for KS1 reading, writing and maths and also EYFS GLD and Year 1 phonics. The school is significantly below (except writing which is below) national average for all subjects in KS2 including combined. Bottom 25% for reading and maths progress and top 25% for writing progress. Outcomes have improved dramatically from the previous year. Senior leaders are fully aware that the quality of teaching has historically been very variable and has not been strong enough over time to enable pupils to reach the standards they are capable of. A large number of staffing changes has also led to some very variable rates of progress. Nevertheless, now there is now a full complement of staff in post and the quality of teaching is quickly improving. Attendance is just below national the national average at 95.4%.

Camulos Academy opened as a new provision in September 2016.

It has yet to be inspected as part of the Trust. Outcomes in July 2018 showed EYFS and KS1 pupils to be attaining above the national level. The school is expected to be judged good in Summer 2019. Attendance is presently above national average.

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. 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. However, the school was judged as Good in all areas in 2017/2018. Outcomes in July 2018 showed outcomes in EYFS and KS1 pupils to be attaining above the national average. KS2 outcomes showed pupils to be attaining just below national in reading, above in writing and broadly in line with national in Maths. The KS2 combined figure was just below national. Attendance is in line with the national average.

Civitas Academy opened as a new provision in September 2015. The school received an Ofsted inspection in September 2018 and was judged as Good in all areas. EYFS results in 2018 are in line with average, but are just below in reading, writing and maths at KS1. Attendance is below the national average but it was recognised by Ofsted that the school was doing all it could to address this.

Concordia Academy opened as a free school in September 2016. It is yet to be inspected as part of the Trust.

Its EYFS results in July 2018 were in-line with the national average. Phonics at Y1 are above national averages. The quality of teaching is good across the school and attendance is above 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. There was instability in leadership arrangements in 2017-18, which led to a decline in standards. A new substantive Headteacher took up post in May 2017, however the school continued to decline and actions taken to secure improvements were not effective due to ineffective leadership. The school was robustly monitored and supported by the RD and regional team and whilst a DFE visit in February 2018 found that Trust actions were well judged and fit for purpose, they were not having enough impact due to poor leadership at school level. The headteacher departed the school in Summer 2018 and the school continues to go through a period of considerable turbulence. Internal evaluations of the school judge the school to be inadequate. Outcomes in July 2018 were broadly at national average in EYFS, with pupils having made typically good progress from starting points. However, outcomes were significantly below national averages in phonics, KS1 and KS2. Progress measures were significantly low and in the bottom 5% nationally.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

The quality of teaching is consistently Inadequate or Requires Improvement across the school. KS2 progress is weak and well below the national average. Attendance is well below the national average. An experienced Executive Headteacher has now been appointed from September 2018 with the remit of securing rapid recovery and ensuring significant improvement to the quality of education provided by the school. The school is part of the Trust's School Transformation Process to support improvement in all areas.

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 in July 2018 were below the national average in all subjects, but show a three-year trend of improvement. There are six new teachers to the school and therefore the quality of teaching is 75% Good or better. Attendance is broadly in line with 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 2018 showed EYFS to be slightly below the national average. Outcomes for phonics in Y1 were above the national average having improved since the previous year. KS1 results are below the national average, particularly in Writing for pupils achieving both the 'expected' standard and 'greater depth'. 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 self-evaluated by the school to be outstanding, though consideration may need to be given in 2018-19 to the impact of teaching on outcomes at KS1, including for more able pupils. Attendance is similar to 2017 and remains below the national average.

Fives Spires Academy opened as a new provision in September 2015.

A recent inspection in May 2018 judged overall effectiveness to be Good. Above national average in all areas (EYFS GLD, Year 1 phonics, KS1 reading, writing and maths). Across the school, teaching is effective and most pupils make good progress. Attendance is above national at 96.6%.

Garden City Academy opened as a sponsored academy in September 2012. Its inspection in June 2016, judged overall effectiveness to be Requires Improvement, however in October, the school was judged as good overall – the first time the school has been judged in Ofsted history. Outcomes in July 2018 showed EYFS pupils to be broadly in line with the national average and KS1 pupils to be attaining just below national. Outcomes for KS2 were significantly above national at 77% Combined and progress was positive in reading and maths. Attendance is just below the national average.

Gunton Primary Academy opened as a sponsored academy in October 2015.

Its inspection in Summer 2018 judged the school to be 'good'. Outcomes in July 2018 showed outcomes in EYFS and Phonics to be broadly in line with national. In KS1, outcomes were above national for pupils achieving the 'expected' level (though not for Greater Depth). Outcomes for KS2 for RWM Combined improved significantly (from 51% in 2017 to 64% in 2018) and are now in line with national. The quality of teaching is good overall. Attendance has declined markedly and is well below the national average. An attendance audit will take place in Autumn 2018 to support the school with ensuring systems and approaches are fully robust.

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. Above national average for KS1 maths and KS2 combined, reading and maths. Below national average for EYFS GLD, Year 1 Phonics, KS1 reading and writing and KS2 writing and GPS. Middle 20% for reading progress, bottom 25% for writing progress and top 40% for maths progress. With a high staff turnover, teaching is good with some requires improvement however, the senior leadership team have a full complement of staff in September 2018 to secure consistently good teaching. Attendance is just above national average at 96.1%.

Henhurst Ridge Primary Academy opened as a new provision in September 2018.

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 2018 for EYFS were in line with the national average. For KS1 attainment was above national in all subjects, particularly reading and maths which was well above average.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

KS2 progress is broadly in line with the national average in Writing and Maths and above in Reading. The quality of teaching is judged by the school to be good. The school has become increasingly stable following the Headteachers substantive return to the school in Summer 2017, following the ending of the executive head arrangement with Milton Court. Attendance remains above the national average.

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 2018 showed EYFS pupil attainment to be slightly below the national average. KS1 pupils were also attaining below national. Outcomes for KS2 were above national in all areas except Writing which was below. 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 in-line with the national average at 96%.

Langtons Junior Academy opened as a sponsored academy in April 2013. A one-day inspection took place in November 2018 and was judged to be . Attainment outcomes in July 2018 for KS2 were above the national average in Reading, Writing, 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 most recent inspection in May 2018 judged overall effectiveness to be Good. Above national average for EYFS GLD, Year 1 phonics and KS1 reading and writing. The school is below national average for KS1 maths. Teaching is good, lessons are well-structured and pupils continue to make good progress. Attendance is above national average at 96.8%.

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. A MTR in September 2017 judged overall effectiveness to be Requiring Improvement. In 2018 EYFS GLD was above national average. The school is below national average for KS1 reading, writing and maths, Year 1 phonics and all subjects in KS2 including combined. Top 25% for reading, writing and maths progress. The quality of teaching continues to improve with 80% now good or better. Attendance has improved and is just below national at 95.6%, persistent absence has improved and is now at 9%.

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. Taking into account the potential for large variations due to cohort size, outcomes in July 2018 showed EYFS, Y1 Phonics and KS1 pupil attainment to be broadly in line with or better than the national average. Outcomes for KS2 attainment were below national, though this is affected unduly by the small cohort size with two pupils having narrowly missed the required pass mark (which would have brought the school in line with the national average). Progress is in line with the national average. The quality of teaching was self-evaluated by the school as Requires Improvement at the end of the summer term and is a focus for the school to improve prior to the next inspection. A 1-day review will take place on 5th October to ensure that sufficient action is being taken to rapidly improve teaching so that it is good. Attendance is above 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. However, outcomes in 2017 were exceptionally poor and well below national averages, indicating that the school would likely have received an inadequate judgment if it had been inspected following the publication of those outcomes. The school remains critical with regard to the need to secure rapid improvement. A new Headteacher took up post in November 2018 and, as identified by both a Trust Review in February 2018 and an HMI Monitoring visit in July 2018, has had a positive impact on securing improvements at the school. By the end of summer term 2018, inadequate teaching had been eliminated, with teachers having either made the necessary improvements or choosing to depart the school. In 2018, this impact is starting to be seen in outcomes for . Outcomes in Phonics have improved considerably

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

(from 33% in 2017 to 79% in 2018); and outcomes in RWM in KS2 have also shown marked improvements (from 30% in 2017 to 52% in 2018). Outcomes in EYFS and KS1 remain below the national average, but the quality of teaching in these year groups has now been strengthened for the 2018-19 academic year. KS2 progress is significantly below the national average. (though in-year progress for the Y6 cohort this year was strong). Attendance remains a focus for the school and is below the national average, though significant reductions have been achieved in the proportion of pupils who are persistently absent. The school has very robust systems for monitoring and improving attendance and the improvements to date were described by the HMI monitoring visit as a "success story".

Minerva Academy joined the trust as a free school in September 2014. Its last inspection, in January 2016 judged overall effectiveness as Good. Following a consultation, due to the declining pupil roll, the school officially closed on 20th July 2018 with pupils moving to neighbouring schools with capacity.

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.

Above national average in EYFS GLD and Year 1 phonics. Above national average in all areas in KS1. Above national average in KS2 combined, writing and maths and in line with national average in GPS. Below national average in KS2 reading. Top 40% for reading and maths progress and top 25% for writing progress. The quality of teaching is at least good with a vast majority of lessons judged as outstanding. Attendance and persistent absence is improving across the school however attendance is still below the national average at 94.2%, this remains a focus for the school.

Newhall Primary Academy opened as a new provision in September 2018.

Northfield St. Nicholas Primary Academy opened as a sponsored academy on 1 July 2015. Its recent inspection in summer 2018 judged overall effectiveness to be Requires Improvement. Outcomes in July 2017 showed EYFS pupils to be attaining slightly below the national average, with KS1 pupils also attaining below the national average. Outcomes for KS2 pupil attainment were significantly below the national average. Attendance is currently below the national average. A new, experienced Headteacher has now taken over the school.

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. The school received a very positive report following a DfE visit from Val McGregor in December 2017. However, the school is below national average for EYFS GLD and KS1 (Year 1 phonics and KS1 reading, writing and maths) and all areas in KS2. Bottom 25% for reading, writing and maths progress. Some of the teaching is being judged good and new staff have continued to improve at the school but there is still much to do. Attendance is below national average at 94.7% and is a key focus for the school.

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

Its most recent inspection in June 2016 judged overall effectiveness to be Good. Above national average for EYFS GLD. In line with national average in KS1 writing. Above national average for KS1 maths. In KS2, above national average in all areas, except writing. The school is below national average for Year 1 phonics, KS1 reading and KS2 writing. Top 40% for reading and writing progress and top 25% for maths progress. The quality of teaching remains strong with 100% good or better. Attendance is below national average at 95.4%.

Pemberley Academy opened as a new school in September 2015. It was inspected in 2018 and was judged to be good in all areas. Its EYFS results in July 2018 were above the national average. Outcomes in July 2018 for KS1 were above national in Reading, Writing and Maths. The quality of teaching is judged to be Good overall. Attendance is just above the national average.

Phoenix St. Peter Academy opened as a sponsored academy in August 2015. Its recent inspection, summer 2018, judged overall effectiveness as Requires Improvement. Outcomes in July 2018 showed EYFS pupils to be attaining below the national average. KS1 pupils' attainment was significantly below national in Reading, Writing and Maths. Outcomes for KS2 pupil attainment were significantly below national in all subjects. The Headteacher, who

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

was absent due to spinal injuries for most of 2017/2018 has now returned. Attendance is currently just below the national average.

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 2018 showed EYFS and KS1 pupils to be attaining significantly above the national average. Outcomes for KS2 pupil attainment were below national in Reading, Maths and Combined, but above in writing. The Headteacher retired at the end of the 2017/2018 academic year. A new Headteacher joined the school in October 2018. The quality of teaching was judged at 72% being Good or better. Attendance is improving, but remains below national.

Racemeadow Primary Academy opened as a sponsored academy in November 2013. In June 2017 the academy was inspected and its overall effectiveness was judged to be Good. In line with national average in EYFS GLD and KS1 expected maths. Above national average in Year 1 phonics. Above national average in KS1 expected reading and writing. In KS2, above national average in all areas except GPS and writing which are below. Top 25% for reading and maths progress and top 40% for writing progress. The quality of teaching is very strong and continuing to improve. 100% of teaching is good or better. Attendance is below national average at 94.9% and is a key focus for the school.

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 2018 showed EYFS pupils to be attaining below the national average and KS1 pupils to be attaining above in reading and broadly in line with national in writing and maths. The Head of School and Y6 teacher left their posts in April 2018. Outcomes at Y6 were disappointing with all areas significantly below national averages. Attendance continues to be a challenge and was significantly below national at the end of the academic year.

Riverside Academy

opened as a sponsored academy in November 2012. In its recent inspection, in March 2018 the overall effectiveness was judged to be Good. Above national average in EYFS GLD and in KS1 writing expected. The school is below national average for Year 1 phonics and KS1 reading and maths. In KS2, above national average in all areas. Top 5% for maths progress, top 25% for reading progress and middle 20% for writing progress. The quality of teaching outstanding and outcomes for every year group are strong. Attendance is above national average at 96.4%.

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

It was inspected in July 2014 and July 2018. Overall effectiveness was judged to be Good. Outcomes in July 2018 were broadly similar to the national average in EYFS, phonics and KS1. The school will have its first Y6 cohort in 2018-19 and based on the most recent assessment data, these pupils are on track to achieve outcomes broadly in line with, or better than, the national average. This will constitute good overall progress from starting points. Attendance has improved markedly for the past 3 years and is now similar to the national average.

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

Its previous inspection in June 2015 judged overall effectiveness to be Good. Above national average in EYFS GLD and Year 1 phonics. Above national average in all areas in KS1 expected. Above national average in KS2 combined and writing. Below national average for KS2 reading, maths and GPS. Bottom 40% for reading and writing progress and top 40% for maths. The quality of teaching is consistently good throughout the school with 20% graded as outstanding. Attendance is well above national average at 96.7%.

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

Its recent inspection in May 2018 judged overall effectiveness to be Outstanding. Above national average in EYFS GLD. In line with national average in KS1 reading and above national average in KS1 writing and maths. Above national average in KS2 combined and in line with national average in KS2 reading. Below national average for KS2 writing, maths and GPS. The school is also below national average for Year 1 phonics. Top 5% for reading and writing progress and top 25% for maths progress. The recent Ofsted inspection judged teaching to be outstanding. All teaching is at least good with the majority outstanding. Attendance is below national average at 95.0% and is a focus for the school.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

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 2018 showed EYFS and KS2 pupils to be attaining significantly below the national level. Outcomes in KS1 are recorded as broadly in-line with national. The quality of teaching judged to be Good or better is 30%. Attendance is significantly below the national average at 91%

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

Its last inspection in November 2016 judged overall effectiveness to be Requires Improvement. Below national average in EYFS GLD, but above national for Year 1 phonics. In line with national average in KS1 reading and maths and above national average in KS1 writing. Above national average in KS2 combined, writing and reading and in line with national average in KS2 maths. Below national average for KS2 and GPS.. Bottom 40% for reading progress and middle 20% for writing and maths progress. The quality of teaching continues to improve. 75% is now good or better. In September 2018 new staffing will ensure 100% of teaching is good or better. Attendance is slightly below the national average at 95.8%

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

In its inspection in Summer 2018, the school was judged to be inadequate and placed into a category as a school having 'serious weaknesses'. Outcomes in July 2018 showed EYFS pupils to be attaining above the national average. In Phonics and KS1, outcomes were well below the national average. Outcomes for KS2 pupil attainment were exceptionally poor and well below the national average. The quality of teaching is inadequate. Progress from KS1 to KS2 is significantly low. Attendance is just below the national average.

St Margaret's Primary Academy opened as a sponsored academy in July 2015. In its recent inspection, summer 2018, overall effectiveness was judged as Requires Improvement, with Leadership, PDBW and EYFS judged as good. Outcomes in July 2018 showed EYFS pupils to be attaining above the national average. In KS1 pupils were slightly below the national average for attainment in Reading and Maths, and broadly in-line with national for Writing. Outcomes for KS2 pupil attainment were well below the national average. Attendance was below the national average at 95%.

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 2018 showed EYFS to be slightly below the national average, though these pupils had made strong progress from low starting points. KS1 pupils attained broadly in line with the national average in Reading and Maths, though below in Writing. Phonics in Y1 showed considerable improvement (from 64% in 2017 to 81% in 2018). KS2 pupil attainment in 2018 for RWM Combined showed impressive improvement from the previous years' results (40% in 2017 to 71% in 2018). KS2 progress overall broadly in line with the national average. The quality of teaching across the school is typically good. Attendance is above the national average.

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

The school was inspected in September 2017 and overall effectiveness was judged as Good. Outcomes in July 2018 in EYFS, Phonics and KS1 are all similar to, or better than, the national average. Outcomes for KS2 pupils' attainment were below the national average in RWM combined, which was disappointing. In Reading, attainment improved markedly the previous year and in Writing it remained broadly similar. However, in Maths it declined, which had a detrimental impact on the overall RWM combined figure. KS2 progress remains below the national average, though improved from the previous year. The quality of teaching is judged by the school to be good. Attendance is below national but has improved when compared to the previous year.

The Limes Primary Academy opened as a new provision in September 2018.

