

Company Registration No. 07654628 (England and Wales)

**RMET**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

# **RMET**

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# RMET

## REFERENCE AND ADMINISTRATIVE DETAILS

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### RMET

**Trustees – 01.09.2017 – 31.08.18**

A Bovis (Chair of RMGS Finance Committee)  
N Carter ( resigned 15.09.17)  
S Decker (Accounting Officer/CEO) ex-officio  
N Goodall (Vice Chair and Chair of RMGS Business Management Committee)  
E Jackson (Joint Vice Chair)  
T Whittaker (Chair)

### RMET

**Members - 01.09.2017 – 31.08.18**

H Aggarwal  
M Campbell (Chair)  
E Jackson  
N Oakley  
C Pope

**Governors: 01.09.2017 – 31.08.18**  
**Rainham Mark Grammar School**

H Aggarwal  
N Carter (resigned 15.09.17)  
A Clark  
S Decker (Executive Headteacher/CEO)  
C Dorrington  
N Goodall (V Chair)  
S Griffiths  
J Henry  
E Jackson (resigned 10.09.17)  
J Johnson  
M Langridge (appointed 16.10.17)  
B Kemp  
M McGibbon (end of term 15.11.17)  
J O'Donnell  
Rev S Roe  
Dr S Shah (appointed 16.10.17)  
C Weatherill (appointed 16.10.17)  
T Whittaker (Chair)

**Governors: 01.09.17 – 31.08.18**  
**Twydall Primary School**

C Butters (resigned 21.10.17)  
D Gilry (resigned 01.01.18)  
M Green  
M Horton  
C Logon (Acting HT 01.09.17)  
S Nathan  
J O'Donnell (resigned 15.05.18)  
A Pratt (Headteacher to 30.11.17)  
M Prenter  
A Richardson (appointed Chair 15.05.18)  
T Saunders (resigned 30.03.18)  
G Simpson  
G Telfer (resigned 15.05.18)  
R Wootton

# RMET

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Governors 01.09.2017 – 31.08.18**

#### **Riverside Primary School**

J Bell  
D Brockman (V Chair)  
S Carter  
J Jearum (resigned 06.11.17)  
H Maxwell (resigned 02.08.18)  
K Murray (appointed 14.11.17)  
H Robson  
T Scott (Chair)  
L Singleton (resigned 06.18)  
K Williams (Headteacher)  
T Wilson (appointed 07.18)

#### **Senior staff**

S Decker – CEO, RMET/ Executive Headteacher RMGS  
A Moore – Head of School RMGS  
A Pratt – Headteacher, Twydall (to 30.11.17)  
C Logan – Acting Headteacher, Twydall (from 01.09.17)  
K Williams – Headteacher, Riverside  
M Brighton – Chief Financial Officer

#### **Company Secretary**

M Brighton

#### **Company registration number**

07654628 (England and Wales)

#### **Registered office**

Pump Lane  
Rainham  
Kent  
ME8 7AJ  
United Kingdom

#### **Independent auditor**

Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

#### **Bankers**

Barclays Bank PLC  
13 Fremlin Walk  
Maidstone  
Kent  
ME14 1QG

#### **Solicitors**

Browne Jacobson  
77 Gracechurch Street  
London  
EC3V 0AS

# **RMET**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 AUGUST 2018***

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The Trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2017/18 issued by the ESFA.

The principal activity of the company is the operation of three state-funded academies within a Multi Academy Trust (MAT). The first, Rainham Mark Grammar School, provides a state education for selective students aged 11 to 18. The second, Twydall Primary School joined the MAT on 1 February 2016 as a sponsored academy. The third, Riverside Primary School converted to academy status during the year and joined the MAT on 1 April 2017.

The Trust had a total roll of 2,077 in the school census in October 2017 across its three schools excluding nursery provision.

#### **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. On 27 January 2016, the members passed a special resolution to change the company's name to RMET (formerly Rainham Mark Grammar School). New articles of association were adopted on that day that converted the previous single academy trust to a Multi Academy Trust (MAT).

The trustees of RMET are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served during the year are included in the Reference and Administrative Details included on page 1.

##### Members' liability

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

##### Trustees' indemnities

The trust has not given any indemnity to third parties on behalf of any of the trustees.

##### Method of recruitment and appointment or election of Trustees

The trustees of the charitable company are the directors. In accordance with the articles of association adopted on 27 January 2016, the trustees are as follows;

- a) Up to seven trustees appointed by the members;
- b) A minimum of two parent trustees
- c) The Chief Executive Officer (if they so choose to act as ex-officio trustee);
- d) Further trustees may be co-opted by the trustees at the time.

##### Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All trustees are given access to the information needed (including policies, minutes, budgets, etc.) to undertake their role as trustees using an external training provider.