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 2018 showed EYFS pupils to be attaining above the national average and KS1 pupils to be attaining in-line or above the national average. Outcomes for KS2 pupil attainment were below national across all subjects. Attendance continues to be a focus for the school, but is presently just below national.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

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 2018 showed EYFS pupils to be in line with the national average and KS1 pupils to be attaining above the national average in Reading, Writing and Maths. Outcomes for KS2 pupil attainment were significantly above national in all subjects. 85% of teachers are judged to be Good or better. Attendance has improved and is just below the national average.

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 2018, outcomes in EYFS were below the national average, though internal data indicates that pupils had made strong progress from low starting points. Outcomes in phonics in Y1 and Y2 were very strong and well above the national average. Outcomes in KS1 were slightly below the national average, they were broadly in line with the national average. Outcomes in KS2 were strong and well above the national average. KS2 progress in 2017 is well above the national average and in the top 25% nationally (top 5% for Maths) The school judges the quality of teaching to be at least 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 inspection, in February 2017, the schools' overall effectiveness was judged as Good. Outcomes in July 2018 showed EYFS and KS1 pupils to be attaining broadly in line with national averages. Attainment for KS2 pupils' attainment was slightly above national averages overall, with particularly impressive improvements having been achieved in Reading (from 66% in 2017 to 80% in 2018). KS2 progress is broadly in line with the national average. 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. The low attendance is in part attributable to the exceptionally high proportion of the school population (around 11%) from the GRT community (with the schools' relationships and practices in relation to this community having been highly praised).

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 2018 showed EYFS pupils to be attaining slightly below national and KS1 pupils to be attaining below the national level. Outcomes for KS2 pupil attainment were above the national average. The quality of teaching has improved with 85% of teaching judged to be good or better. Attendance is below national at 95%.

Veritas Academy: opened as a new provision in September 2015

Its inspection in April 2018 judged overall effectiveness to be Good. Above national average in EYFS GLD and Year 1 phonics. Above national average in all areas of KS1 expected. Above national average in all areas of KS2 expected. Top 40% for reading progress and middle 20% for writing and maths progress. The quality of teaching is at least good with the vast majority of lessons been graded as outstanding. Attendance is above national average at 96.3%.

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 2018 showed EYFS and KS1 pupils to be attaining broadly in line with or above the national averages. Outcomes for KS2 pupil attainment were above national averages in RWM combined, Reading and Maths, but below in Writing. 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 2018 showed EYFS and KS1 pupils to be attaining below the national average – particularly in GLD and Y2 Writing. These areas have been identified as needing marked improvement in the next academic year. Outcomes for Phonics were in line with the national average. Outcomes for KS2 RWM Combined showed significant improvement from 49% in 2017 to 61% in 2018. KS2 progress is slightly above the national average.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

Wilshire 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 2018 for KS2 pupil attainment were above national averages in Reading, Writing, Maths and Combined. 77% of teachers are judged to be Good or better. Attendance has improved and is now 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 grants totalled to £95,545k (2017: £93,897k). Other income included within the restricted funds totalled to £2,047k (2016: £1,807k). The restricted fund expenditure totalled to £101,689k (2017: £99,041k).

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 a particular purpose. The grants received from the ESFA during the 12-month period ended 31 August 2018 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 Operating Officer (COO), who is known as the Finance Director.

The Chief Operating Officer has been reviewing the financial policies, processes and controls with an ongoing review of systems used in supporting financial management. All schools are required to produce monthly financial reports that are reviewed at all levels of Governance. These are compared against the budget submitted to the ESFA and reforecasts undertaken when required. Any school that is presenting financial challenges are escalated to the Chief Operating 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 services to the pupils of the academies. The deficits in the Local Government Pension Schemes (LGPS) are recognised on the balance sheet in accordance with the provision of FRS102

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

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 object (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.

During the academic year a Reserves Policy was implemented across all schools 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 took place prior to implementation. The policy will be reviewed during the 2018-2019 academic year to ensure operational effectiveness and procedural accuracy.

Total reserves at the end of the period amounted to £217,143k. 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 £1,564k.

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 £27,322k. 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

At the end of the academic year a Trust investment policy was not in place. This remains a key work stream for the Finance Committee during the 2018 – 2019 academic year.

During the 2017 – 2018 academic year the process of pooling reserves, enabling collective funds to be held in one central account, was implemented. This was the first phase of delivering an investment policy to ensure the effective management of cash.

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, cashflow 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 Trusts' approach to risk is currently under review. Changes to the risk strategy will take effect during the Spring Term 2019 to ensure that risk remains a focus area and key priority for the Trust.

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 to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

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.

Fundraising Practices

The Trust expects schools to carry out effective fundraising activities, including raising money through voluntary PTA events.

In order to assist schools with income generation the Trust engaged with a commercial partner during the year to focus on securing commercial partnerships, and to identify potential grants and assist with applications. The Trust and individual schools retain full control of these processes, which are subject to ongoing scrutiny and review.

During 2018/19 the Trust expects to be successful in more grant applications than previously and bring in commercial sponsorship to assist with the full implementation of the 11 before 11 strategy.

Plans for Future Periods

The number of academies within the Trust is not expected to rise with the exception of the Free Schools programme and the schools already in the pipeline.

Educational intervention and support capacity has increased during the academic year, through the recruitment of Deputy Regional Directors who will provide strength to the Regional Director, and the 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.

Key central appointments has seen a focus on Health and safety, Procurement and Governance.

A centralised procurement strategy to realise cost savings and effectiveness across the trusts will also be implemented.

A strategy, known internally as REAY6 has been implemented to narrow the gap between the highest and lowest performing academies across the trust. This will achieve our ambition that all schools meet "the above and beyond" performance standards.

A further strategy has been implemented to commence from the start of the new academic year, known as 'Transformation Schools'. A School Transformation Plan is a systemic approach to supporting the most critical schools in the Trust which ensures that:

1. There is a 'mechanism' for more rapid decision making around the allocation of essential resources and funds which reflects the urgency for improvement and mitigating immediate risk.
2. Roles and responsibilities are defined centrally at Executive level as well as at regional and school level. In this regard, it recognises the shared responsibility within the Trust for supporting those schools identified at risk.
3. The school is requiring a more intensive level of support which could include increased visits, more frequent time spent supporting the school and fixed timescales on resolving challenging issues.

REACH2 ACADEMY TRUST

TRUSTEES' REPORT (continued)

The Trust has set out five Key Performance Indicators which it will be working towards during the academic year

1. The end of year outcomes across all key stages are at or above the national average.
2. 84% of REAch2 schools inspected overall are judged to be good or better by Ofsted.
3. REAch2 continues to be financially sustainable by ending the year in line with budgeted outcome.
4. The wellbeing of staff and children is effectively supported.
5. Organisational efficiency is improved through codification of systems and processes in each service area.

These will be measured and reported against in the next academic year.

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 (continued)

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 11 December 2018 and signed on the boards behalf by:



Jeremy King

Chair of Trustees

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT For the Year Ended 31 August 2018

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that REAch2 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 REAch2 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
Jeremy King - Chair	6	6
Gavin Robert – Vice Chair	6	6
Clare Walsh*	1	1
Peter Little*	1	1
Colin Powell	1	6
Michael Peters	3	6
Victoria Pigott	3	6
Dr Louise Askew	6	6
Tony Gibbey	6	6
Clive Rockingham	5	6
Chris Kane	5	6
Ralph Kugler+	4	4
Teresa Beach+	4	4
Wade Newmark+	4	4
Jonathan Lewis+	1	1
Sir Steve Lancashire (ex-officio)	6	6

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

During the last reporting period, trustees undertook a self-evaluation review of governance. The findings of this review led to the establishment of a new Governance Steering Group within the Trust. The ongoing review of governance within the Trust has resulted in:

- an improvement in communications across all tiers of governance, including the creation of "Link Trustees" to ensure effective communication between our regional and Trust level tiers of governance and termly communications between the Chairs of the Trust Board Committees and Chairs of the Regional Boards.
- a review of the current terms of reference for each Trust Board Committee to ensure governance is effective across the Trust.

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT (continued)

- the inclusion of standing agenda items for all Trust Board meetings i.e. Safeguarding and Health and Safety, which were formerly addressed at Committee level.
- the identification of the need for the role of Company Secretary
- the formation of an independent remuneration committee (formerly part of the Trust Board Finance Committee) which has met twice during the financial year.
- the formation of an Estates and Free Schools Committee to address the pipeline of free schools and the current Estates deficit, inherited through sponsored academy conversions.

The Academy Trust has six subcommittees reporting into the Board of Trustees:

- Finance sub-committee
- Risk and Audit sub-committee
- Human resources sub-committee
- Educational Standards & Performance sub-committee
- Estates and Free School 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 meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Antony Gilbey (Chair)	4	4
Jonathan Lewis+	0	0
Jeremy King	3	4
Wade Newmark+	3	3
Sir Steve Lancashire (ex-officio)	4	4

(+ denotes trustees who joined 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

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT (continued)

- 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.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Clive Rockingham (Chair)	3	3
Jeremy King	3	3
Gavin Robert	2	3
Teresa Beach+	2	2
Victoria Pigott*	0	1
Sir Steve Lancashire (ex-officio)	3	3

(* denotes trustees who left the committee during the reporting year; + denotes trustees who joined 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 academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

REACH2 ACADEMY TRUST

GOVERNANCE STATEMENT (continued)

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 2017 to 31 August 2018 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:

- 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 Roe 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 reconciliations
- 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 Risk and Audit committee and a plan to ensure continuous improvement of the system is in place.

REACH2 ACADEMY TRUST

Approved by order of the members of the board of trustees on 11 December 2018 and signed on its behalf by

Signed:

A handwritten signature in black ink, appearing to be 'J King', with a long horizontal stroke extending to the right.

Jeremy King
Chair of Trustees

Signed:

A handwritten signature in black ink, appearing to be 'S Lancashire', with a stylized, cursive script.

Sir Steve Lancashire
Accounting Officer

REACH2 ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE For the Year Ended 31 August 2018

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 received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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 agreement under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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

11 December 2018

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' Report and the financial statements in accordance with Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Board of Trustees on 11 December 2018 and signed on its behalf.



Jeremy King
Chair of Trustees

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 2018 which comprise the Statement of Financial Activities including Income and Expenditure Account, the Balance Sheet, and 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 2018, 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 2017 to 2018* 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' 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.

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

REACH2 ACADEMY TRUST

INDEPENDENT AUDITORS REPORT (continued)

- 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 2, 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
LS4 1DA
21 December 2018

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 26 June 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by during the period 1 September 2017 to 31 August 2018 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 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 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 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 30 October 2014 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion 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 Head Teacher 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 2017;

REACH2 ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT (continued)

- 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 2017 to 2018.

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 2017 to 31 August 2018 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
LS4 1DA

21 December 2018

REACH2 ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2018 £'000	Total 2017 £'000
	Note	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Donations and capital grants	2	-	-	3,000	3,000	4,303
Transfer from Local Authority	2	-	115	14,903	15,018	12,896
<i>Charitable activities:</i>						
- Funding for educational operations	3	1,518	94,592	-	96,110	92,717
- Teaching Schools	31	-	91	-	91	-
Other trading activities	4	1,125	-	-	1,125	1,212
Investment income	5	33	24	-	57	47
Total income		2,676	94,822	17,903	115,401	111,175
Expenditure on:						
<i>Charitable activities:</i>						
- Trust's educational operations	6, 7	2,676	101,689	18,577	122,942	109,880
- Teaching Schools	31	-	76	-	76	-
- Inherited defined benefit pension liability	6, 7	-	565	-	565	926
- Assets transferred out of the Trust	6, 7	-	(1,017)	9,620	8,603	9,291
Total resources expended	6, 7	2,676	101,313	28,197	132,186	120,097
Net income / (expenditure) before transfers		-	(6,491)	(10,294)	(16,785)	(8,922)
Transfers						
Transfers between funds	18	-	(1,239)	1,239	-	-
Net income / (expenditure) before other recognised gains and losses		-	(7,730)	(9,055)	(16,785)	(8,922)
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	20	-	8,525	-	8,525	8,429
Net movement in funds		-	795	(9,055)	(8,260)	(493)
Reconciliation of funds						
Total funds brought forward	18	2,960	(26,552)	248,995	225,403	225,896
Total funds carried forward		2,960	(25,757)	239,940	217,143	225,403

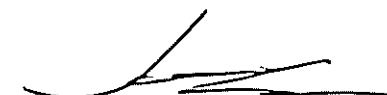
The deficit restricted general reserve includes surplus restricted general funds of £1,564,000 offset by deficit pension reserves of £27,322,000

REACH2 ACADEMY TRUST

BALANCE SHEET AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		239,939		247,871
Investments					-
Total fixed assets			<u>239,939</u>		<u>247,871</u>
Current assets					
Stock	13	13		7	
Debtors	14	4,318		4,038	
Cash at bank and in hand		<u>12,768</u>		<u>13,709</u>	
Total current assets		<u>17,099</u>		<u>17,754</u>	
Liabilities:					
Creditors: Amounts falling due within one year	15	<u>(10,173)</u>		<u>(8,512)</u>	
Net current assets			<u>6,926</u>		<u>9,242</u>
Total assets less current liabilities			246,865		257,113
Creditors: Amounts falling due after more than one year	17		<u>(2,400)</u>		<u>(468)</u>
Net assets excluding pension liability			244,465		256,645
Pension scheme liability	20		<u>(27,322)</u>		<u>(31,242)</u>
Net assets including pension liability			<u>217,143</u>		<u>225,403</u>
Funds of the academy:					
Restricted funds					
. Fixed asset fund(s)	18		239,940		248,995
. Restricted income fund(s)	18		1,565		4,690
. Pension reserve	18, 20		<u>(27,322)</u>		<u>(31,242)</u>
Total restricted funds			<u>214,183</u>		<u>222,443</u>
Unrestricted funds					
. Unrestricted income fund(s)	18		<u>2,960</u>		<u>2,960</u>
Total unrestricted funds			<u>2,960</u>		<u>2,960</u>
Total Funds			<u>217,143</u>		<u>225,403</u>

The financial statements set out on pages 35 to 105 were approved and authorised for issue by the Board of Trustees and authorised for issue on 11 December 2018 and signed on its behalf by:



Jeremy King
Chair of Trustees

REACH2 ACADEMY TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2018

	2018 Total £'000	2017 Total £'000
Cash flows from operating activities		
Net cash provided by / (used in) operating activities	(65)	(1,348)
Cash funds transferred on conversion	(115)	(1,511)
	<u>(180)</u>	<u>(2,859)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	57	47
Capital funding from sponsors and others	21 3,000	4,303
Payments to acquire fixed assets	(6,818)	(1,904)
	<u>(3,761)</u>	<u>2,446</u>
Cash flows from financing activities		
Cash inflows from new borrowing	22 3,000	-
	<u>3,000</u>	
Change in cash and cash equivalents in the reporting period	<u>(941)</u>	<u>(413)</u>
Cash and cash equivalents brought forward	13,709	14,122
Cash and cash equivalents carried forward	<u>12,768</u>	<u>13,709</u>

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

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 one state maintained school to an academy and its 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 school to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from Local Authority on conversion in the Statement of Financial Activities and analysed under Unrestricted Funds, Restricted General Funds and Restricted Fixed Asset Funds. Further details of the transaction are set out in note 28.

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 For the year ended 31 August 2018

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 For the year ended 31 August 2018

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

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

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

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:

Freehold buildings	50 years
Leasehold land and buildings	50 years or UEL, whichever is lower
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 For the year ended 31 August 2018

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

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

1 Accounting policies (Continued)

amortised cost using the effective interest method, less any impairment losses.

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
For the year ended 31 August 2018

2 Donations and Capital Grants

	Unrestricted Funds £'000	Restricted Funds £'000	2018 Total £'000	2017 Total £'000
Donated Assets	-	14,903	14,903	12,562
Other Donations	-	-	-	-
Capital Grants - DfE / EFA	-	3,000	3,000	4,303
Funds inherited on transfer	-	115	115	334
	<u>-</u>	<u>18,018</u>	<u>18,018</u>	<u>17,199</u>

Capital grants relate to ESFA Devolved Capital and School Conditioning Funding

During the year two new academies joined the Trust - Summerside Primary Academy and Greenridge Primary Academy. Their tangible fixed assets at this date totalled £14,902,569 and have been recognised as donated assets in the year. As well as transferring their tangible fixed assets, net restricted and unrestricted funds totalling £114,309 were transferred to the Trust. These have been recognised as restricted funds inherited upon conversion.

3 Funding For Educational Operations

	Unrestricted Funds £'000	Restricted Funds £'000	2018 Total £'000	2017 Total £'000
DfE / ESFA and Other Government Grants				
DfE / ESFA General Annual Grant	-	72,262	72,262	70,202
DfE / ESFA Start Up Grants	-	732	732	563
DfE / ESFA Pupil Premium	-	7,807	7,807	7,955
DfE / ESFA Other Grants	-	3,634	3,634	2,734
Other Government Revenue Grants	-	8,110	8,110	8,140
	<u>-</u>	<u>92,545</u>	<u>92,545</u>	<u>89,594</u>
Other Income				
School Trips	-	710	710	628
Catering Income	1,039	-	1,039	945
Music Lessons	-	103	103	96
Clubs	-	1,234	1,234	1,081
Other	429	-	429	308
Uniform Sales	50	-	50	63
	<u>1,518</u>	<u>2,047</u>	<u>3,565</u>	<u>3,123</u>
	<u>1,518</u>	<u>94,592</u>	<u>96,110</u>	<u>92,717</u>

The master funding agreement of the Trust is not subject to limits on the amount of GAG that it could carry forward at 31 August 2018.