# RMET

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

#### Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. Local Governing bodies operate at each academy under a scheme of delegated authority. The Board meets at least three times a year (six times a year from September 2018) and has several committees, including Business Management, School Improvement, Pay and Audit. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

The Academy Trust holds an Annual Meeting of the Members. At this meeting the following items are discussed:

- Auditor's feedback
- Discussion re: Financial Situation of the Academy Trust
- Issues relating to the Funding Agreement
- Any change to the Articles of Association
- Any motions of members or trustees
- Appointing of Auditors for next year
- Documentation for Companies House
- Any other business

Trustees delegate specific responsibilities to local Governing Bodies and Committees, the activities of which are reported to and discussed at RMET Board Meetings. Day to day management of the Trust is undertaken by the Chief Executive Officer, supported by the Senior Management Team.

#### Arrangements for setting pay and remuneration of key management personnel

The senior management team (SMT) are the key management personnel of the trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as trustees. Where staff trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Executive Headteacher/CEO is set annually by the Pay Committee, having regards to performance against objectives set the previous year. Pay of other SMT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Executive Headteacher/CEO.

#### **Trade Union Facility Time**

##### **Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

##### **Percentage of time spent on facility time**

Percentage of time	Number of Employees
0%	2
1% - 50%	0
51% - 99%	0
100%	0

##### **Percentage of pay bill spent on facility time**

Total Cost of facility time	0
Total Pay bill	£7,914k
Percentage of the total pay bill spent on facility time	0

# RMET

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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#### Related Parties and other Connected Charities and Organisations

RMET has no connected organisations, or related party relationships.

#### Objectives and activities

##### Objects and aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of three academies, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its students.

##### Objectives, strategies and activities of RMET

#### Executive Summary

RMET (Rainham Mark Education Trust) plans to grow to incorporate six schools over a three year period. This plan seeks to maximise efficiencies of scale, to provide an environment where teachers' training and development is highly motivating, ensuring outstanding learning for all the children and young people at our schools

#### Vision Statement

A family of local schools working together to provide outstanding pastoral care and inspirational teaching, motivating all students to enjoy learning and achieve their potential within a community founded on mutual respect.

#### Our Mission

To develop a group of local schools who will work together in partnership with parents and local community to foster ambition and raise achievement for all young people in their care.

#### Our Values

Our core values for inclusive education value pastoral care at least as highly as academic achievement, and protect the individual identity of each of the member schools.

#### Our Purpose

Rainham Mark Education Trust (RMET) exists to facilitate and deliver excellence in all aspects of education by providing a framework in which local, like-minded schools can:-

- Maximise their effectiveness in delivering teaching which allows children and young people to excel in their learning.
- Maximise the effectiveness of staff development and training.
- Maximise efficiency to enable the highest possible budget share to be used for teaching and learning provision.
- Provide stimulating and safe learning environments where development as a person is as important as academic achievement.

#### Public benefit

In setting the objectives and planning the associated activities, trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

# RMET

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 2017/18 Examination Results for Rainham Mark Grammar School

##### Key Stage 5

	2018	2017
%A*	12.2	9.33
% A	17.6	21.56
% B	30.5	28.22
% A*/B	60.3	59
% C	23.7	25.56
% D	10.4	11.11
% E	3.6	3.33
% U	2.0	0.89
APS per entry	37.69	34.18
Value Added	-0.03	-0.12
AAB (2+ facilitating)	26 students 15.8%	27 students 15.6%

##### Key Stage 4

	2018	2017
Progress 8 Score (see note below)	+0.33 → +0.41	-0.13 → +0.24
Attainment 8 Score	64.71	64.17
% Ebacc Achieved (with strong pass En/Ma)	55.56	53.41
% English & Maths Threshold	97	98.86
% A*/A inc 9-7	47.12	44.7
% A* inc 9-8	21.9	16.9
% A*/C inc 9-4 (Standard pass)	95.87	96.0
% A*/C inc 9-5 (Strong pass)	89.67	93.4
% 5 A*-C	98.1	99.4
% 5 A*-C (EM 4+)	96.14	98.9
% 5 A*/C (EM 5+)	86	86.9



# RMET

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 2017/18 Primary School Attainment Summary

Key: FS GLD = Foundation Stage Good Level of Development  
KS 1 = Key Stage 1  
KS 2 = Key Stage 2  
GPaS = Grammar Punctuation and Spelling

Riverside Primary School %s (2017 results in brackets). Converter Academy

FS GLD	Year 1 Phonics	KS 1 Reading	KS 1 Writing	KS 1 Maths	KS 2 Reading	KS 2 Writing	KS 2 Maths	KS 2 GPaS	KS 2 Combined
63	81	70	63	73	73	82	65	78	61
(70)	(93)	(83)	(79)	(76)	(67)	(76)	(67)	(71)	(57)

Twydall Primary School %s (2017 results in brackets). Sponsored Academy

FS GLD	Year 1 Phonics	KS 1 Reading	KS 1 Writing	KS 1 Maths	KS 2 Reading	KS 2 Writing	KS 2 Maths	KS 2 GPaS	KS 2 Combined
60	71	63	56	68	77	78	73	77	64
(70)	(93)	(73)	(71)	(73)	(49)	(70)	(41)	(47)	(31)

Note dramatic improvement in Twydall KS2 attainment

#### RMET Key financial performance Indicators

No key financial performance indicators have been set as targets. The trustees have however noted the following key ratios within the accounts for the year ended 31 August 2018;

	2018	2017
Staff Costs as a % of total revenue costs	78.9%	79.4%
Staff Costs as a % of total revenue income (excl transfer on conversion)	80.7%	81.9%
Current Assets : Current Liabilities	5.3: 1	4.0 : 1

#### Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

#### **Financial review**

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant -GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as Other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

# RMET

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds"). Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries. The following balances held were held at 31 August;

Fund	Category	2018 £'000	2017 £'000
GAG	Restricted General Funds	727	573
Other DfE/ESFA Grants	Restricted General Funds	128	99
Other Income	Restricted General Funds	<u>362</u>	<u>343</u>
<b>Sub-Total</b>	<b>General Restricted Funds</b>	1,217	1,015
Unspent Capital Grants	Restricted Fixed Asset Fund	629	85
Other Income	Unrestricted General Fund	<u>508</u>	<u>536</u>
<b>Sub-Total</b>	<b>Spendable Funds</b>	2,354	1,636
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	26,435	25,891
Share of LGPS Deficit	Restricted Pension Reserve	<u>(2,939)</u>	<u>(3,378)</u>
<b>Total</b>	<b>All Funds</b>	<b><u>25,850</u></b>	<b><u>24,149</u></b>

During the year under review, there was a surplus of £280k on general restricted funds, a deficit of £24k on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall surplus of £771k.

#### Reserves policy

The principal policy on reserves is that accumulation of unspent GAG balances should not breach any limits thereon set out in the Funding agreement. The level of reserves should never be in deficit. The trust has established a Reserves Policy to protect the organisation by providing a financial cushion against an unpredictable future. This restricts the impact of internal or external risks upon continuing operations. The most significant risk with reference to continuing operations and the need for available funds relate to:

- The maintenance and replacement of the Trust's asset base
- Any possible delay in the receipt of grant funds
- Protection against falling pupil roll in Twydall Primary School and the reduction in high needs funding.
- Protection against the growing pupil roll in Riverside Primary School and the associated costs and the reduction in high needs funding.
- Protection against the potential growing pupil roll in Rainham Mark Grammar School and the need for additional accommodation to meet this need including an increase in laboratory facilities and additional accommodation for the sixth form planned for 2018-19.
- Protection against the reduction in sixth form funding in maintaining a broad A level curriculum.

Each year the Trustees review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

#### Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

# **RMET**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### Principal risks and uncertainties

The trustees have assessed the major risks to which the company is exposed, in particular those relating to academic performance, finances and child welfare. The trustees have implemented a number of systems to assess risks that the Academy faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The risk management process has been codified in a risk register implemented by the Senior Leadership Team and overseen by Trustees.

The principal financial risk faced by the company is that on-going pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the trustees of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

#### **Our fundraising practices**

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice)

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

#### **Plans for the future**

##### **Strategic Development Plan: Overall Objectives**

We have developed a new framework for our published 2018-21 strategic plan to give parents and our local community clarity on what we want to achieve over the next 3 years. The Trust has grouped our main objectives into 4 key areas;

##### **Leadership and Governance**

- Ensuring RMET trustees and senior staff act in the best interests of the Trust in accordance with all aspects of our Articles of Association, exhibiting all the required skills and abilities for outstanding leadership.
- Maintain clear governance and managerial relationships, effective oversight and support structures for the greatest possible economies and sustainability.

##### **Academy Effectiveness**

- Ensure Academies provide outstanding teaching and learning, actively sharing best practice.
- Ensure support and training allows teachers to secure the best possible learning outcomes.

# **RMET**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **Academy Performance and Progress**

- Ensure that rigorous and robust Quality Assurance and self-evaluation is maintained that supports teachers and support staff to build expertise and capacity, so delivering the best possible outcomes for all our pupils.

#### **Central Services**

- Provide robust, efficient and effective business services to ensure the Trust delivers on commitments to grow and prosper whilst delivering value for money across all of our operations.
- Ensure prudent management of all education resources, managing risk effectively to maintain the maximum possible benefit to pupils.

Trustees conduct termly monitoring of the linked school improvement plans which include more detailed individual objectives with measurable success criteria. A new system is being developed this year to populate a single RMET operational plan to support the strategic plan and assist trustees in the task of tracking individual school performance.

The Trust also has an approved growth plan which will see RMET grow to 6 schools over the next 3 years. Additional Executive Team Finance and Data Support capacity has already been secured and further HR Support and primary expertise at Trustee level is planned for the current financial year.