DfE/ESFA Other Grants includes £372,864 of rates grants, £10,301 of insurance grants and £2,192,449 of funding for Universal Infant Free School Meals.

Other government revenue grants includes £3,841,706 of Early Years Foundation funding and £2,764,469 of SEN funding.

4 Other Trading Activities

	Unrestricted Funds £'000	Restricted Funds £'000	2018 Total £'000	2017 Total £'000
Lettings	399	-	399	407
Other income	726	-	726	805
	<u>1,125</u>	<u>-</u>	<u>1,125</u>	<u>1,212</u>

5 Investment Income

	Unrestricted Funds £'000	Restricted Funds £'000	2018 Total £'000	2017 Total £'000
Bank interest	33	-	33	47
Pension	-	24	24	-
	<u>33</u>	<u>24</u>	<u>57</u>	<u>47</u>

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

6 Other trading expenses

	Staff Costs	Non Pay Expenditure		Total	Total
	£'000	Premises	Other Costs	2018	2017
	£'000	£'000	£'000	£'000	£'000
Educational operations					
. Direct costs (note 7)	66,638	1,747	12,547	80,932	80,486
. Allocated support costs (note 7)	16,035	6,858	19,120	42,013	29,394
. Implementation costs	-	-	-	-	-
	<u>82,673</u>	<u>8,605</u>	<u>31,667</u>	<u>122,945</u>	<u>109,880</u>
Assets transferred out of Trust				-	-
Governance costs including allocated support costs					
Fixed asset adjustment	-	-	-	-	-
Transfer from Local Authority			8,602	8,602	9,291
. Loans on conversion			-	-	-
. Inherited defined pension liability	565	-	-	565	926
	<u>83,238</u>	<u>8,605</u>	<u>40,269</u>	<u>132,112</u>	<u>120,097</u>

No unrestricted reserves have been expended in the year.

Other trading expenses (continued)

	2018	2017
	£'000	£'000
Fees payable to auditor - audit	86	81
- other services	28	16
- other leases	-	265
Operating lease rental - land and buildings	-	265
Operating lease rentals - plant, machinery and equipment	322	425
Depreciation	18,577	8,256
Impairment	-	0
(Profit) / loss on disposal of fixed assets	-	0
Impairment	-	-
Governors' liability insurance	-	6

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

7 Charitable Activities - Educational Operations

	Total 2018 £'000	Total 2017 £'000
<i>Direct costs</i>		
Teaching staff costs	40,638	38,523
Other direct staff costs	16,484	17,876
Direct supply costs	3,632	3,396
Pension costs - deficit repayment contributions & net service costs	4,559	4,858
Educational supplies	2,398	2,300
Technology costs	1,189	1,282
Staff development	1,325	979
Recruitment	325	699
School uniform	80	101
Free school meals	776	796
Catering	3,025	3,144
Staff transport and travel	703	667
Telephones	387	403
Printing, postage and stationary	286	296
Legal and professional fees	332	492
Insurance	218	187
Licences and subscriptions	322	248
Marketing and advertising	38	39
Educational visits	993	946
Educational consultancy	586	667
Music services	425	315
Hire of equipment	558	581
Other educational services	971	940
Bank interest	39	20
Other direct costs	643	731
	<u>80,932</u>	<u>80,486</u>
<i>Support costs</i>		
Support staff costs	16,035	14,888
Depreciation & impairment	18,577	8,264
Maintenance of premises and equipment	2,368	2,282
Cleaning	1,297	1,094
Insurance	333	357
Utilities	1,464	1,276
Security	167	76
Rent and rates	785	695
Health and safety	127	108
Other occupancy costs	317	215
Other support costs	429	42
	<u>41,899</u>	<u>29,297</u>
 Audit		
- audit of financial statements	86	81
- other	28	16
	<u>114</u>	<u>97</u>
 Total Support Costs	<u>42,013</u>	<u>29,394</u>
 Inherited pension liabilities	565	926
Impact of assets transferred out of the Trust	8,603	9,291
Teaching School		
 Total Costs	<u>132,113</u>	<u>120,097</u>

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

8 Staff Costs

a) Staff cost

Staff costs during the year were:

	Total 2018 £'000	Total 2017 £'000
Wages and salaries	58,293	57,325
Social security costs	4,730	4,942
Pension costs	14,427	13,702
Apprenticeship levy	267	108
	<u>77,717</u>	<u>76,077</u>
Supply staff costs	3,632	3,396
Staff development and other staff costs	1,324	68
Pension liability inherited on transfers	565	926
	<u>83,238</u>	<u>80,467</u>

b) Staff severance payments

Included within the staff restructuring costs are severance payments totalling £171,612. Individually, the payments were £3,734, £8,413, £8,960, £12,262, £13,166, £13,463, £21,564, £21,750, £22,000, £46,300.

c) Staff numbers

The average number of persons (including senior management team) employed by REAch2 Academy Trust during the year expressed as full time equivalents were as follows:

	2018 No.	2017 No.
Charitable Activities		
Teachers	931	790
Admin and support	1,154	1,163
Management and central team	92	100
	<u>2,177</u>	<u>2,053</u>

The average number of persons (including senior management team) employed by REAch2 Academy Trust during the year were as follows:

	2018 No.	2017 No.
Charitable Activities		
Teachers	951	802
Admin and support	2,045	1,898
Management and central team	110	169
	<u>3,106</u>	<u>2,869</u>

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

d) Higher paid staff

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

	2018 No.	2017 No.
£60,001 - £70,000	39	28
£70,001 - £80,000	15	13
£80,001 - £90,000	8	8
£90,001 - £100,000	2	3
£100,001 - £110,000	4	3
£110,001 - £120,000	1	3
£120,001 - £130,000	1	0
£130,001 - £140,000	0	0
£140,001 - £150,000	0	0
£150,001 - £160,000	0	0
£160,001 - £170,000	1	0
£170,001-£180,000	0	1
£230,000 - £240,000	1	0
£240,000-£250,000	0	1

e) Key management personnel

The key management personnel of REAch2 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 Trust was £619,193 (2017:£719,651).

9 Trustees' remuneration and expenses

One trustee has been paid remuneration or has received other benefits from employment with the academy trust. The Chief Executive Officer only receives remuneration in the respect of services they provide undertaking the role of the Chief Executive under their contract of employment.

Sir Steve Lancashire (Chief Executive Officer and Accounting Officer) £230,000 - £240,000 (2017:£240,000 - £250,000)

The above employee participated in the Teachers' Pension Scheme this year. During the year ended 31 August 2018 pension contributions amounted to £37,904 (2017:£40,623)

Payments made to Trustees of The Board relating to travel and subsistence were £1,567 (2017: £3,452).

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

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

10 Trustees' and Officers' Insurance

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

11 Central Services

The academy trust has provided the following central services to its academies 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 (DfE, ESFA, Regional Schools' Commissioner, OFSTED, Charities Commission and Companies House)
- 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 2018 this was 5.5% (2017: 5.5%). In addition where academies have received additional growth funding / place funding from local authorities a further nil% has been charged (2017: 5.5%).

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

11 Central Services (continued)

The amounts charged during the year were as follows:

	2018 £'000	2017 £'000
Aerodrome Primary Academy	74	76
Beccles Primary Academy	55	59
Brampton Primary Academy	86	86
Broadmead Primary Academy	-	60
Burrsville Infant Academy	52	45
Bushbury Lane Primary Academy	53	26
Camulos Primary Academy	37	18
Castle Hill Primary Academy	-	122
Chapel End Junior Academy	91	92
Chigwell Primary Academy	48	51
Civitas Academy	32	24
Concordia Primary Academy	23	18
Copperfield Academy	100	95
Dorothy Barley Junior Academy	120	120
Eastbrook Primary Academy	84	86
Five Spires Academy	21	12
Garden City Academy	54	53
Greenridge Primary Academy	21	-
Gunton Primary Academy	64	64
Heath Hayes Primary Academy	36	35
Kemsley Primary Academy	46	46
Kirby Primary Academy	46	42
Langtons Junior Academy	65	70
Lawley Village Academy	25	15
Manor Park Primary Academy	103	108
Martlesham Primary Academy	24	20
Meadow Primary Academy	47	48
Milton Court Primary Academy	43	47
Minerva Academy	26	53
Moor Green Primary Academy	102	97
Northfield St Nicholas Primary Academy	99	102
Norton Canes Primary Academy	49	49
Oakfield Primary Academy	74	72
Pemberley Academy	34	29
Purfleet Primary Academy	111	108
Racemeadow Primary Academy	51	52
Ranikhet Academy	59	59
Riverside Academy	47	48
Robert Fitzroy Academy	146	138
Scientia Academy	76	62
Silkmore Primary Academy	49	44
Sir Martin Frobisher Primary Academy	73	72
Springhill Primary Academy	38	37
Sprites Primary Academy	84	88
St Margaret's Primary Academy	97	86
St Mark's Church of England Primary Academy	46	47
Summerside Primary Academy	125	-
The Globe Primary Academy	112	116
The Palmer Primary Academy	90	94
The Woodside Primary Academy	261	249
Tidemill Academy	89	143
Tymberwood Academy	92	90
Unity Primary Academy	87	81
Veritas Primary Academy	58	42
Water Lane Primary Academy	40	42
White Meadows Primary Academy	128	122
Wilshire-Dacre Junior Academy	52	52
	<u>3,844</u>	<u>3,812</u>

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

12 Tangible Fixed Assets

	Freehold Land and Buildings	Leasehold Land and Buildings	Furniture and Equipment	Computer Equipment	Assets under construction	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation							
At 1 September 2017	5,719	254,437	4,776	2,911	1,843	56	269,742
Additions		18,188	547	563	948		20,246
Disposals		(10,719)	(38)	(136)		(25)	(10,918)
Reclassification		1,327			(1,327)		-
At 31 August 2018	5,719	263,233	5,285	3,338	1,464	31	279,070
Depreciation							
At 1 September 2017	254	15,512	3,845	2,227	-	33	21,871
Charged in year	7	17,397	549	616		8	18,577
Disposals		(1,126)	(30)	(136)		(25)	(1,317)
At 31 August 2018	261	31,783	4,364	2,707	-	16	39,131
Net book values							
At 31 August 2018	5,458	231,450	921	631	1,464	15	239,939
At 31 August 2017	5,465	238,925	931	684	1,843	23	247,871

Included in buildings is an amount of £1,367,500 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 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. Where the year ended 31 August 2018 would have represented the final year of an assets useful economic life prior to transferring to the Trust, should the assessment by management have identified no extension of useful economic life, the entire cost recognised in additions in year was depreciated in the year ended 31 August 2018. This will also have affected the charge made against assets with useful economic lives due to expire in 2017 and 2018.

13 Stock

	2018 £'000	2017 £'000
Educational supplies	13	7
	<u>13</u>	<u>7</u>

14 Debtors: amounts owed within one year

	2018 £'000	2017 £'000
Trade debtors	1,238	1,486
Prepayments & accrued income	3,017	2,382
Other debtors	63	170
	<u>4,318</u>	<u>4,038</u>

REACH2 ACADEMY TRUST

**Notes to the Financial Statements
For the year ended 31 August 2018**

15 Creditors: amounts falling due within one year

	2018	2017
	£'000	£'000
Trade creditors	3,193	2,420
Taxation and social security	312	226
Other creditors	692	850
Accruals and deferred income	5,365	4,905
Loan	611	111
	<u>10,173</u>	<u>8,512</u>

16 Deferred income

	2018	2017
	£'000	£'000
Deferred Income brought forward	2,953	2,156
Amounts released from previous years	(2,953)	(2,156)
Resources deferred in the year	3,516	2,953
Deferred Income carried forward	<u>3,516</u>	<u>2,953</u>

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

	2018	2017
	£'000	£'000
Loan		
Due 1 - 2 years	600	-
Due 2 - 5 years	1,800	-
Due over 5 years	<u>-</u>	<u>-</u>
	<u>2,400</u>	<u>-</u>
Other		
Due 1 - 2 years	-	178
Due 2 - 5 years	-	228
Due over 5 years	<u>-</u>	<u>62</u>
	<u>-</u>	<u>468</u>

Included within creditors is a loan of £3,000,000 from the Education and Skills Funding Agency, as part of the MAT Loan Pilot scheme. Interest is charged on the loan at 1.91%, and repayable in equal instalments over the next 10 years

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

18 Funds

	Balance at 1 September 2017 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)		72,262	(72,282)	-	-
Start Up Grant		732	(732)	-	-
Pupil Premium		7,807	(7,807)	-	-
Other DfE/EFA grants		3,725	(3,725)	-	-
Other government income		8,110	(8,110)	-	-
Other restricted		2,547	(2,047)	-	-
Funds inherited on transfers from LA and mergers	4,690	115	(2,001)	(1,239)	1,665
	4,690	84,798	(86,884)	(1,239)	1,565
Pension reserve	(31,242)	24	(4,629)	6,429	(27,372)
	(26,552)	84,822	(101,513)	7,289	(25,757)
Restricted fixed asset funds					
DfE/EFA capital grants and expenditure from GAG	47,104	3,000	(18,577)	-	31,527
Donated assets	201,891	14,903	(9,859)	1,239	208,413
	248,995	17,903	(28,436)	1,239	239,640
Total restricted funds	222,443	112,725	(129,519)	8,525	214,183
Unrestricted funds					
General Funds	2,960	2,576	(2,676)	-	2,960
Total unrestricted funds	2,960	2,576	(2,676)	-	2,960
Total funds	225,403	115,401	(132,186)	8,525	217,143

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

	Balance at 1 September 2016 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General Annual Grant (GAG)	505	70,282	(70,707)	-	-
Start Up Grant		563	(563)	-	-
Pupil Premium		7,955	(7,955)	-	-
Other DfE/EFA grants		2,734	(2,734)	-	-
Other government income		8,140	(8,140)	-	-
Other restricted		1,807	(1,807)	-	-
Funds inherited on transfers from LA and mergers	6,975	344	(7,829)	-	4,890
	7,481	81,735	(84,525)	-	4,690
Pension reserve	(36,231)		(3,440)	6,429	(31,242)
	(28,750)	81,735	(87,965)	6,429	(28,552)
Restricted fixed asset funds					
DfE/EFA capital grants and expenditure from GAG	51,055	4,303	(9,254)	-	47,104
Donated assets	200,621	12,582	(11,292)	-	201,891
	251,676	16,885	(19,546)	-	248,995
Total restricted funds	222,936	108,800	(117,522)	8,429	222,443
Unrestricted funds					
General Funds	2,960	2,576	(2,575)	-	2,960
Total unrestricted funds	2,960	2,576	(2,575)	-	2,960
Total funds	225,896	111,376	(120,097)	8,429	225,403

A current year and prior year combined position is as follows:

	Balance at 1 September 2016 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	505	142,454	(142,969)	-	-
Start Up Grant		1,295	(1,295)	-	-
Pupil Premium		15,762	(15,762)	-	-
Other DfE/EFA grants		6,459	(6,459)	-	-
Other government income		16,250	(16,250)	-	-
Other restricted		3,854	(3,854)	-	-
Funds inherited on transfers from LA and mergers	6,976	449	(4,621)	(1,239)	1,565
	7,481	186,633	(181,210)	(1,239)	1,665
Pension reserve	(36,231)	24	(8,069)	16,954	(27,322)
	(28,750)	186,657	(189,279)	15,715	(25,757)
Restricted fixed asset funds					
DfE/EFA capital grants and expenditure from GAG	51,065	7,303	(26,841)	-	31,527
Capital funds inherited on transfers from LA and mergers	-	-	-	-	-
Donated assets	200,621	27,465	(20,912)	1,239	208,413
	251,686	34,768	(47,753)	1,239	239,840
Total restricted funds	222,936	221,325	(247,032)	16,954	214,183
Unrestricted funds					
General Funds	2,960	6,251	(5,251)	-	2,960
Total unrestricted funds	2,960	6,251	(5,251)	-	2,960
Total funds	225,896	227,576	(252,283)	16,954	217,143

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 Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

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
For the year ended 31 August 2018

18 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	2018	2017
Aerodrome Primary Academy	578	353
Beccles Primary Academy	70	132
Brampton Primary Academy	(308)	(120)
Broadmead Primary Academy	0	0
Burrsville Infant Academy	104	78
Bushbury Lane Primary Academy	176	72
Camulos Primary Academy	145	119
Castle Hill Academy	0	43
Chapel End Junior Academy	188	202
Chigwell Primary Academy	135	138
Civitas Academy	(36)	12
Concordia Primary Academy	133	81
Copperfield Academy	(129)	(4)
Dorothy Barley Junior Academy	622	514
Eastbrook Primary Academy	230	349
Five Spires Academy	(17)	(6)
Garden City Academy	224	147
Greenridge Primary Academy	6	0
Gunton Primary Academy	46	54
Heath Hayes Primary Academy	40	49
Kemsley Primary Academy	172	113
Kirby Primary Academy	169	100
Langtons Junior Academy	370	282
Lawley Village Academy	36	5
Manor Park Primary Academy	208	237
Martlesham Primary Academy	(91)	(26)
Milton Court Primary Academy	34	40
Minerva Academy	113	151
Moor Green Primary Academy	137	97
Northfield St Nicholas Primary Academy	(194)	159
Norton Canes Primary Academy	51	46
Oakfield Primary Academy	405	244
Pemberley Academy	339	67
Phoenix St Peter Academy	(24)	26
Purfeet Primary Academy	120	44
Racemeadow Primary Academy	166	158
Ranikhet Academy	170	93
Reach2 Head Office	(3,637)	(563)
Riverside Academy	202	167
Robert Fitzroy Academy	354	443
Scientia Academy	292	165
Silkmore Primary Academy	8	13
Sir Martin Frobisher Primary Academy	124	129
Springhill Primary Academy	(91)	167
Sprites Primary Academy	116	96
St Margaret's Primary Academy	245	130
St Mark's Church of England Primary Academy	67	62
Summerside Primary Academy	125	0
The Globe Primary Academy	265	289
The Palmer Primary Academy	412	407
The Woodside Primary Academy	92	656
Tidemill Academy	479	753
Tymberwood Academy	123	143
Unity Primary Academy	166	115
Veritas Primary Academy	161	37
Water Lane Primary Academy	169	149
White Meadows Primary Academy	371	189
Wilshire-Dacre Junior Academy	94	54
	<u>4,525</u>	<u>7,650</u>
Fixed asset reserves	239,940	248,995
Pension reserve	(27,322)	(31,242)
	<u>217,143</u>	<u>225,403</u>

The Reach2 Head Office reserves figure includes the impact of the accounting treatment for increased capital expenditure during the year as well as that for a MAT Loan of £6m over 10 years, of which £3m had been received at 31 August 2018, with expenditure to match.