Conversations with local schools continue and a local Primary Federation have informed parents that they would like to join the Trust in the near future, adding welcome additional primary expertise. The timing of this expansion will allow RMET further time to consolidate the rapid improvement in Key Stage 2 results at Twydall Primary School and move this sponsored academy out of the "serious weaknesses" Ofsted category. Improvements in performance at both RMGS and Riverside in 2018 show a positive impact from the Trust and Trustees will continue to closely monitor the improvement plans of both these schools to ensure that improvement trends are maintained.

#### **Funds Held as Custodian Trustee on Behalf of Others**

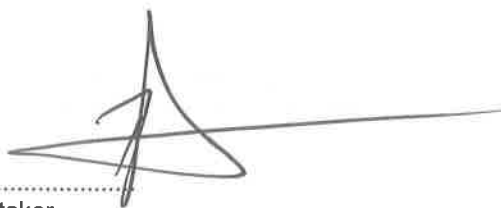
The academy holds and distributes 16 – 19 Bursary funding on behalf of the ESFA and Science Learning Partnership funds. Full details are set out in note 25 to the accounts.

#### **Auditor**

In so far as the Trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19<sup>th</sup> November 2018 and signed on its behalf by:



T Whittaker  
Chair

# RMET

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2018

#### Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that RMET 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 S Decker, the Chief Executive Officer, 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 agreements between RMET and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### Governance

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

#### RMET TRUSTEE Attendance from 01/09/17 to 31/08/18

Trust Board				Meetings attended	Out of possible
Mrs	Alison	Bovis		3	4
Mr	Neal	Carter	Resigned	0	0
Mr	Simon	Decker	CEO	4	4
Mr	Nigel	Goodall	V Chair	2	4
Mrs	Elaine	Jackson	V Chair	4	4
Mr	Terry	Whittaker	Chair	4	4

#### RMET AUDIT Committee Attendance 01/09/17 to 31/08/18

Audit Committee				Meetings attended	Out of possible
Mrs	Alison	Bovis	Chair until 15.11.17	0	0
Mr	Chris	Weatherill	Chair from 15.11.17	3	3
Mrs	Alison	Clark	RMGS representative	3	3
Mr	Nigel	Goodall	RMET Trustee	2	3
Mr	Gary	Telfer	Twydall Primary School Resigned 05.18	1	2

# RMET

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2018

RMGS LOCAL GOVERNING BODY Attendance 01/09/17 to 31/08/18

Local Governing Body			Meetings Attended	Out of Possible
Mr	Hari	Aggarwal	3	3
Mrs	Alison	Bovis (Trustee)	3	3
Mr	Neal	Carter (resigned 09.17)	0	0
Mrs	Alison	Clark	3	3
Mr	Simon	Decker	2	3
Mr	Chris	Dorrington	2	3
Mr	Nigel	Goodall	3	3
Mrs	Susan	Griffiths	3	3
Ms	Jane	Henry	2	3
Mrs	Jan	Johnson	2	3
Mr	Barry	Kemp	2	3
Mr	Mark	Langridge (appointed 16.10.17)	3	3
Dr	Mike	McGibbon (end of term 15.11.17)	0	1
Mr	Alan	Moore	3	3
Mr	Jon	O'Donnell	1	3
Rev	Stephen	Roe	3	3
Dr	Satya	Shah (appointed 16.10.17)	2	3
Mrs	Carol	Wallis	3	3
Mr	Chris	Weatherill (appointed 16.10.17)	3	3
Mr	Terry	Whittaker	3	3

The RMGS Finance committee Attendance from 01/09/17 to 31/08/18

RMGS Finance Committee				Meetings attended	Out of Possible
Mrs	Alison	Bovis	Chair	6	6
Mr	Hari	Aggarwal	V Chair	6	6
Mr	Neal	Carter	resigned	0	0
Mr	Simon	Decker		3	6
Mrs	Susan	Griffiths		5	6
Mr	Alan	Moore		6	6
Mr	Terry	Whittaker		2	6

N Carter resigned from RMGS and the Trust in September 17. The Trust appointed A Bovis as Chair of RMGS Finance and C Weatherill was appointed as Chair of the Audit Committee in November 17

# RMET

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2018

TWYDALL LOCAL GOVERNING BOARD Attendance from 01/09/17 to 31/08/18

Local Governing Body				Meetings attended	Out of possible
Mrs	Claire	Butters	(resigned 21/10/17)	0	4
Mr	Mike	Green		1	4
Cllr	Dorte	Gilry	(resigned 01.01.18)	1	4
Mr	Mick	Horton	Vice Chair (appointed 15.05.18)	4	4
Mrs	Catherine	Logan	Acting Headteacher (appointed 01.09.18)	4	4
Mr	Steve	Nathan		2	4
Mr	Jon	O'Donnell	Chair (resigned 15.05.18)	2	4
Mrs	Ann	Pratt	Headteacher (until 30.11.17)	0	1
Mr	Mark	Prenter		2	4
Rev	Ann	Richardson	Chair (appointed 15.05.18)	2	4
Mrs	Tracey	Saunders	(resigned 30.03.18)	2	4
Mrs	Gemma	Simpson		4	4
Mr	Gary	Telfer	Vice Chair (resigned 15.05.18)	2	4
Mr	Reece	Wootton		2	4

During this academic year, A Pratt (Headteacher) left 11.17 and C Logan was appointed Acting Headteacher 01.09.18. J O'Donnell resigned as Chair and Rev A Richardson was appointed Chair on 15.05.18.

TWYDALL BUSINESS MANAGEMENT COMMITTEE Attendance from 01/09/17 to 31/08/18

Business Management				Meetings attended	Out of possible
Mr	Mick	Horton	Chair	4	5
Mrs	Catherine	Logan	Headteacher	4	5
Mr	Steve	Nathan		2	5
Mr	Mark	Prenter		5	5
Rev	Ann	Richardson		4	5
Mrs	Gemma	Simpson		1	5
Mr	Reece	Wootton		3	5

# RMET

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2018

RIVERSIDE LOCAL GOVERNING BOARD Attendance from 01/09/17 to 31/08/18

Local Governing Body				Meetings attended	Out of possible
Mr	Jacob	Bell		3	3
Mr	Dave	Brockman	Vice Chair	3	3
Mr	Simon	Carter		3	3
Mrs	Joy	Jearum	Resigned 11.17	0	0
Mrs	Helen	Maxwell		1	3
Mrs	Karen	Murray	Appointed 11.17	2	3
Mrs	Helen	Robson		3	3
Mr	Tim	Scott	Chair	3	3
Mrs	Lesley	Singleton	Resigned 06.18	1	2
Miss	Kim	Williams	Headteacher	3	3
Mrs	Tracey	Wilson	Appointed 06.18	1	1

RIVERSIDE RESOURCES COMMITTEE Attendance from 01/09/17 to 31/08/18

Resources Committee				Meetings attended	Out of possible
Mr	Jacob	Bell		2	3
Mr	Dave	Brockman	Vice Chair	3	3
Mr	Simon	Carter		1	3
Mrs	Helen	Maxwell		1	3
Mr	Tim	Scott	Chair	2	3
Miss	Kim	Williams	Headteacher	3	3

The Resources meeting was combined with the Local Governing Body meeting on 8<sup>th</sup> May 2018

#### Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by using results from a standard monthly-check on spending to advise the Finance Committee on financial due diligence and best value on purchasing and contracts. The accounting officer checks have been verified in the external audit process.



# **RMET**

## **GOVERNANCE STATEMENT**

### ***FOR THE YEAR ENDED 31 AUGUST 2018***

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#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However in February 2016 the RMET Board of Trustees established an internal Audit Committee compliant with section 2.4.1 of the Academies Financial Handbook.

The system of internal control has been in place in RMET for the year ended 31 August 2018 and up to the date of approval of the annual report and accounts.

#### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

#### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Committee's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the Committee reports to the Board of Trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Trustees. The Board has commissioned the external auditors to perform a range of additional internal assurance checks.

The auditors visited each Academy three times during the year in their role as providers of support to the RO/Audit Committee.

Checks were carried out in accordance with the annual programme agreed and included;

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations
- testing of how potential conflicts of interest are identified and managed
- reviewing aspects of the maintenance of the accounting system
- reviewing compliance with the scheme of delegation
- reviewing aspects of financial reporting to trustees
- testing of non-grant income
- reviewing compliance with some of the key requirements of the Academies' Financial Handbook
- Census returns check

Detailed reports are provided following each visit. No material control weaknesses have been reported although any recommendations arising always receive attention and are actioned as appropriate. Trustees are satisfied that the role has been fulfilled effectively in the year.

# **RMET**

## **GOVERNANCE STATEMENT**

***FOR THE YEAR ENDED 31 AUGUST 2018***

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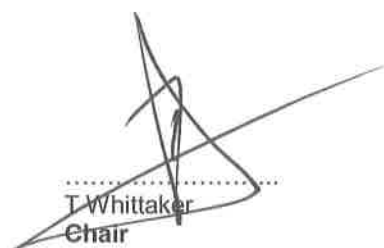
### **Review of effectiveness**

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 19<sup>th</sup> November 2018 and signed on its behalf by:



T. Whittaker  
Chair



S. Decker  
Accounting Officer

## **RMET**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2018***

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As accounting officer of RMET I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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



S Decker

**Accounting Officer**

19 November 2018

# **RMET**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 AUGUST 2018***

The trustees (who are also the directors of RMET for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 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; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