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

18 Funds (continued)

Analysis of academies by cost

	Teaching Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding fixed asset expenses)	Total 2018	Total 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Aerodrome Primary Academy	2,020	317	129	730	3,196	3,759
Beccles Primary Academy	905	184	36	210	1,335	1,519
Brampton Primary Academy	1,224	160	36	512	1,932	2,229
Broadmead Primary Academy	-	-	-	-	-	2,286
Burrsville Infant Academy	756	168	27	259	1,210	1,441
Bushbury Lane	574	109	47	295	1,025	530
Castle Hill Academy	-	-	1	50	51	3,157
Canulos Academy	572	127	52	199	950	948
Chapel End Junior Academy	1,231	235	37	515	2,018	2,344
Chilwell Primary Academy	517	156	22	246	941	1,097
Civitas Academy	352	83	13	250	698	571
Concordia Primary Academy	241	36	21	95	393	250
Copperfield Academy	1,592	188	57	516	2,353	2,682
Dorothy Barley Junior Academy	1,519	272	37	524	2,352	2,022
Eastbrook Primary Academy	1,395	204	38	295	1,932	513
Five Spires Academy	296	100	23	143	562	845
Garden City Academy	912	135	33	295	1,375	1,273
Greenridge Primary Academy	302	71	30	77	480	-
Guntton Primary Academy	976	122	30	311	1,439	1,000
Heath Hayes Primary Academy	463	110	23	226	822	1,524
Kemsley Primary Academy	672	115	22	205	1,014	458
Kirby Primary Academy	562	146	23	204	935	2,515
Langtons Junior Academy	819	197	18	307	1,341	614
Lawley Village Academy	313	48	31	160	552	1,329
Manor Park Primary Academy	1,137	339	28	672	2,176	1,296
Martlesham Primary Academy	354	71	11	137	573	1,412
Milton Court Primary Academy	675	106	15	262	1,058	2,500
Minerva Academy	334	251	9	559	1,153	1,163
Moor Green Primary Academy	1,251	165	48	678	2,142	1,895
Northfield St Nicholas Primary Academy	1,585	261	147	495	2,488	837
Norton Canes Primary Academy	721	155	37	284	1,197	2,914
Oakfield Primary Academy	981	172	30	364	1,547	1,122
Pemberley Academy	422	141	33	121	717	1,555
Phoenix St Peter Academy	645	142	35	313	1,135	2,093
Purfleet Primary Academy	1,687	377	54	478	2,596	1,273
Race Meadow Primary Academy	754	118	16	260	1,148	3,136
Ranibhet Academy	680	106	29	390	1,205	1,761
Reach2 Head Office	-	5,534	197	3,624	9,355	1,462
Riverside Academy	707	120	-4	250	1,073	1,263
Robert Fitzroy Academy	2,143	403	131	760	3,437	1,765
Scientia Academy	895	224	40	412	1,571	1,212
Silkmere Primary Academy	754	96	34	336	1,220	2,243
Sir Martin Froisher	922	248	66	397	1,633	2,435
Springhill Primary Academy	622	86	21	246	975	1,055
Sprites Primary Academy	1,154	223	28	375	1,780	2,623
St Margaret's Primary Academy	1,156	233	80	555	2,024	2,258
St Mark's Church of England Primary Academy	644	137	12	217	1,010	7,355
Summerside Primary Academy	1,911	312	49	665	2,937	-
The Globe Primary Academy	1,607	206	33	491	2,337	3,773
The Palmer Primary Academy	1,298	182	35	502	2,017	2,615
The Woodside Primary Academy	4,350	1,089	126	1,173	6,738	2,025
Tidemill Academy	2,227	368	68	694	3,357	1,221
Tymberwood Academy	1,525	308	23	386	2,242	1,134
Unity Primary Academy	1,080	306	33	529	1,948	3,047
Veritas Primary Academy	821	163	49	318	1,351	1,184
Water Lane Primary Academy	538	144	9	157	848	3,759
White Meadows Primary Academy	2,165	289	55	442	2,951	1,519
Wilshire-Dacre Junior Academy	715	126	35	312	1,188	2,229
	56,673	16,484	2,398	24,478	100,033	109,089

REACH2 ACADEMY TRUST

**Notes to the Financial Statements
For the year ended 31 August 2018**

19 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted General Fund	Restricted General Fund	Restricted Fixed Asset Fund	Total 2018 £'000
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	239,939	239,939
Current assets	2,960	14,139	-	17,099
Current liabilities	-	(10,173)	-	(10,173)
Non-Current liabilities	-	(2,400)	-	(2,400)
Pension scheme liability	-	(27,322)	-	(27,322)
Total net assets	2,960	(25,756)	239,939	217,143

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

	Unrestricted General Fund	Restricted General Fund	Restricted Fixed Asset Fund	Total 2018 £'000
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	247,871	247,871
Current assets	2,960	13,670	1,124	17,754
Current liabilities	-	(8,980)	-	(8,980)
Non-Current liabilities	-	(31,242)	-	(31,242)
Pension scheme liability	-	-	-	-
Total net assets	2,960	(26,552)	248,995	225,403

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

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 £105k (2017: £107k) were payable to the Teachers Pension Scheme at 31 August 2018 and are included within creditors.

Contributions amounting to £80k (2017: £85k) were payable to the Local Government Pension Scheme at 31 August 2018 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 2018 amounted to £8,343,000 (2017: £8,530,000).

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);
- 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 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.

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.

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

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, Barnet Council Pension Fund and Buckinghamshire County Council 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	(21)		(30)	30	(21)
	(21)	-	(30)	30	(21)
Essex					
Burrsville Infant Academy	(749)		(94)	144	(699)
Camulos Primary Academy	(27)		(43)	18	(52)
Chigwell Primary Academy	(326)		(45)	71	(300)
Kirby Primary Academy	(613)		(60)	112	(561)
Pemberley Academy	(47)		(38)	31	(54)
Purfleet Primary Academy	(1,136)		(149)	253	(1,032)
Sir Martin Frobisher	(779)		(135)	207	(707)
Unity Primary Academy	(1,348)		(141)	287	(1,202)
Water Lane Primary Academy	(563)		(63)	115	(511)
	(5,588)	-	(768)	1,238	(5,118)
Kent County Council					
Combined Academies (4)	(3,471)		(499)	950	(3,020)
	(3,471)	-	(499)	950	(3,020)
Royal County Council of Berkshire					
Combined Academies (3)	(1,627)	-	(225)	394	(1,458)
	(1,627)	-	(225)	394	(1,458)
West Midlands					
Bushbury Lane Academy	(403)		(43)	54	(392)
Manor Park Primary Academy	(1,706)		(131)	248	(1,589)
Moor Green Primary Academy	(974)		(102)	185	(891)
	(3,083)	-	(276)	487	(2,872)
Hertfordshire County Council					
Garden City Academy	(269)		(56)	97	(228)
Wilshire Dacre Junior Academy	(273)		(40)	53	(260)
	(542)	-	(96)	150	(488)
London Borough of Barking and Dagenham					
Dorothy Barley Junior Academy	(370)		(155)	221	(304)
	(370)	-	(155)	221	(304)
London Borough of Croydon					
Aerodrome Primary Academy	(811)		(183)	263	(731)
Castle Hill Academy	(1,079)	1,079	-	-	-
Robert Fitzroy Academy	(394)		(199)	182	(411)
St Marks Church of England Primary School	(369)		(60)	69	(360)
	(2,653)	1,079	(442)	514	(1,502)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

London Borough of Havering					
Concordia Academy	(6)		(15)	10	(11)
Langtons Junior School	(189)		(51)	80	(160)
	(195)	-	(66)	90	(171)
London Borough of Lewisham					
Tidemill Academy	(1,222)		(175)	350	(1,047)
	(1,222)	-	(175)	350	(1,047)
London Borough of Barnet					
Summerside Primary Academy	-	(565)	(612)	363	(814)
	-	(565)	(612)	363	(814)
Staffordshire					
Combined Academies (7)	(2,196)	-	(419)	667	(1,948)
	(2,196)	-	(419)	667	(1,948)
Suffolk					
Beccles Primary Academy	(415)		(41)	83	(373)
Guntton Primary Academy	(565)		(52)	93	(524)
Martlesham Primary Academy	(64)		(14)	21	(57)
Phoenix St. Peter Primary Academy	(224)		(30)	92	(162)
Northfield St Nicholas Primary Academy	(930)		(99)	168	(861)
Sprites Primary Academy	(534)		(64)	119	(479)
St Margarets Primary Academy	(279)		(56)	87	(248)
	(3,011)	-	(356)	663	(2,704)
Warwickshire					
Combined Academies (3)	(1,682)		(221)	457	(1,446)
	(1,682)	-	(221)	457	(1,446)
West Sussex County Council					
Eastbrook Primary Academy	(479)		(99)	154	(424)
The Globe Primary Academy	(528)		(105)	271	(362)
White Meadows Primary Academy	(440)		(158)	209	(389)
	(1,447)	-	(362)	634	(1,175)
London Borough of Bexley					
Brampton Primary Academy	(634)		(40)	162	(512)
	(634)	-	(40)	162	(512)
Buckinghamshire County Council					
Greenridge Primary Academy	-		(23)	7	(16)
	-	-	(23)	7	(16)
London Borough of Waltham Forest					
Chapel End Junior Academy	(124)		(14)	72	(66)
The Woodside Primary Academy	(2,865)		(174)	686	(2,353)
REAch2 Head Office	(403)		(144)	366	(181)
	(3,392)	-	(332)	1,124	(2,600)
Shropshire County Council					
Lawley Village Academy	(103)		(27)	24	(106)
	(103)	-	(27)	24	(106)
Total 2018					
	(31,237)	514	(5,124)	8,525	(27,322)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

The total contributions made for the period ended 31 August 2018 were:

	£000's		
	Ers	Ees	Total
City of Westminster			
Minerva Academy	25	12	37
	25	12	37
Essex			
Burrsville Infant Academy	62	19	81
Camulos Primary Academy	40	10	50
Chigwell Primary Academy	33	9	42
Kirby Primary Academy	49	13	62
Pemberley Academy	32	9	41
Purfleet Primary Academy	109	33	142
Sir Martin Frobisher Primary Academy	78	23	101
Unity Primary Academy	100	28	128
Water Lane Primary Academy	39	11	50
	542	155	697
Kent County Council			
Combined Academies (4)	368	105	473
	368	105	473
Royal County Council of Berkshire			
Combined Academies (3)	140	44	184
	140	44	184
West Midlands			
Bushbury Lane Primary Academy	33	8	41
Manor Park Primary Academy	154	36	190
Moor Green Primary Academy	59	20	79
	246	64	310
Hertfordshire County Council			
Garden City Academy	75	17	92
Wilshire Dacre Junior Academy	48	11	59
	123	28	151
London Borough of Barking and Dagenham			
Dorothy Barley Junior Academy	104	33	137
	104	33	137
London Borough of Croydon			
Aerodrome Primary Academy	124	41	165
Castle Hill Academy	-	-	-
Robert Fitzroy Academy	115	42	157
St Marks Church of England Primary School	52	14	66
	291	97	388
London Borough of Havering			
Concordia Primary Academy	12	4	16
Langtons Junior School	53	14	67
	65	18	83
London Borough of Lewisham			
Tidemill Academy	166	47	213
	166	47	213
London Borough of Barnet			
Summerside Primary Academy	138	32	170
	138	32	170
Staffordshire			
Combined Academies (7)	369	102	471
	369	102	471
Suffolk			
Beccles Primary Academy	54	12	66
Guntton Primary Academy	69	15	84
Martlesham Primary Academy	24	5	29
Phoenix St Peter Primary Academy	44	9	53
Northfield St Nicholas Primary Academy	135	29	164
Sprites Primary Academy	95	20	115
St Margarets Primary Academy	89	19	108
	510	109	619

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Warwickshire			
Combined Academies (3)	168	48	216
	<u>168</u>	<u>48</u>	<u>216</u>
West Sussex County Council			
Eastbrook Primary Academy	93	23	116
The Globe Primary Academy	115	27	142
White Meadows Primary Academy	137	38	175
	<u>345</u>	<u>88</u>	<u>433</u>
London Borough of Bexley			
Brampton Primary Academy	122	24	146
	<u>122</u>	<u>24</u>	<u>146</u>
Buckinghamshire County Council			
Greenridge Primary Academy	26	7	33
	<u>26</u>	<u>7</u>	<u>33</u>
London Borough of Waltham Forest			
Chapel End Junior Academy	60	12	72
The Woodside Primary Academy	494	105	599
REACH2 Head Office	549	143	692
	<u>1,103</u>	<u>260</u>	<u>1,363</u>
Shropshire County Council			
Lawley Village Academy	8	6	14
	<u>8</u>	<u>6</u>	<u>14</u>
Total 2018	<u>4,859</u>	<u>1,279</u>	<u>6,138</u>

The estimated value of employer contributions for the year ended 31 August 2019 is £4,890,000

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

City of Westminster Pension Fund

Principal Actuarial Assumptions (%)	2018	2017
Rate of increase in salaries	3.8	4.2
Rate of increase for pensions in payment/inflation	2.3	2.7
Discount rate for scheme liabilities	2.7	2.6
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	24.5	24.4
Females	25.1	26.0
Retiring in 20 years:		
Males	25.8	25.7
Females	28.5	28.3

Asset split (%):

Equities	77.0	76.0
Property	9.0	9.0
Government bonds	-	4.0
Corporate bonds	14.0	10.0
Cash	1.0	1.0
Total market value of assets	100.0	100.0

Fair Value of fund assets	140	101
Present value of the defined benefit obligation	(181)	(122)
Net defined benefit pension liability	(21)	(21)

Total Expenditure Recognised in the

Statement of Financial Activities

Operating cost

Current service cost (net of employee contributions)	55	50
Financing cost	-	1
Interest on net defined benefit liability(asset)		

Pension expense	55	51
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REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	2018	2017
Analysis of Pension Finance Income		
Interest income on assets	3	2
Interest on pension liabilities	(3)	(3)
Pension finance costs	-	(1)
Net movement on assets and liabilities		
Bfwd balance 1 September 2017	(21)	(94)
Inherited on transfer/mixer	-	-
Employer contribution	25	21
Current service cost	(55)	(50)
Past service cost	-	-
Interest expense	(3)	(3)
Interest income on assets	3	2
Actuarial (losses) / gains	30	103
Deficit at 31 August 2018	(21)	(21)
Movement in the present value of defined benefit obligations:		
Bfwd balance 1 September 2017	122	149
Inherited on transfer/mixer	-	-
Current service cost	55	50
Interest expense	3	3
Employee contributions	12	10
Actuarial (gains)/losses	(28)	(90)
Benefits paid	(3)	-
At 31 August 2018	161	122
Movement in the fair value of fund assets:		
Bfwd balance 1 September 2017	101	55
Inherited on transfer/mixer	-	-
Interest on assets	3	2
Remeasurement gains/ (losses)	2	13
Employer contributions	25	21
Employee contributions	12	10
Benefits paid	(3)	-
At 31 August 2018	140	101
Actual return on assets:		
	5	15
History of experience gains and losses:		
Experience gains and losses on assets		
Amount	2	13
Percentage of assets	1.4%	12.5%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Essex Pension Fund

	Burrsville Infant Academy		Camulose Primary Academy		Chigwell Primary Academy		Kirby Primary Academy		Pemberley Primary Academy		Purfleet Primary Academy		Sir Martin Froblaher Primary		Unity Primary Academy		Water Lane Primary Academy		Total	
Principal Actuarial Assumptions (%)	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Rate of increase in salaries	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2
Rate of increase for pensions in payment/inflation	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	2.7	2.3	2.7	2.3	2.7
Discount rate for scheme liabilities	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6
Inflation assumption (CPI)	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	2.6	2.3	2.6	2.3	2.6

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	22.2	22.3	22.2	22.3	22.2	22.3	22.2	22.3	22.2	22.3	22.2	22.3	22.2	22.3	22.2	22.3	22.2	22.3	22.2
Females	24.8	24.7	24.8	24.7	24.8	24.7	24.8	24.7	24.8	24.7	24.8	24.7	24.8	24.7	24.8	24.7	24.8	24.7	24.8	24.7

Retiring in 20 years:

Males	24.5	24.3	24.5	24.3	24.5	24.3	24.5	24.3	24.5	24.3	24.5	24.3	24.5	24.3	24.5	24.3	24.5	24.3	24.5	24.3
Females	27.1	27	27.1	27	27.1	27	27.1	27	27.1	27	27.1	27	27.1	27	27.1	27	27.1	27	27.1	27.0

Asset split (%):

Equities	64.0	65.0	64.0	65.0	64.0	65.0	64.0	65.0	64.0	65.0	64.0	65.0	64.0	65.0	64.0	65.0	64.0	65.0	64.00	65.00
Property	9.0	10.0	9.0	10.0	9.0	10.0	9.0	10.0	9.0	10.0	9.0	10.0	9.0	10.0	9.0	10.0	9.0	10.0	9.00	10.00
Government bonds	5.0	6.0	5.0	6.0	5.0	6.0	5.0	6.0	5.0	6.0	5.0	6.0	5.0	6.0	5.0	6.0	5.0	6.0	5.00	6.00
Corporate bonds	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	6.0	4.0	6.00	4.00
Other	13.0	12.0	13.0	12.0	13.0	12.0	13.0	12.0	13.0	12.0	13.0	12.0	13.0	12.0	13.0	12.0	13.0	12.0	13.00	12.00
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	3.0	3.0	3.0	3.00	3.00
Total market value of assets	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	100.0	100.0	100.00	100.00

Fair Value of fund assets	405	304	88	34	183	134	406	332	107	61	791	618	568	446	769	653	373	302	3,680	2,884
Present value of the defined benefit obligation	(1,104)	(1,053)	(140)	(61)	(483)	(460)	(967)	(945)	(161)	(108)	(1,823)	(1,754)	(1,275)	(1,225)	(1,971)	(2,001)	(884)	(865)	(8,808)	(8,472)
Net defined benefit pension liability	(699)	(749)	(52)	(27)	(300)	(326)	(561)	(613)	(54)	(47)	(1,032)	(1,136)	(707)	(779)	(1,202)	(1,348)	(511)	(563)	(5,118)	(5,588)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	Burrsville Infant Academy		Camulos Primary Academy		Chigwell Primary Academy		Klrby Primary Academy		Pemberley Academy		Purfleet Primary Academy		Sir Martin Frobisher Primary Academy		Unity Primary Academy		Water Lane Primary Academy		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Total Expenditure Recognised in the Statement of Financial Activities																				
Current service cost (net of employee contributions)	137	125	83	56	70	65	93	70	69	48	230	172	194	200	207	203	88	80	1,171	963
Financing cost																				
Interest on net defined benefit liability/(asset)	19	18	-	-	8	11	16	17	1	-	28	27	19	15	34	32	14	13	139	131
Total operating charge	156	141	83	56	78	76	109	87	70	48	258	199	213	215	241	235	102	93	1,310	1,094
Analysis of Pension Finance Income																				
Interest income on assets	9	5	2		4	2	9	6	2	1	18	10	13	8	18	11	9	5	84	48
Interest on pension liabilities	(28)	(21)	(2)		(12)	(11)	(25)	(23)	(3)	(1)	(46)	(37)	(32)	(23)	(52)	(43)	(23)	(18)	(223)	(177)
Pension finance income/ (costs)	(19)	(16)	-	-	(8)	(9)	(16)	(17)	(1)	-	(28)	(27)	(19)	(15)	(34)	(32)	(14)	(13)	(139)	(129)
Net movement on assets and liabilities																				
B/fwd balance 1 September 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)
Inherited on transfer/merger													(718)						-	(718)
Employer contribution	62	55	40	24	33	32	49	29	32	23	109	83	78	75	100	93	39	30	542	444
Current service cost	(137)	(125)	(83)	(56)	(70)	(65)	(93)	(70)	(69)	(48)	(230)	(172)	(194)	(200)	(207)	(203)	(88)	(80)	(1,171)	(1,019)
Interest expense	(28)	(21)	(2)		(12)	(11)	(25)	(23)	(3)	1	(46)	(37)	(32)	(23)	(52)	(43)	(23)	(18)	(223)	(175)
Interest income on assets	9	5	2		4	2	9	6	2	(1)	18	10	13	8	18	11	9	5	84	46
Actuarial gains/(losses)	144	121	18	5	71	157	112	248	31	(5)	253	242	207	79	287	324	115	85	1,238	1,256
Deficit at 31 August 2018	(699)	(749)	(52)	(27)	(300)	(326)	(561)	(613)	(54)	(47)	(1,032)	(1,136)	(707)	(779)	(1,202)	(1,348)	(511)	(563)	(5,118)	(5,588)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	Burrsville Infant Academy		Camulos Primary Academy		Chilgwell Primary Academy		Kirby Primary Academy		Pemberley Academy		Purfleet Primary Academy		Sir Martin Frobbisher Primary Academy		Unity Primary Academy		Water Lane Primary Academy		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Movement in the present value of defined benefit obligations:																				
B/fwd balance 1 September 2017	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
Inherited on transfer/merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current service cost	137	125	83	56	70	65	93	70	69	48	230	172	194	200	207	203	88	80	1,171	963
Interest cost	28	21	2	-	12	11	25	23	3	1	46	37	32	23	52	43	23	18	223	177
Employee contributions	19	18	10	7	9	9	13	8	9	7	33	30	23	23	28	28	11	11	156	134
Actuarial Losses / (Gains)	(131)	(57)	(16)	(2)	(65)	(139)	(100)	(198)	(28)	12	(229)	(154)	(180)	(34)	(262)	(222)	(103)	(41)	(1,124)	(843)
Benefits paid	(2)	(2)	-	-	(3)	(3)	(9)	(10)	-	-	(11)	(14)	(9)	(36)	(55)	(3)	-	-	(89)	(68)
At 31 August 2018	1,104	1,053	140	61	483	460	967	945	161	108	1,823	1,754	1,275	1,225	1,971	2,001	884	865	8,747	8,411
Movement in the fair value of fund assets:																				
B/fwd balance 1 September 2017	304	174	34	-	134	76	332	249	61	23	618	421	446	331	653	422	302	212	2,850	1,908
Inherited on transfer/merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on assets	9	5	2	-	4	2	9	6	2	1	18	10	13	8	18	11	9	5	84	48
Remeasurements gains / (losses)	13	54	2	3	6	18	12	50	3	7	24	88	17	45	25	102	12	44	114	408
Employer contributions	62	55	40	24	33	32	49	29	32	23	109	83	78	75	100	93	39	30	542	420
Employee contributions	19	18	10	7	9	9	13	8	9	7	33	30	23	23	28	28	11	11	155	134
Benefits paid	(2)	(2)	-	-	(3)	(3)	(9)	(10)	-	-	(11)	(14)	(9)	(36)	(55)	(3)	-	-	(89)	(68)
At 31 August 2018	405	304	88	34	183	134	406	332	107	61	791	618	568	446	769	653	373	302	3,656	2,850
Actual return on assets:	22	59	4	3	10	20	21	56	5	8	42	98	30	53	43	113	21	49	198	456
History of experience gains and losses:																				
Experience gains and (losses) on assets																				
Amount	13	54	2	3	6	18	12	50	3	7	24	88	17	45	25	102	12	44	114	408
Percentage of assets	3.2%	17.8%	2.3%	8.8%	3.3%	13.4%	3.0%	15.1%	2.8%	11.5%	3.0%	14.2%	3.0%	10.1%	3.3%	15.6%	3.2%	30	3.1%	14.3%

REACH2 ACADEMY TRUST

**Notes to the Financial Statements
For the year ended 31 August 2018**

20 Pension and Similar Obligations (continued)

Kent County Council Pension Fund

Principal Actuarial Assumptions (%)	2018	2017
Rate of increase in salaries	3.8	4.2
Rate of increase for pensions in payment/inflation	2.3	2.7
Discount rate for scheme liabilities	2.7	2.6
Inflation assumption (CPI)	2.3	2.7

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	23.1	23.0
Females	25.2	25.1
 Retiring in 20 years:		
Males	25.3	25.2
Females	27.5	27.4

Asset split (%):		
Equities	68.0	70.0
Property	12.0	12.0
Government bonds	1.0	1.0
Corporate bonds	9.0	10.0
Other	7.0	4.0
Cash	3.0	3.0
Total market value of assets	100.0	100.0

Fair Value of fund assets	4,331	3,750
Present value of the defined benefit obligation	(7,351)	(7,221)
Net defined benefit pension liability	(3,020)	(3,471)

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

Current service cost (net of employee contributions)	782	796
Administration expenses	2	2
Financing cost		
Interest on net defined benefit liability/(asset)	85	101
Pension Expense	869	899

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

2018 2017

Analysis of Pension Finance Income

Interest income on assets	103	64
Interest cost on pension liabilities	(188)	(165)
Pension finance income/ (costs)	(85)	(101)

Net movement on assets and liabilities

B/fwd balance 1 September 2017	(3,471)	(4,733)
Inherited on transfer/merger	-	-
Employer contribution	368	332
Current service cost	(782)	(796)
Past service cost	-	-
Interest expense	(188)	(165)
Interest income on assets	103	64
Actuarial gains/(losses)	950	1,827

Deficit at 31 August 2018

(3,020)	(3,471)
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Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	7,221	7,462
Inherited on transfer/merger	-	-
Current service cost	782	796
Interest cost	188	165
Employee contributions	105	97
Actuarial (gain)/ loss	(879)	(1,267)
Benefits paid	(66)	(32)

At 31 August 2018

7,351	7,221
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Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	3,750	2,729
Inherited on merger/transfer	-	-
Interest on income	103	64
Administration expenses	(2)	(2)
Remeasurements gains/ (losses)	73	562
Employer contributions	368	332
Employee contributions	105	97
Benefits paid	(66)	(32)

At 31 August 2018

4,331	3,750
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Actual return on assets:

176	626
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Experience gains and losses on assets

Amount	73	562
Percentage of assets	1.7%	15.0%

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Royal County Council of Berkshire Pension Fund

Principal Actuarial Assumptions (%)	2018	Total 2017
Rate of increase in salaries	3.8	4.2
Rate of increase for pensions in payment/inflation	2.3	2.7
Discount rate for scheme liabilities	2.7	2.6
Inflation assumption (CPI)	2.3	2.7

Commutation

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

Retiring today:

Males	23.1	23.0
Females	25.2	25.1

Retiring in 20 years:

Males	25.3	25.2
Females	27.5	27.4

Asset split (%):

Equities	47.0	50.0
Property	14.0	14.0
Government bonds	-	-
Corporate bonds	15.0	16.0
Other	9.0	8.0
Cash	15.0	12.0
Total market value of assets	<u>100.0</u>	<u>100.0</u>

Fair Value of fund assets	1,002	782
Present value of the defined benefit obligation	<u>(2,460)</u>	<u>(2,409)</u>
Net defined benefit pension liability	<u>(1,458)</u>	<u>(1,627)</u>

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	325	347
Financing cost		
Interest on net defined benefit liability/(asset)	41	29
Pension expense	<u>366</u>	<u>376</u>

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Analysis of Pension Finance Income

Expected return on pension scheme assets	23	16
Interest on pension liabilities	(63)	(44)
Pension finance costs	(40)	(28)

Total	Total
2018	2017

Net movement on assets and liabilities

B/fwd balance 1 September 2017	(1,627)	(1,322)
Inherited on transfer/merger	-	-
Employer contribution	140	130
Current service cost	(325)	(347)
Interest expense	(63)	(44)
Interest income on assets	23	16
Actuarial gains/(losses)	394	(60)
Deficit at 31 August 2018	(1,458)	(1,627)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	2,409	2,040
Inherited on transfer/merger	-	-
Current service cost	325	347
Interest expense	63	44
Employee contributions	44	45
Actuarial Gains / (losses)	(381)	(67)

At 31 August 2018	2,460	2,409
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Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	782	718
Inherited on transfer/merger	-	-
Interest on income	23	16
Remeasurement Gains / (Losses)	13	(127)
Employer contributions	140	130
Employee contributions	44	45

At 31 August 2018	1,002	782
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Actual return on assets:	36	(111)
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REACH2 ACADEMY TRUST

**Notes to the Financial Statements
For the year ended 31 August 2018**

20 Pension and Similar Obligations (continued)

History of experience gains and losses:

Experience gains and losses on assets		
Amount	13	(127)
Percentage of assets	1.3%	(16.2%)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

West Midlands Pension Fund

	Bushbury Lane Primary Academy		Manor Park Primary Academy		Moor Green Primary Academy		Total	
Principal Actuarial Assumptions (%)	2018	2017	2018	2017	2018	2017	2018	2017
Rate of increase in salaries	3.8	4.2	3.8	4.2	3.8	4.2	3.8	4.2
Rate of increase for pensions in payment/inflation	2.3	2.7	2.3	2.7	2.3	2.7	2.3	2.7
Discount rate for scheme liabilities	2.7	2.6	2.7	2.6	2.7	2.6	2.7	2.6
Inflation assumption (CPI)	2.3	2.7	2.3	2.7	2.3	2.7	2.3	2.7
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	21.9	21.8	21.9	21.8	21.9	21.8	21.9	21.8
Females	24.4	24.3	24.4	24.3	24.4	24.3	24.4	24.3
Retiring in 20 years:								
Males	24.1	24.0	24.1	24.0	24.1	24.0	24.1	24.0
Females	26.7	26.6	26.7	26.6	26.7	26.6	26.7	26.6
Asset split (%):								
Equities	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0
Property	8.0	7.0	8.0	7.0	8.0	7.0	8.0	7.0
Government bonds	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Corporate bonds	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Other	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Cash	4.0	5.0	4.0	5.0	4.0	5.0	4.0	5.0
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	97	56	431	252	566	489	1,094	797
Present value of the defined benefit obligation	(489)	(459)	(2,020)	(1,958)	(1,457)	(1,453)	(3,966)	(3,880)
Net defined benefit pension liability	(392)	(403)	(1,589)	(1,706)	(891)	(974)	(2,872)	(3,083)
Total Expenditure Recognised in the Statement of Financial Activities								
Current service cost (net of employee contributions)	66	36	243	242	137	133	446	411
Financing cost								
Interest on net defined benefit liability/(asset)	10	4	42	35	24	8	76	47
Pension expense	76	40	285	277	161	141	522	458
Analysis of Pension Finance Income								
Expected return on pension scheme assets	2	1	9	4	14	8	25	13
Interest on pension liabilities	(12)	(5)	(51)	(39)	(35)	(16)	(101)	(60)
Pension finance costs	(10)	(4)	(42)	(35)	(24)	(8)	(76)	(47)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	Bushbury Lane Primary Academy		Manor Park Primary Academy		Moor Green Primary Academy		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Net movement on assets and liabilities								
B/fwd balance 1 September 2017	(403)	-	(1,706)	(1,662)	(974)	(392)	(3,083)	(2,054)
Inherited on transfer/merger		(364)		-		-	-	(364)
Employer contribution	33	22	154	107	59	59	246	188
Current service cost	(66)	(36)	(243)	(242)	(137)	(133)	(446)	(411)
Interest expense	(12)	(5)	(51)	(39)	(38)	(16)	(101)	(60)
Interest income on assets	2	1	9	4	14	8	25	13
Actuarial gains/(losses)	54	(21)	248	126	185	(500)	487	(395)
Deficit at 31 August 2018	(392)	(403)	(1,589)	(1,708)	(891)	(974)	(2,872)	(3,083)
Movement in the present value of defined benefit obligations:								
B/fwd balance 1 September 2017	459	-	1,958	1,761	1,463	736	3,880	2,497
Inherited on transfer/merger		390		-		-	-	390
Current service cost	66	36	243	242	137	133	446	411
Interest expense	12	5	51	39	38	16	101	60
Employee contributions	8	23	36	38	20	22	64	83
Benefits net of transfers in		5	(15)		(9)	(7)	(24)	(2)
Actuarial Gains / (losses)	(56)		(253)	(122)	(192)	563	(501)	441
At 31 August 2018	489	459	2,020	1,958	1,457	1,463	3,966	3,880
Movement in the fair value of fund assets:								
B/fwd balance 1 September 2017	56	-	252	99	489	344	797	443
Inherited on transfer/merger		26		-		-	-	26
Interest on income	2	1	9	4	14	8	25	13
Remeasurement Gains / (Losses)	(2)	2	(5)	4	(7)	63	(14)	69
Employer contributions	33	22	154	107	59	59	246	188
Employee contributions	8	5	36	38	20	22	64	65
Benefits net of transfers in			(15)		(9)	(7)	(24)	(7)
At 31 August 2018	97	56	431	252	565	489	1,094	797
Actual return on assets:								
	-	3	4	8	7	71	11	82
History of experience gains and losses:								
Experience gains and losses on assets								
Amount	(2)	2	(5)	4	(7)	63	(14)	69
Percentage of assets	(2.1%)	3.6%	(1.2%)	1.6%	(1.2%)	12.9%	(1.3%)	8.7%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Hertfordshire County Council Pension Fund