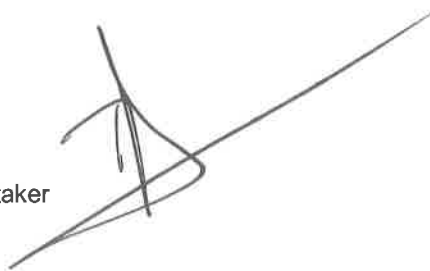
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements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

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

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

Approved by order of the members of the Board of Trustees on 19 November 2018 and signed on its behalf by:

T Whittaker  
Chair



# **RMET**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RMET**

### ***FOR THE YEAR ENDED 31 AUGUST 2018***

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#### **Opinion**

We have audited the Financial Statements of RMET for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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 its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

# **RMET**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RMET (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **Other information**

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

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

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' Report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated strategic report.

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

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

#### **Responsibilities of Trustees**

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

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

# **RMET**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RMET (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **Auditor's responsibilities for the audit of the Financial Statements**

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

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

#### **Use of our report**

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



**David John Walsh FCCA (Senior Statutory Auditor)**

**For and on behalf of Baxter & Co**

**Statutory Auditor**

**Chartered Certified Accountants**

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 26 November 2018

# **RMET**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RMET AND THE EDUCATION & SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2018***

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In accordance with the terms of our engagement letter dated 1 November 2012 and further to the requirements of the Education & 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 RMET 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 RMET and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the RMET 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 RMET and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of RMET's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of RMET's funding agreement with the Secretary of State for Education dated 21 June 2011 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 to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.9 of the Academies Financial Handbook 2017, issued by the ESFA.



# **RMET**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RMET AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2018***

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### **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.



**Baxter & Co**  
**Independent Reporting Accountants**  
**Chartered Certified Accountants**  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated: 26 November 2018

# RMET

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2018 £'000	Total 2017 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	1,597	1,597	66
Donations - Transfer from local authority on conversion		-	-	-	-	3,551
Charitable activities:						
- Funding for educational operations	4	96	10,110	-	10,206	9,397
Other trading activities	5	50	287	-	337	287
Investments	6	5	-	-	5	6
<b>Total</b>		<u>151</u>	<u>10,397</u>	<u>1,597</u>	<u>12,145</u>	<u>13,307</u>
<b>Expenditure on:</b>						
Raising funds	7	16	-	-	16	16
Charitable activities:						
- Educational operations	9	159	10,608	591	11,358	10,403
<b>Total</b>	7	<u>175</u>	<u>10,608</u>	<u>591</u>	<u>11,374</u>	<u>10,419</u>
<b>Net income/(expenditure)</b>		(24)	(211)	1,006	771	2,888
Transfers between funds	18	(4)	(78)	82	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	20	-	930	-	930	1,551
<b>Net movement in funds</b>		(28)	641	1,088	1,701	4,439
<b>Reconciliation of funds</b>						
Total funds brought forward		536	(2,363)	25,976	24,149	19,710
Total funds carried forward		<u>508</u>	<u>(1,722)</u>	<u>27,064</u>	<u>25,850</u>	<u>24,149</u>

# RMET

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

FOR THE YEAR ENDED 31 AUGUST 2018

### SUPPLEMENTARY NOTE: COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2017 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	66	66
Donations - Transfer from local authority on conversion		147	(499)	3,903	3,551
Charitable activities:					
- Funding for educational operations	4	77	9,320	-	9,397
Other trading activities	5	44	243	-	287
Investments	6	6	-	-	6
<b>Total</b>		<u>274</u>	<u>9,064</u>	<u>3,969</u>	<u>13,307</u>
<b>Expenditure on:</b>					
Raising funds	7	16	-	-	16
Charitable activities:					
- Educational operations	9	61	9,916	426	10,403
<b>Total</b>	7	<u>77</u>	<u>9,916</u>	<u>426</u>	<u>10,419</u>
<b>Net income/(expenditure)</b>		197	(852)	3,543	2,888
Transfers between funds	18	-	(23)	23	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	1,551	-	1,551
<b>Net movement in funds</b>		197	676	3,566	4,439
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>339</u>	<u>(3,039)</u>	<u>22,410</u>	<u>19,710</u>
Total funds carried forward		<u>536</u>	<u>(2,363)</u>	<u>25,976</u>	<u>24,149</u>

# RMET

## BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	13		26,435		25,891
<b>Current assets</b>					
Stocks	14	4		4	
Debtors	15	488		305	
Cash at bank and in hand		2,413		1,869	
		2,905		2,178	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(551)		(542)	
<b>Net current assets</b>			2,354		1,636
<b>Net assets excluding pension liability</b>			28,789		27,527
Defined benefit pension scheme liability	20		(2,939)		(3,378)
<b>Total net assets</b>			25,850		24,149
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			27,064		25,976
- Restricted income funds			1,217		1,015
- Pension reserve			(2,939)		(3,378)
<b>Total restricted funds</b>			25,342		23,613
<b>Unrestricted income funds</b>	18		508		536
<b>Total funds</b>			25,850		24,149