Principal Actuarial Assumptions (%)	Garden City Academy		Wilshire Dacre Junior Academy		Total	
	2018	2017	2018	2017	2018	2017
Rate of increase in salaries	2.4	3.6	2.5	2.5	2.5	3.1
Rate of increase for pensions in payment/inflation	2.3	2.1	2.4	2.4	2.4	2.3
Discount rate for scheme liabilities	2.8	2.1	2.8	2.5	2.8	2.3
Inflation assumption (CPI)	2.3	2.0	2.4	2.4	2.4	2.2

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	22.5	22.5	22.5	22.5	22.5
Females	24.9	24.9	24.9	24.9	24.9	24.9
Retiring in 20 years:						
Males	24.1	24.1	24.1	24.1	24.1	24.1
Females	26.7	26.7	26.7	26.7	26.7	26.7

Asset split (%):						
Equities	53.0	65.0	53.0	65.0	53.0	65.0
Property	8.0	7.0	8.0	7.0	8.0	7.0
Government bonds	35.0	25.0	35.0	25.0	35.0	25.0
Corporate bonds	-	-	-	-	-	-
Other	-	-	-	-	-	-
Cash	4.0	3.0	4.0	3.0	4.0	3.0
Total market value of assets	100.0	100.0	100.0	100.0	100.0	100.0

Fair Value of fund assets	586	488	558	494	1,144	982
Present value of the defined benefit obligation	(814)	(757)	(818)	(767)	(1,632)	(1,524)
Net defined benefit pension liability	(228)	(269)	(260)	(273)	(488)	(542)

Total Expenditure Recognised In the
Statement of Financial Activities

Current service cost (net of employee contributions)	123	104	81	68	204	172
Financing cost						
Interest on net defined benefit liability/(asset)	8	8	7	8	15	16
Pension expense	131	112	88	76	219	188

Analysis of Pension Finance Income

Expected return on pension scheme assets	13	9	13	8	26	17
Interest on pension liabilities	(21)	(17)	(20)	(16)	(41)	(33)
Pension finance costs	(8)	(8)	(7)	(8)	(15)	(16)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	Garden City Academy		Wiltshire Dacre Junior		Total	
	2018	2017	2018	2017	2018	2017
Net movement on assets and liabilities						
B/fwd balance 1 September 2017	(269)	(373)	(273)	(344)	(542)	(717)
Inherited on transfer/merger	-	-	-	-	-	-
Employer contribution	75	73	48	43	123	116
Current service cost	(123)	(104)	(81)	(68)	(204)	(172)
Interest expense	(21)	(17)	(20)	(16)	(41)	(33)
Interest income on assets	13	9	13	8	26	17
Actuarial gains/(losses)	97	143	53	104	150	247
Deficit at 31 August 2018	(228)	(269)	(260)	(273)	(488)	(542)
Movement in the present value of defined benefit obligations:						
B/fwd balance 1 September 2017	757	774	767	745	1,524	1,519
Inherited on transfer/merger	-	-	-	-	-	-
Current service cost	123	104	81	68	204	172
Interest expense	21	17	20	16	41	33
Employee contributions	17	16	11	10	28	26
Benefits net of transfers in	(3)	(2)	(2)	(6)	(5)	(8)
Actuarial Gains / (losses)	(101)	(152)	(59)	(66)	(160)	(218)
At 31 August 2018	814	757	818	767	1,632	1,524
Movement in the fair value of fund assets:						
B/fwd balance 1 September 2017	469	401	494	401	982	802
Inherited on transfer/merger	-	-	-	-	-	-
Interest on income	13	9	13	8	26	17
Remeasurement Gains / (Losses)	15	(9)	(6)	38	9	29
Employer contributions	75	73	48	43	123	116
Employee contributions	17	16	11	10	28	26
Benefits net of transfers in	(3)	(2)	(2)	(6)	(5)	(8)
At 31 August 2018	586	488	558	494	1,163	982
Actual return on assets:	28	-	7	46	35	46
History of experience gains and losses:						
Experience gains and losses on assets						
Amount	15	(9)	(6)	38	9	29
Percentage of assets	2.6%	(1.8%)	(1.1%)	7.7%	0.8%	3.0%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

London Borough of Barking and Dagenham Pension Fund

Principal Actuarial Assumptions (%)	2018	2017
Rate of increase in salaries	2.8	2.9
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5
Inflation assumption (CPI)	2.3	2.7

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	22.0
Females	24.7	24.7
Retiring in 20 years:		
Males	24.0	24.0
Females	26.4	26.4

Asset split (%):		
Equities	75.0	75.0
Property	6.0	6.0
Government bonds	17.0	19.0
Cash	2.0	-
Total market value of assets	100.0	100.0

Fair Value of fund assets	1,303	1,118
Present value of the defined benefit obligation	(1,607)	(1,488)
Net defined benefit pension liability	(304)	(370)

Total Expenditure Recognised in the
Statement of Financial Activities

Operating cost		
Current service cost (net of employee contributions)	247	170
Financing cost		
Interest on net defined benefit liability/(asset)	12	14
Pension expense	259	184

2018 2017

Analysis of Pension Finance Income

Interest income on assets	29	16
Interest on pension liabilities	(41)	(30)
Pension finance costs	(12)	(14)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

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

B/fwd balance 1 September 2017	(370)	(649)
Inherited on transfer/merger		-
Employer contribution	104	94
Current service cost	(247)	(170)
Past service cost		-
Interest expense	(41)	(30)
Interest income on assets	29	16
Actuarial (losses) / gains	221	369
Deficit at 31 August 2018	(304)	(370)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	1,488	1,348
Inherited on transfer/merger		-
Current service cost	247	170
Interest expense	41	30
Employee contributions	33	30
Actuarial (gains)/ losses	(191)	(79)
Benefits paid	(11)	(11)
At 31 August 2018	1,607	1,488

Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	1,118	699
Inherited on transfer/merger		-
Interest on assets	29	16
Remeasurement gains/ (losses)	30	290
Employer contributions	104	94
Employee contributions	33	30
Benefits paid	(11)	(11)
At 31 August 2018	1,303	1,118

Actual return on assets:	59	306
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History of experience gains and losses:

Experience gains and losses on assets		
Amount	30	290
Percentage of assets	2.3%	25.9%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Croydon Pension Fund

Principal Actuarial Assumptions (%)	Aerodrome Primary Academy		Castle Hill Academy		Robert Fitzroy Academy		St Marks COFE Academy		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Rate of increase in salaries	2.8	2.9		2.9	2.8	2.9	2.9	2.9	2.8	2.9
Rate of increase for pensions in payment/inflation	2.3	2.4		2.4	2.3	2.4	2.4	2.4	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5		2.5	2.8	2.5	2.4	2.5	2.7	2.5
Inflation assumption (CPI)	2.3	2.4		2.4	2.3	2.4	2.3	2.4	2.3	2.4

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	22.30	22.3
Females	24.4	24.4		24.4	24.4	24.4	24.4	24.4	24.40	24.4

Retiring in 20 years:

Males	24	24		24	24	24	24	24	24.00	24.0
Females	26.2	26.2		26.2	26.2	26.2	26.2	26.2	26.20	26.2

Asset split (%):

Equities	71.0	69.0		69.0	71.0	69.0	71.0	69.0	71.00	69.0
Property	12.0	11.0		11.0	12.0	11.0	12.0	11.0	12.00	11.0
Government bonds	16.0	17.0		17.0	16.0	17.0	16.0	17.0	16.00	17.0
Corporate bonds	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.00	0.0
Other	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.00	0.0
Cash	1.0	3.0		3.0	1.0	3.0	1.0	3.0	1.00	3.0
Total market value of assets	100.0	100.0		100.0	100.0	100.0	100.0	100.0	100.00	100.0

Fair Value of fund assets

	1,068	832		-	1,216	486	297	321	239	1,875	2,584
Present value of the defined benefit obligation	(1,799)	(1,643)		-	(2,295)	(697)	(691)	(681)	(608)	(3,377)	(5,237)
Net defined benefit pension liability	(731)	(811)		-	(1,079)	(411)	(394)	(360)	(369)	(1,502)	(2,653)

Total Expenditure Recognised In the Statement of
Financial Activities

Current service cost (net of employee contributions)	285	279		0	354	301	280	102	81	688	994
Financing cost											
Interest on net defined benefit liability/(asset)	22	20		0	29	13	11	10	9	45	69
Total operating charge	307	299		-	383	314	291	112	90	733	1,063

Analysis of Pension Finance Income

Interest income on assets	23	17		-	23	9	7	7	4	39	51
Interest on pension liabilities	(45)	(37)		-	(52)	(22)	(18)	(17)	(13)	(84)	(120)
Pension finance income/ (costs)	(22)	(20)		-	(29)	(13)	(11)	(10)	(9)	(45)	(69)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	Aerodrome Primary Academy		Castle Hill Academy		Robert Fitzroy Academy		St Marks Church of England Primary		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Net movement on assets and liabilities										
B/fwd balance 1 September 2017	(811)	(884)	(1,079)	(1,358)	(394)	(423)	(369)	(434)	(2,653)	(3,099)
Inherited on transfer/merger	-	-	1,079	-	-	-	-	-	1,079	-
Employer contribution	124	115	-	180	115	83	52	59	291	437
Current service cost	(285)	(279)	-	(354)	(301)	(280)	(102)	(81)	(688)	(994)
Interest expense	(45)	(37)	-	(52)	(22)	(18)	(17)	(13)	(84)	(120)
Interest income on assets	23	17	-	23	9	7	7	4	39	51
Actuarial gains/(losses)	263	257	-	482	182	237	69	96	514	1,072
Deficit at 31 August 2018	(731)	(811)	-	(1,079)	(411)	(394)	(360)	(369)	(1,502)	(2,653)
Movement in the present value of defined benefit obligations:										
B/fwd balance 1 September 2017	1,643	1,612	2,295	2,385	691	713	608	603	5,237	5,313
Inherited on transfer/merger	-	-	(2,295)	-	-	-	-	-	(2,295)	-
Current service cost	285	279	-	354	301	280	102	81	688	994
Interest cost	45	37	-	52	22	18	17	13	84	120
Employee contributions	41	42	-	54	42	42	14	12	87	150
Actuarial Losses / (Gains)	(208)	(324)	-	(548)	(159)	(362)	(53)	(99)	(420)	(1,333)
Benefits paid	(7)	(3)	-	(2)	-	-	(7)	(2)	(14)	(7)
At 31 August 2018	1,799	1,643	-	2,295	897	691	681	608	3,377	5,237
Movement in the fair value of fund assets:										
B/fwd balance 1 September 2017	832	728	1,216	1,027	297	290	239	169	2,584	2,214
Inherited on transfer/merger	-	-	(1,216)	-	-	-	-	-	(1,216)	-
Interest on assets	23	17	-	23	9	7	7	4	39	51
Remeasurements gains / (losses)	55	(67)	-	(66)	23	(125)	16	(3)	94	(261)
Employer contributions	124	115	-	180	115	83	52	59	291	437
Employee contributions	41	42	-	54	42	42	14	12	97	150
Benefits paid	(7)	(3)	-	(2)	-	-	(7)	(2)	(14)	(7)
At 31 August 2018	1,068	832	-	1,216	486	297	321	239	1,875	2,584
Actual return on assets:	78	(50)	-	(43)	32	(118)	23	1	133	(210)
History of experience gains and losses:										
Experience gains and (losses) on assets										
Amount	55	(67)	-	(66)	23	(125)	16	(3)	94	(261)
Percentage of assets	5.1%	(8.1%)	-	(5.4%)	4.7%	(42.1%)	5.0%	(1.3%)	5.0%	(10.1%)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

London Borough of Havering Pension Fund

	Langtons Junior Academy		Concordia Primary Academy		Total	
	2018	2017	2018	2017	2018	2017
Principal Actuarial Assumptions (%)						
Rate of increase in salaries	2.7	2.7	2.6	2.7	2.6	2.7
Rate of increase for pensions in payment/inflation	2.4	2.4	2.3	2.4	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5	2.8	2.5	2.8	2.5
Inflation assumption (CPI)	2.4		2.3		2.4	
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	22	22	22	22	22
Females	24.2	24.2	24.2	24.2	24.2	24.2
Retiring in 20 years:						
Males	23.9	23.9	23.9	23.9	23.9	23.9
Females	26.3	26.3	26.3	26.3	26.3	26.3
Asset split (%):						
Equities	52	75.0	52	75.0	52	75.0
Property	8	6.0	8	6.0	8	6.0
Government bonds	28	17.0	28	17.0	28	17.0
Cash	12	2.0	12	2.0	12	2.0
Total market value of assets	100.0	100.0	100.0	100.0	100.0	100.0
Fair Value of fund assets	770	674	24	7	794	681
Present value of the defined benefit obligation	(930)	(863)	(35)	(13)	(965)	(876)
Net defined benefit pension liability	(160)	(189)	(11)	(6)	(171)	(195)
Total Expenditure Recognised in the Statement of Financial Activities						
Operating cost						
Current service cost (net of employee contributions)	99	98	26	12	125	110
Financing cost						
Interest on net defined benefit liability/(asset)	5	9	-	-	5	9
Pension expense	104	107	26	12	130	119
Analysis of Pension Finance Income						
Interest income on assets	18	12	-	-	18	12
Interest on pension liabilities	(23)	(21)	(1)	-	(24)	(21)
Pension finance costs	(5)	(9)	(1)	-	(6)	(9)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities

B/fwd balance 1 September 2017	(189)	(425)	(6)	-	(195)	(425)
Inherited on transfer/merger	-	-	-	-	-	-
Employer contribution	53	51	12	5	65	56
Current service cost	(99)	(98)	(26)	(12)	(125)	(110)
Past service cost	-	-	-	-	-	-
Interest expense	(23)	(21)	(1)	-	(24)	(21)
Interest income on assets	18	12	-	-	18	12
Actuarial (losses) / gains	80	292	10	1	90	293
Deficit at 31 August 2018	(160)	(189)	(11)	(6)	(171)	(195)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	863	1,003	13	-	876	1,003
Inherited on transfer/merger	-	-	-	-	-	-
Current service cost	99	98	26	12	125	110
Interest expense	23	21	1	-	24	21
Employee contributions	14	12	4	2	18	14
Actuarial (gains)/ losses	(65)	(267)	(9)	(1)	(74)	(268)
Benefits paid	(4)	(4)	-	-	(4)	(4)
At 31 August 2018	930	863	35	13	965	876

Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	674	578	7	-	681	578
Inherited on transfer/merger	-	-	-	-	-	-
Interest on assets	18	12	-	-	18	12
Remeasurement gains/ (losses)	15	25	1	-	16	25
Employer contributions	53	51	12	5	65	56
Employee contributions	14	12	4	2	18	14
Benefits paid	(4)	(4)	-	-	(4)	(4)
At 31 August 2018	770	674	24	7	794	681

Actual return on assets:	33	37	1	-	34	37
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History of experience gains and losses:

Experience gains and losses on assets						
Amount	15	25	1	-	16	25
Percentage of assets	1.9%	3.7%	4.2%	0.0%	2.0%	3.7%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

London Brough of Lewisham

Principal Actuarial Assumptions (%)	2018	2017
Rate of increase in salaries	3.0	3.1
Rate of increase for pensions in payment/inflation	2.3	2.5
Discount rate for scheme liabilities	2.8	2.4
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	22.2
Females	24.6	24.6
Retiring in 20 years:		
Males	24.0	24.0
Females	26.5	26.5

Asset split (%):

Equities	60.0	64.0
Property	8.0	8.0
Government bonds	24.0	19.0
Cash	8.0	9.0
Total market value of assets	100.0	100.0

Fair Value of fund assets	1,578	1,299
Present value of the defined benefit obligation	(2,625)	(2,521)
Net defined benefit pension liability	(1,047)	(1,222)

Total Expenditure Recognised in the
Statement of Financial Activities

Operating cost

Current service cost (net of employee contributions)	309	285
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Financing cost

Interest on net defined benefit liability/(asset)	32	34
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Pension expense	341	319
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REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

	2018	2017
Analysis of Pension Finance Income		
Interest income on assets	35	22
Interest on pension liabilities	(67)	(56)
Pension finance costs	(32)	(34)
20 Pension and Similar Obligations (continued)		
Net movement on assets and liabilities		
B/fwd balance 1 September 2017	(1,222)	(1,578)
Inherited on transfer/merger	-	-
Employer contribution	166	143
Current service cost	(309)	(285)
Past service cost	-	-
Interest expense	(67)	(56)
Interest income on assets	35	22
Actuarial (losses) / gains	350	532
Deficit at 31 August 2018	(1,047)	(1,222)
Movement in the present value of defined benefit obligations:		
B/fwd balance 1 September 2017	2,521	2,512
Inherited on transfer/merger	-	-
Current service cost	309	285
Interest expense	67	56
Employee contributions	47	47
Actuarial (gains)/ losses	(317)	(377)
Benefits paid	(2)	(2)
At 31 August 2018	2,625	2,521
Movement in the fair value of fund assets:		
B/fwd balance 1 September 2017	1,299	934
Inherited on transfer/merger	-	-
Interest on assets	35	22
Remeasurement gains/ (losses)	33	155
Employer contributions	166	143
Employee contributions	47	47
Benefits paid	(2)	(2)
At 31 August 2018	1,578	1,299
Actual return on assets:	68	177
History of experience gains and losses:		
Experience gains and losses on assets		
Amount	33	155
Percentage of assets	2.1%	11.9%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

London Borough of Barnet

Principal Actuarial Assumptions (%)	Total	
	2018	2017
Rate of increase in salaries	2.6	N/A
Rate of increase for pensions in payment/inflation	2.3	N/A
Discount rate for scheme liabilities	2.8	N/A
Inflation assumption (CPI)	2.3	N/A

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	21.9	N/A
Females	24.3	N/A
Retiring in 20 years:		
Males	23.9	N/A
Females	26.5	N/A

Asset split (%):		
Equities	58.00	N/A
Property	0.00	N/A
Bonds	30.00	N/A
Cash	12.00	N/A
Total market value of assets	100.0	0.0

Fair Value of fund assets	173	-
Present value of the defined benefit obligation	(987)	-
Net defined benefit pension liability	(814)	-

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	230	
Financing cost		
Interest on net defined benefit liability/(asset)	22	
Total operating charge	252	-

Analysis of Pension Finance Income

Interest income on assets	2	-
Interest on pension liabilities	(24)	-
Pension finance income/ (costs)	(22)	-

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities	Total	
	2018	2017
B/fwd balance 1 September 2017	-	-
Inherited on transfer/merger	(837)	-
Employer contribution	138	-
Current service cost	(230)	-
Interest expense	(24)	-
Interest income on assets	2	-
Actuarial gains/(losses)	137	-
Deficit at 31 August 2018	(814)	-

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	-	-
Inherited on transfer/merger	837	-
Current service cost	230	-
Interest cost	24	-
Employee contributions	32	-
Actuarial Losses / (Gains)	(136)	-
Benefits paid	-	-
At 31 August 2018	987	-

Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	-	-
Inherited on transfer/merger	-	-
Interest on assets	2	-
Remeasurements gains / (losses)	1	-
Employer contributions	138	-
Employee contributions	32	-
Benefits paid	-	-
At 31 August 2018	173	-

Actual return on assets:	3	-
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History of experience gains and losses:

Experience gains and (losses) on assets		
Amount	1	-
Percentage of assets	0.6%	0.0%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Staffordshire

Principal Actuarial Assumptions (%)	Total	
	2018	2017
Rate of increase in salaries	2.7	2.8
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5
Inflation assumption (CPI)	2.3	2.4

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	22.1	22.1
Females	24.4	24.4
Retiring in 20 years:		
Males	24.1	24.1
Females	26.4	26.4

Asset split (%):

Equities	70	76
Property	8	8
Government bonds	19	12
Corporate bonds	0	0
Other	0	0
Cash	3	4
Total market value of assets	100	100

Fair Value of fund assets	2,945	2,335
Present value of the defined benefit obligation	(4,893)	(4,531)
Net defined benefit pension liability	(1,948)	(2,196)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	729	604
Financing cost		
Interest on net defined benefit liability/(asset)	59	4
Total operating charge	788	608

Analysis of Pension Finance Income

Interest income on assets	64	6
Interest on pension liabilities	(123)	(10)
Pension finance income/ (costs)	(59)	(4)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities	Total	
	2018	2017
B/fwd balance 1 September 2017	(2,196)	(2,194)
Inherited on transfer/merger		-
Employer contribution	369	331
Current service cost	(729)	(604)
Interest expense	(123)	(10)
Interest income on assets	64	4
Actuarial gains/(losses)	667	277
Deficit at 31 August 2018	(1,948)	(2,196)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	4,531	140
Inherited on transfer/merger		-
Current service cost	729	604
Interest cost	123	10
Employee contributions	102	92
Actuarial Losses / (Gains)	(560)	3,720
Benefits paid	(32)	(35)
At 31 August 2018	4,893	4,531

Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	2,335	99
Inherited on transfer/merger		-
Interest on assets	64	6
Remeasurements gains / (losses)	107	1,842
Employer contributions	369	331
Employee contributions	102	92
Benefits paid	(32)	(35)
At 31 August 2018	2,945	2,335

Actual return on assets:	171	1,842
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History of experience gains and losses:

Experience gains and (losses) on assets		
Amount	107	5,562
Percentage of assets	3.6%	238.2%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Suffolk Pension Fund

Principal Actuarial Assumptions (%)	Beccles Primary Academy		Guntton Primary Academy		Marllesham Primary Academy		Phoenix St. Peter Primary Academy		Northfield St Nicholas Primary		Sprites Primary Academy		St Margarets Primary Academy		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Rate of increase in salaries	2.7	2.7	2.7	2.7	2.6	2.7	2.6	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Rate of increase for pensions in payment/inflation	2.4	2.4	2.4	2.4	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Discount rate for scheme liabilities	2.8	2.5	2.8	2.5	2.8	2.5	2.8	2.5	2.8	2.5	2.8	2.5	2.8	2.5	2.8	2.5
Inflation assumption (CPI)	2.4	2.4	2.4	2.4	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4

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	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9	21.9
Females	24.4	24.4	24.4	24.4	24.4	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	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9	23.9
Females	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4	26.4

Asset split (%):

Equities	62.0	68.0	62.0	68.0	62.0	68.0	62.0	68.0	62.0	68.0	62.0	68.0	62.0	68.0	62.0	68.0
Property	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Government bonds	27.0	21.0	27.0	21.0	27.0	21.0	27.0	21.0	27.0	21.0	27.0	21.0	27.0	21.0	27.0	21.0
Cash	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total market value of assets	100.0	n/a	100.0	n/a	100.0	n/a	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	571	492	649	549	120	86	529	453	1,114	925	936	786	748	618	4,667	3,909
Present value of the defined benefit obligation	(944)	(907)	(1,173)	(1,114)	(177)	(150)	(691)	(677)	(1,975)	(1,855)	(1,415)	(1,320)	(996)	(897)	(7,371)	(6,920)
Net defined benefit pension liability	(373)	(415)	(524)	(565)	(57)	(64)	(162)	(224)	(861)	(930)	(479)	(534)	(248)	(279)	(2,704)	(3,011)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	34	81	107	90	37	39	68	70	210	172	145	142	138	124	789	718
Financing cost																
Interest on net defined benefit liability/(asset)	11	12	14	17	1	2	6	6	24	26	14	16	7	9	77	88
Total operating charge	95	93	121	107	38	41	74	76	234	198	159	158	145	133	866	806

Analysis of Pension Finance Income

Interest income on assets	13	9	15	9	3	1	12	5	25	19	21	12	17	7	106	62
Interest on pension liabilities	(24)	(21)	(29)	(26)	(4)	(3)	(18)	(11)	(49)	(45)	(35)	(28)	(24)	(16)	(183)	(150)
Pension finance income/ (costs)	(11)	(12)	(14)	(17)	(1)	(2)	(6)	(6)	(24)	(26)	(14)	(16)	(7)	(9)	(77)	(88)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

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	
Net movement on assets and liabilities	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
B/fwd balance 1 September 2017	(415)	(558)	(565)	(818)	(64)	(85)	(224)	(287)	(930)	(1,289)	(534)	(802)	(279)	(377)	(3,011)	(4,216)
Inherited on transfer/merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employer contribution	54	57	69	61	24	25	44	47	135	121	95	95	89	89	510	495
Current service cost	(84)	(81)	(107)	(90)	(37)	(39)	(58)	(70)	(210)	(172)	(145)	(142)	(138)	(124)	(789)	(718)
Interest expense	(24)	(21)	(29)	(26)	(4)	(3)	(18)	(11)	(49)	(45)	(35)	(28)	(24)	(16)	(183)	(150)
Interest income on assets	13	9	15	9	3	1	12	5	25	19	21	12	17	7	106	62
Actuarial gains/(losses)	83	179	93	299	21	37	92	92	168	436	119	331	87	142	663	1,516
Deficit at 31 August 2018	(373)	(415)	(524)	(565)	(57)	(64)	(162)	(224)	(851)	(930)	(479)	(534)	(248)	(279)	(2,704)	(3,011)
Movement in the present value of defined benefit obligations:																
B/fwd balance 1 September 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
Inherited on transfer/merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current service cost	84	81	107	90	37	39	88	70	210	172	145	142	138	124	789	718
Interest cost	24	21	29	26	4	3	18	11	49	45	35	28	24	16	183	150
Employee contributions	12	12	15	13	5	5	9	9	29	24	20	20	19	18	109	101
Actuarial Losses / (Gains)	(70)	(155)	(79)	(248)	(19)	(30)	(80)	80	(144)	(516)	(98)	(196)	(71)	67	(561)	(998)
Benefits paid	(13)	(9)	(13)	(16)	-	-	(1)	-	(24)	(30)	(7)	(16)	(11)	(11)	(69)	(82)
At 31 August 2018	944	907	1,173	1,114	177	150	691	677	1,975	1,855	1,415	1,320	996	897	7,371	6,920
Movement in the fair value of fund assets:																
B/fwd balance 1 September 2017	492	399	549	431	86	48	453	220	925	871	786	540	618	306	3,909	2,815
Inherited on transfer/merger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on assets	13	9	15	9	3	1	12	5	25	19	21	12	17	7	106	62
Remeasurements gains / (losses)	13	24	14	51	2	7	12	172	24	(80)	21	135	16	209	102	518
Employer contributions	54	57	69	61	24	25	44	47	135	121	95	95	89	89	510	495
Employee contributions	12	12	15	13	5	5	9	10	29	24	20	20	19	18	109	102
Benefits paid	(13)	(9)	(13)	(16)	-	-	(1)	(1)	(24)	(30)	(7)	(16)	(11)	(11)	(69)	(83)
At 31 August 2018	571	492	649	549	120	86	529	453	1,114	925	936	786	748	618	4,667	3,909
Actual return on assets:	26	24	29	60	5	8	24	177	49	(61)	42	147	33	216	208	580
History of experience gains and losses:																
Experience gains and (losses) on assets																
Amount	13	24	14	51	2	7	12	172	24	(80)	21	135	16	209	102	518
Percentage of assets	2.3%	4.9%	2.2%	9.3%	1.7%	8.1%	2.3%	38.0%	2.2%	(8.6%)	2.2%	17.2%	2.1%	33.8%	2.2%	13.3%

REACH2 ACADEMY TRUST

**Notes to the Financial Statements
For the year ended 31 August 2018**

20 Pension and Similar Obligations (continued)

Warwickshire County Council Pension Fund

Principal Actuarial Assumptions (%)	2018	2017
Rate of increase in salaries	2.9	3.0
Rate of increase for pensions in payment/inflation	2.3	2.1
Discount rate for scheme liabilities	2.8	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	22.5	22.5
Females	24.7	24.7
Retiring in 20 years:		
Males	24.3	24.3
Females	26.7	26.7

Asset split (%):

Equities	63	65
Property	12	11
Government bonds	22	22
Corporate bonds		
Other		
Cash	3	2
Total market value of assets	<u>100.0</u>	<u>100.0</u>

Fair Value of fund assets	2,256	1,961
Present value of the defined benefit obligation	<u>(3,702)</u>	<u>(3,643)</u>
Net defined benefit pension liability	<u>(1,446)</u>	<u>(1,682)</u>

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

Current service cost (net of employee contributions)	344	364
Administration expenses		
Financing cost		
Interest on net defined benefit liability/(asset)	45	52
Pension Expense	<u>389</u>	<u>416</u>

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	2018	2017
Analysis of Pension Finance Income		
Interest income on assets	51	33
Interest cost on pension liabilities	(96)	(85)
Pension finance income/ (costs)	<u>(45)</u>	<u>(52)</u>
Net movement on assets and liabilities		
B/fwd balance 1 September 2017	(1,682)	(2,116)
Inherited on transfer/merger	-	-
Employer contribution	168	172
Current service cost	(344)	(364)
Past service cost	-	-
Interest expense	(96)	(85)
Interest income on assets	51	33
Actuarial gains/(losses)	457	678
Deficit at 31 August 2018	<u>(1,446)</u>	<u>(1,682)</u>
Movement in the present value of defined benefit obligations:		
B/fwd balance 1 September 2017	3,643	3,836
Inherited on transfer/merger	-	-
Current service cost	344	364
Interest cost	96	85
Employee contributions	48	59
Actuarial (gain)/ loss	(415)	(688)
Benefits paid	(14)	(13)
At 31 August 2018	<u>3,702</u>	<u>3,643</u>
Movement in the fair value of fund assets:		
B/fwd balance 1 September 2017	1,961	1,464
Inherited on merger/transfer	-	-
Interest on income	51	33
Administration expenses	-	-
Remeasurements gains/ (losses)	42	246
Employer contributions	168	172
Employee contributions	48	59
Benefits paid	(14)	(13)
At 31 August 2018	<u>2,256</u>	<u>1,961</u>
Actual return on assets:	<u>93</u>	<u>279</u>
Experience gains and losses on assets		
Amount	42	246
Percentage of assets	1.9%	12.5%

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

West Sussex Pension Fund

Principal Actuarial Assumptions (%)	Eastbrook Primary		The Globe Primary		White Meadows Primary		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Rate of increase in salaries	3.1	3.1	3.0	3.1	3.1	3.1	3.1	3.1
Rate of increase for pensions in payment/inflation	2.4	2.5	2.3	2.5	2.4	2.5	2.4	2.5
Discount rate for scheme liabilities	2.8	2.4	2.8	2.4	2.8	2.4	2.8	2.4
Inflation assumption (CPI)	2.4	2.4	2.3	2.4	2.4	2.4	2.4	2.4

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	23.6	23.6	23.6	23.6	23.6	23.6	23.6
Females	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Retiring in 20 years:								
Males	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
Females	27.8	27.8	27.8	27.8	27.8	27.8	27.8	27.8

Asset split (%):

Equities	54.0	52.0	54.0	52.0	54.0	52.0	54.0	52.0
Property	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Government bonds	35.0	37.0	35.0	37.0	35.0	37.0	35.0	37.0
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	1,138	969	1,597	1,364	1,610	1,368	4,345	3,701
Present value of the defined benefit obligation	(1,562)	(1,448)	(1,959)	(1,892)	(1,999)	(1,806)	(5,520)	(5,148)
Net defined benefit pension liability	(424)	(479)	(362)	(528)	(389)	(440)	(1,175)	(1,447)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	179	158	206	192	282	225	667	575
Financing cost	-	-	-	-	-	-	-	-
Interest on net defined benefit liability/(asset)	13	15	14	19	13	12	40	46
Total operating charge	192	173	220	211	295	237	707	621

Analysis of Pension Finance Income

Interest income on assets	25	17	36	24	36	23	97	64
Interest on pension liabilities	(38)	(32)	(50)	(43)	(49)	(35)	(137)	(110)
Pension finance income/ (costs)	(13)	(15)	(14)	(19)	(13)	(12)	(40)	(46)

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities	Eastbrook Primary		The Globe Primary		White Meadows Primary		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
B/fwd balance 1 September 2017	(479)	(586)	(528)	(865)	(440)	(541)	(1,447)	(2,092)
Inherited on transfer/merger	-	-	-	-	-	-	-	-
Employer contribution	93	79	115	127	137	150	345	356
Current service cost	(179)	(158)	(206)	(192)	(282)	(225)	(667)	(575)
Interest expense	(38)	(32)	(50)	(43)	(48)	(35)	(137)	(110)
Interest income on assets	25	17	36	24	36	23	97	64
Actuarial gains/(losses)	154	301	271	421	209	188	634	910
Deficit at 31 August 2018	<u>(424)</u>	<u>(479)</u>	<u>(362)</u>	<u>(528)</u>	<u>(389)</u>	<u>(440)</u>	<u>(1,175)</u>	<u>(1,447)</u>
Movement in the present value of defined benefit obligations:								
B/fwd balance 1 September 2017	1,448	1,438	1,892	1,936	1,808	1,629	5,148	5,003
Inherited on transfer/merger	-	-	-	-	-	-	-	-
Current service cost	179	158	206	192	282	225	667	575
Interest cost	38	32	50	43	49	35	137	110
Employee contributions	23	22	27	26	38	36	88	84
Actuarial Losses / (Gains)	(111)	(188)	(210)	(302)	(148)	(77)	(469)	(567)
Benefits paid	(15)	(14)	(6)	(3)	(30)	(40)	(51)	(57)
At 31 August 2018	<u>1,562</u>	<u>1,448</u>	<u>1,959</u>	<u>1,892</u>	<u>1,999</u>	<u>1,808</u>	<u>5,520</u>	<u>5,148</u>
Movement in the fair value of fund assets:								
B/fwd balance 1 September 2017	969	752	1,364	1,071	1,368	1,088	3,701	2,911
Inherited on transfer/merger	-	-	-	-	-	-	-	-
Interest on assets	25	17	36	24	36	23	97	64
Remeasurements gains / (losses)	43	113	61	119	61	111	165	343
Employer contributions	93	79	115	127	137	150	345	356
Employee contributions	23	22	27	26	38	36	88	84
Benefits paid	(15)	(14)	(6)	(3)	(30)	(40)	(51)	(57)
At 31 August 2018	<u>1,138</u>	<u>969</u>	<u>1,597</u>	<u>1,364</u>	<u>1,610</u>	<u>1,368</u>	<u>4,345</u>	<u>3,701</u>
Actual return on assets:	<u>68</u>	<u>130</u>	<u>97</u>	<u>143</u>	<u>97</u>	<u>134</u>	<u>262</u>	<u>407</u>
History of experience gains and losses:								
Experience gains and (losses) on assets								
Amount	43	113	61	119	61	111	165	343
Percentage of assets	3.8%	11.7%	3.8%	8.7%	3.6%	8.1%	3.8%	9.3%