The Financial Statements on pages 24 to 49 were approved by the Trustees and authorised for issue on 19 November 2018 and are signed on their behalf by:

  
T Whittaker  
Chair

Company Number 07654628

# RMET

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £'000	2017 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	77	21
Cash funds transferred on conversion		-	147
		<u>77</u>	<u>168</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		5	6
Capital grants from DfE Group		627	66
Purchase of tangible fixed assets		<u>(165)</u>	<u>(163)</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>467</u>	<u>(91)</u>
<b>Net increase in cash and cash equivalents in the reporting period</b>		<u>544</u>	<u>77</u>
Cash and cash equivalents at beginning of the year		<u>1,869</u>	<u>1,792</u>
<b>Cash and cash equivalents at end of the year</b>		<u><u>2,413</u></u>	<u><u>1,869</u></u>

# RMET

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 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 Financial Statements 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 Financial Statements 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

RMET 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, ie 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 Financial Statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

##### 1.3 Income

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

###### Grants

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

###### Sponsorship income

Sponsorship income provided to the 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.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1 Accounting policies**

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'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

**1.4 Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

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.

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

#### 1 Accounting policies

##### 1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £10,000) 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. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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 land is not depreciated	
Freehold buildings	2% to 4% Straight Line
Leasehold land and buildings	2% Straight Line
Computer equipment	20% Straight Line
Fixtures, fittings & equipment	15% Straight Line
Motor vehicles	20% Straight Line

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.

##### 1.6 Liabilities

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

##### 1.7 Leased assets

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

##### 1.8 Financial instruments

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

###### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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



# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

#### 1 Accounting policies

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 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.

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

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

#### 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.

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 1 Accounting policies

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

##### 1.13 Agency arrangement

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 26.

#### 2 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

##### Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

#### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Donated fixed assets	-	970	970	-
Capital grants	-	627	627	66
	-	1,597	1,597	66

The donated fixed assets represents the value of building works of the extension at Riverside Primary School undertaken by Medway Council.

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	8,972	8,972	8,404
Other DfE group grants	-	519	519	406
	-	9,491	9,491	8,810
<b>Other government grants</b>				
Local authority grants	-	336	336	251
<b>Other funding</b>				
Voluntary fund income	-	283	283	259
Other incoming resources	96	-	96	77
	96	283	379	336
<b>Total funding</b>	96	10,110	10,206	9,397

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Hire of facilities	50	-	50	44
Catering income	-	287	287	243
	50	287	337	287

### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Short term deposits	5	-	5	6

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 7 Expenditure

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2018 £'000	Total 2017 £'000
Expenditure on raising funds					
- Direct costs	16	-	-	16	16
Academy's educational operations					
- Direct costs	7,285	473	1,002	8,760	8,040
- Allocated support costs	1,207	764	627	2,598	2,363
	<u>8,508</u>	<u>1,237</u>	<u>1,629</u>	<u>11,374</u>	<u>10,419</u>

#### Net income/(expenditure) for the year includes:

	2018 £'000	2017 £'000
Fees payable to auditor for:		
- Audit	10	13
- Other services	9	12
Operating lease rentals	1	3
Depreciation of tangible fixed assets	591	403
Net interest on defined benefit pension liability	84	89

Included within expenditure are the following transactions:

	2018 £
Gifts made by the Academy Trust - total	1,112
Fixed asset losses - total	1,650
Unrecoverable debts - total	<u>105</u>

Clarification - While the majority of disclosure in these accounts are rounded to £'000, disclosure of gifts, fixed asset losses and unrecoverable debts are not. The value of gifts, fixed asset losses and unrecoverable debts for the year is £1,112, £1,650 and £105 respectively (and not £1,112k, £1,650k and £105k).

#### 8 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- others as arising.

The Academy Trust charges for these services based upon 5% of total GAG, excluding high needs funding.

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 8 Central services

The amounts charged during the year were as follows:

	2018 £'000	2017 £'000
Riverside Primary School	35	15
Rainham Mark Grammar School	294	285
Twydall Primary School	80	85
	<u>409</u>	<u>385</u>

#### 9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
<b>Direct costs</b>				
Educational operations	84	8,676	8,760	8,040
<b>Support costs</b>				
Educational operations	75	2,523	2,598	2,363
	<u>159</u>	<u>11,199</u>	<u>11,358</u>	<u>10,403</u>

#### Analysis of costs

	2018 £'000	2017 £'000
<b>Direct costs</b>		
Teaching and educational support staff costs	7,285	6,871
Staff development	74	48
Depreciation	473	322
Technology costs	135	105
Educational supplies and services	422	305
Examination fees	122	120
Other direct costs	249	269
	<u>8,760</u>	<u>8,040</u>