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

London Borough of Bexley Pension Fund

Principal Actuarial Assumptions (%)	2018	2017
Rate of increase in salaries	3.6	3.7
Rate of increase for pensions in payment/inflation	2.2	2.2
Discount rate for scheme liabilities	2.8	2.4
Inflation assumption (CPI)	2.1	2.2

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	23.1	23.0
Females	26.1	26.0
Retiring in 20 years:		
Males	25.3	25.2
Females	28.4	28.3

Asset split (%):		
Equities	40.7	60.1
Property	11.2	10.6
Other bonds	19.0	8.7
Cash	0.1	0.7
Other bonds	29.0	19.9
Total market value of assets	100.0	100.0

Fair Value of fund assets	1,025	855
Present value of the defined benefit obligation	(1,537)	(1,489)
Net defined benefit pension liability	(512)	(634)

Total Expenditure Recognised in the Statement of Financial Activities

Operating cost		
Current service cost (net of employee contributions)	148	143
Admin expenses	3	3
Financing cost		
Interest on net defined benefit liability/(asset)	14	11
Pension expense	165	157

2018 2017

Analysis of Pension Finance Income

Interest income on assets	22	15
Interest on pension liabilities	(36)	(26)
Pension finance costs	(14)	(11)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities

B/fwd balance 1 September 2017	(634)	(574)
Inherited on transfer/merger		-
Employer contribution	122	85
Current service cost	(148)	(143)
Benefits paid		-
Interest expense	(36)	(26)
Interest income on assets	22	15
Actuarial (losses) / gains	162	9
Deficit at 31 August 2018	(512)	(634)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	1,489	1,230
Inherited on transfer/merger		-
Current service cost	148	143
Interest expense	36	26
Employee contributions	24	22
Actuarial (gains)/ losses	(146)	92
Benefits paid	(14)	(24)
At 31 August 2018	1,537	1,489

Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	855	656
Inherited on transfer/merger		-
Interest on assets	22	15
Remeasurement gains/ (losses)	16	101
Employer contributions	122	85
Employee contributions	24	22
Benefits paid	(14)	(24)
At 31 August 2018	1,025	855

Actual return on assets:	38	116
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History of experience gains and losses:

Experience gains and losses on assets		
Amount	16	101
Percentage of assets	1.6%	11.8%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Buckinghamshire County Council

Principal Actuarial Assumptions (%)	Total	
	2018	2017
Rate of increase in salaries	3.8	N/A
Rate of increase for pensions in payment/inflation	2.3	N/A
Discount rate for scheme liabilities	2.7	N/A
Inflation assumption (CPI)	2.3	N/A

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	24.0	N/A
Females	26.1	N/A

Retiring in 20 years:

Males	26.3	N/A
Females	28.5	N/A

Asset split (%):

Equities	52.0	N/A
Property	7.0	N/A
Government bonds	12.0	N/A
Corporate bonds	12.0	N/A
Other	11.0	N/A
Cash	6.0	N/A
Total market value of assets	100.0	0.0

Fair Value of fund assets	33	-
Present value of the defined benefit obligation	(49)	-
Net defined benefit pension liability	(16)	-

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	49	
Financing cost		
Interest on net defined benefit liability/(asset)	-	
Total operating charge	49	-

Analysis of Pension Finance Income

Interest income on assets	-	-
Interest on pension liabilities	-	-
Pension finance income/ (costs)	-	-

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities	Total	
	2018	2017
B/fwd balance 1 September 2017	-	-
Inherited on transfer/merger	-	-
Employer contribution	26	-
Current service cost	(49)	-
Interest expense	-	-
Interest income on assets	-	-
Actuarial gains/(losses)	7	-
Deficit at 31 August 2018	(16)	-

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	-	-
Inherited on transfer/merger	-	-
Current service cost	49	-
Interest cost	-	-
Employee contributions	7	-
Actuarial Losses / (Gains)	(7)	-
Benefits paid	-	-
At 31 August 2018	49	-

Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	-	-
Inherited on transfer/merger	-	-
Interest on assets	-	-
Remeasurements gains / (losses)	-	-
Employer contributions	26	-
Employee contributions	7	-
Benefits paid	-	-
At 31 August 2018	33	-

Actual return on assets:

-	-
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History of experience gains and losses:

Experience gains and (losses) on assets	-	-
Amount	-	-
Percentage of assets	0.0%	0.0%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

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 Head Office		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Rate of increase in salaries	3.7	3.7	3.6	3.7	3.6	3.7	3.6	3.7
Rate of increase for pensions in payment/inflation	2.3	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Discount rate for scheme liabilities	2.9	2.5	2.8	2.4	2.8	2.4	2.8	2.4
Inflation assumption (CPI)	2.2	2.2	2.1	2.2	2.1	2.2	2.1	2.2

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	22.5	22.4	22.5	22.4	22.5	22.4
Females	25.5	25.4	25.5	25.4	25.5	25.4	25.5	25.4
Retiring in 20 years:								
Males	24.7	24.6	24.7	24.6	24.7	24.6	24.7	24.6
Females	27.9	27.7	27.9	27.7	27.9	27.7	27.9	27.7

Asset split (%):

Equities	66.0	63.0	66.0	63.0	66.0	63.0	66.0	63.0
Property	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Other bonds	10.0	12.0	10.0	12.0	10.0	12.0	10.0	12.0
Cash	3.0	6.0	3.0	6.0	3.0	6.0	3.0	6.0
Other	12.0	10.0	12.0	10.0	12.0	10.0	12.0	10.0
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	436	333	3,147	2,344	2,606	1,477	6,189	4,154
Present value of the defined benefit obligation	(502)	(457)	(5,500)	(5,209)	(2,787)	(1,880)	(8,789)	(7,546)
Net defined benefit pension liability	(66)	(124)	(2,353)	(2,865)	(181)	(403)	(2,600)	(3,392)

Total Expenditure Recognised in the Statement of Financial Activities

Current service cost (net of employee contributions)	71	72	605	580	690	587	1,366	1,239
Admin costs	2	2	18	17	20	17	40	36
Financing cost	-	-	-	-	-	-	-	-
Interest on net defined benefit liability/(asset)	3	11	63	45	3	(4)	69	52
Total operating charge	76	85	686	642	713	600	1,475	1,327

Analysis of Pension Finance Income

Interest income on assets	9	4	63	46	47	23	119	73
Interest on pension liabilities	(12)	(15)	(126)	(91)	(50)	(19)	(188)	(125)
Pension finance income/ (costs)	(3)	(11)	(63)	(45)	(3)	4	(69)	(52)

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

	Chapel End Junior Academy		Woodside Primary Academy		REACH2 Head Office		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Net movement on assets and liabilities								
B/fwd balance 1 September 2017	(124)	(555)	(2,865)	(2,252)	(403)	(68)	(3,392)	(2,875)
Inherited on transfer/merger	-	-	-	-	-	-	-	-
Employer contribution	60	62	494	497	549	489	1,103	1,048
Current service cost	(71)	(72)	(605)	(580)	(690)	(587)	(1,366)	(1,239)
Interest expense	(12)	(15)	(126)	(91)	(50)	(19)	(188)	(125)
Interest income on assets	9	4	63	46	47	23	119	73
Actuarial gains/(losses)	72	452	686	(485)	366	(241)	1,124	(274)
Deficit at 31 August 2018	(66)	(124)	(2,353)	(2,865)	(181)	(403)	(2,600)	(3,392)
Movement in the present value of defined benefit obligations:								
B/fwd balance 1 September 2017	457	691	5,209	4,078	1,880	734	7,546	5,503
Inherited on transfer/merger	-	-	-	-	-	-	-	-
Current service cost	71	72	605	580	690	587	1,366	1,239
Interest cost	12	15	126	91	50	19	188	125
Employee contributions	12	12	105	104	143	129	260	245
Actuarial Losses / (Gains)	(50)	(325)	(534)	460	(258)	297	(842)	432
Benefits paid	-	(8)	(11)	(104)	282	114	271	2
At 31 August 2018	502	457	5,500	5,209	2,787	1,880	8,789	7,546
Movement in the fair value of fund assets:								
B/fwd balance 1 September 2017	333	136	2,344	1,826	1,477	666	4,154	2,628
Inherited on transfer/merger	-	-	-	-	-	-	-	-
Interest on assets	9	4	63	46	47	23	119	73
Remeasurements gains / (losses)	22	127	152	(25)	108	56	282	158
Employer contributions	60	62	494	497	549	489	1,103	1,048
Employee contributions	12	12	105	104	143	129	260	245
Benefits paid	-	(8)	(11)	(104)	282	114	271	2
At 31 August 2018	436	333	3,147	2,344	2,606	1,477	6,189	4,154
Actual return on assets:	31	131	215	21	155	79	401	231
History of experience gains and losses:								
Experience gains and (losses) on assets								
Amount	22	127	152	(25)	108	56	282	158
Percentage of assets	5.0%	38.1%	4.8%	(1.1%)	4.1%	3.8%	4.6%	3.8%

REACH2 ACADEMY TRUST

Notes to the Financial Statements
For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Shropshire County Council Pension Fund

Principal Actuarial Assumptions (%)	2018	2017
Rate of increase in salaries	3.7	3.7
Rate of increase for pensions in payment/inflation	2.2	2.2
Discount rate for scheme liabilities	2.9	2.5
Inflation assumption (CPI)	2.3	2.2

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	23.1	23.0
Females	26.3	26.2

Retiring in 20 years:		
Males	25.3	25.2
Females	28.6	28.5

Asset split (%):		
Equities	50.8	51.2
Property	5.0	4.8
Other bonds	22.3	23.5
Cash	2.4	4.7
Other bonds	19.5	15.8
Total market value of assets	100.0	100.0
Fair Value of fund assets	30	15
Present value of the defined benefit obligation	(136)	(118)
Net defined benefit pension liability	(106)	(103)

Total Expenditure Recognised in the Statement of Financial Activities

Operating cost		
Current service cost (net of employee contributions)	33	22
Financing cost		
Interest on net defined benefit liability/(asset)	3	1
Pension expense	36	23
	2018	2017

Analysis of Pension Finance Income

Interest income on assets	1	1
Interest on pension liabilities	(3)	(2)
Pension finance costs	(2)	(1)

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

20 Pension and Similar Obligations (continued)

Net movement on assets and liabilities

B/fwd balance 1 September 2017	(103)	(71)
Inherited on transfer/merger	-	-
Employer contribution	8	5
Current service cost	(33)	(22)
Past service cost	-	-
Interest expense	(3)	(2)
Interest income on assets	1	1
Actuarial (losses) / gains	24	(14)
Deficit at 31 August 2018	(106)	(103)

Movement in the present value of defined benefit obligations:

B/fwd balance 1 September 2017	118	106
Inherited on transfer/merger	-	-
Current service cost	33	22
Past service cost	-	-
Interest expense	3	2
Employee contributions	6	4
Actuarial (gains)/ losses	(24)	(16)
Benefits paid	-	-
At 31 August 2018	136	118

Movement in the fair value of fund assets:

B/fwd balance 1 September 2017	15	35
Inherited on transfer/merger	-	-
Interest on assets	1	1
Remeasurement gains/ (losses)	-	(30)
Employer contributions	8	5
Employee contributions	6	4
Impact of past service	-	-
At 31 August 2018	30	15

Actual return on assets:	1	(29)
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History of experience gains and losses:

Experience gains and losses on assets	-	(30)
Amount	-	(30)
Percentage of assets	0.0%	(200.0%)

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

21 Reconciliation of net income / (expenditure) to net cash flow from operating activities	2018 Total £'000	2017 Total £'000
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(16,765)	(8,922)
Adjusted for:		
Depreciation and impairment charges (note 12)	18,577	8,256
Assets gifted on conversion	(14,903)	(9,969)
Capital grants from DfE and other capital income	(3,000)	(4,303)
Interest receivable (note 5)	(57)	(47)
Defined benefit pension scheme net finance cost/ (income)	5,108	661
Defined benefit pension scheme cost less contributions payable		473
(Increase) / decrease in stock	(6)	21
Decrease / (increase) in debtors	(280)	(189)
Increase / (decrease) in creditors	1,661	1,415
Loss on disposal of tangible fixed assets	9,620	11,282
Net cash provided by / (used in) operating activities	(65)	(1,348)

22 Cashflow from financing activities	2018 Total £'000	2017 Total £'000
Repayment of borrowing	-	-
Cash inflow from new borrowings	3,000	-
Net cash provided by/(used in) financing activities	3,000	-

23 Capital Commitments	2018 £'000	2017 £'000
Contracted for, but not provided in the financial statements	2,577	-

24 Commitments under operating leases

At 31 August 2018 the total of the Trust's future minimum lease payments under non-cancellable operating leases were:

	2018 £'000	2017 £'000
Amounts due within one year	185	14
Amounts due within two and five years	542	226
Amounts due after five years	904	471
	1,631	711

25 Related party transactions

Owing to the nature of the organisation's operations and the composition of the Board of Directors being drawn from local public and private sector 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. The following related party transactions took place in the period of the accounts.

During the year the academy trust entered into the following transactions with Reach South Academy Trust a company in which Sir Steve Lancashire is a trustee

~ Supplies relating to staff employed by REAch2 for Reach South amounted to £32,252 in the year, with a debtor balance of £28,593 at the year end.

~ Clive Rockingham a Sole Trader and Trustee of REAch2 provided services relating to Health & Safety amounting to £8,148, with a creditor balance of £nil at the year end.

In entering into the transactions the trust has complied with the requirements of the Academies Financial Handbook 2017.

26 Post balance sheet events

On 1 September 2018 three new primary schools joined the Trust:
- Henhurst Ridge Primary Academy, a new free school based in Staffordshire
- Newhall Primary Academy, a new free school presumption, based in Harlow
- The Limes Primary Academy, a new free school based in Lowestoft
At the time of signing the accounts management have not been able to determine the value of funds transferred to the Trust relating to these primary schools.

On 1 September 2018, one school Minerva Academy closed and left the Trust.

27 Members Liability

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

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

28 Conversion to an academy

During the year the below joined the Trust with all of their operations, 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
Summerside Primary Academy	Crossway	1st September 2017
Net assets transferred:		2018
		£'000
Leasehold land and buildings		14,903
Cash		115
Recognised income within the SOFA		15,018
LGPS pension deficit recognised as expenditure within the SOFA		(565)
Total net assets acquired		14,453

Also during the year, a Free School presumption Green Ridge Academy opened on 1st September 2017 in Aylesbury, Buckinghamshire. It opened in a temporary building on the school site before moving to its permanent building on 1st September 2018. The lease for the new building is due to be signed after the year end. No assets or liabilities have been included in the Statement of Financial Activities.

29 Transfer out of existing academies leaving the academy trust

During the year the below academy left the Trust with all of their operations, assets and liabilities being transferred to Platenous Trust

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 leaving
Castlehill Academy	Croydon	1st September 2017
Net assets transferred:		2018
		£'000
Leasehold land and buildings		9,194
Other tangible fixed assets		8
Cash		331
Recognised expenditure within the SOFA		9,533
LGPS Pension Deficit		(1,079)
Creditors due greater than 1 year		(279)
Total net assets transferred		8,175

REACH2 ACADEMY TRUST

Notes to the Financial Statements For the year ended 31 August 2018

30 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 2018.

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.

31 Teaching School Trading Account

	2018 Total £'000	2018 Total £'000	2018 Total £'000	2017 Total £'000	2017 Total £'000	2017 Total £'000
Income						
Direct Income						
Other income		91			0	
Other Income						
Fundraising and other trading activities		0			0	
Total Income			91			0
Expenditure						
Direct Costs						
Direct staff costs	19			0		
Staff development	0			0		
Other direct costs	0			0		
Total direct costs		19			0	
Other costs						
Support staff costs	10			0		
Depreciation	0			0		
Technology costs	0			0		
Recruitment	0			0		
Security	0			0		
Other support costs	47			0		
Governance costs	0			0		
Total other costs		57			0	
Total Expenditure			(76)			0
Transfer between funds excluding depreciation						
Surplus/(Deficit) from all sources			15			
Teaching School Balance as at 1 September 2017			-			
Teaching School Balance as at 31 August 2018			15			