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 9 Charitable activities

#### Support costs

Support staff costs	800	666
Defined benefit pension scheme - staff costs (FRS102 adjustment)	407	380
Depreciation	118	81
Maintenance of premises and equipment	163	193
Cleaning	164	159
Energy costs	158	144
Rent, rates and other occupancy costs	81	68
Insurance	55	51
Security and transport	27	32
Catering	271	220
Defined benefit pension scheme - finance costs (FRS102 adjustment)	84	89
Other support costs	233	246
Governance costs	37	34
	<u>2,598</u>	<u>2,363</u>

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2018 £'000	2017 £'000
Wages and salaries	6,323	5,853
Social security costs	558	535
Pension costs	1,033	968
Defined benefit pension scheme - staff costs (FRS102 adjustment)	407	380
Staff costs	<u>8,321</u>	<u>7,736</u>
Agency staff costs	159	197
Staff restructuring costs	28	-
Total staff expenditure	<u>8,508</u>	<u>7,933</u>

Staff restructuring costs comprise:

Redundancy payments	<u>28</u>	<u>-</u>
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#### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is one non-statutory/non-contractual severance payments totalling £28K (2017: £nil) made on 23 November 2017.

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 10 Staff

##### Staff numbers

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

	2018 Number	2017 Number
Teachers	110	116
Administration and support	141	128
Management	15	14
	<u>266</u>	<u>258</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2018 Number	2017 Number
Teachers	97	99
Administration and support	93	89
Management	14	14
	<u>204</u>	<u>202</u>

##### Higher paid staff

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

	2018 Number	2017 Number
£60,000 - £70,000	4	2
£70,001 - £80,000	-	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£150,001 - £160,000	-	1
£160,001 - £170,000	1	-
	<u>1</u>	<u>1</u>

##### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £565,276.

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 11 Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Head Teacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

S Decker (Executive Head Teacher and CEO):

- Remuneration : £160,000 - £165,000 (2017: £155,000 - £160,000)
- Employer's pension contributions : £15,000 - £20,000 (2017: £15,000 - £20,000)

During the year, expenses payments totalling £1,851 (2017: £1,544) were reimbursed to or paid on behalf of 3 Trustees (2017: 6 Trustees). Expenses were incurred in performing the normal duties of employment.

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

#### 12 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 Trustees and officers indemnity element from the overall cost of the RPA scheme.

#### 13 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>						
At 1 September 2017	17,765	8,189	270	194	29	26,447
Additions	42	970	42	81	-	1,135
At 31 August 2018	17,807	9,159	312	275	29	27,582
<b>Depreciation</b>						
At 1 September 2017	270	58	136	75	17	556
Charge for the year	274	210	61	40	6	591
At 31 August 2018	544	268	197	115	23	1,147
<b>Net book value</b>						
At 31 August 2018	17,263	8,891	115	160	6	26,435
At 31 August 2017	17,495	8,131	134	119	12	25,891

Freehold land is included above at a value of £4,231k. Leasehold Land is included at a value of £1,963k.



# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

<b>14</b>	<b>Stocks</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	Catering stock	4	4
<b>15</b>	<b>Debtors</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	Trade debtors	34	35
	VAT recoverable	55	35
	Prepayments and accrued income	399	235
		488	305
<b>16</b>	<b>Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	Trade creditors	109	118
	Other taxation and social security	46	44
	ESFA creditors - abatement of GAG	126	126
	Other creditors	52	51
	Accruals and deferred income	218	203
		551	542
<b>17</b>	<b>Deferred income</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	Deferred income is included within:		
	Creditors due within one year	178	150
	Deferred income at 1 September 2017	150	187
	Released from previous years	(150)	(187)
	Resources deferred in the year	178	150
	<b>Deferred income at 31 August 2018</b>	<b>178</b>	<b>150</b>

Deferred income relates to lettings income received in advance £nil (2017: £1k); rates and bursary ESFA grants of £67k (2017: £50k); Universal Free School Meal grant £37k (2017: £34k), Science Learning Partnership grant £69k (2017: £28k) and trips income for 2017/18 of £5k (2017: £37k).

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 18 Funds

	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	573	8,972	(8,740)	(78)	727
Other DfE / ESFA grants	48	136	(130)	-	54
Pupil premium	51	383	(360)	-	74
Other government grants	14	336	(345)	-	5
Other restricted funds	329	570	(542)	-	357
Pension reserve	(3,378)	-	(491)	930	(2,939)
	<u>(2,363)</u>	<u>10,397</u>	<u>(10,608)</u>	<u>852</u>	<u>(1,722)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	24,510	-	(486)	-	24,024
DfE group capital grants	1,207	627	(41)	-	1,793
Capital expenditure from GAG and other funds	259	-	(64)	82	277
Donated from Local Authority	-	970	-	-	970
	<u>25,976</u>	<u>1,597</u>	<u>(591)</u>	<u>82</u>	<u>27,064</u>
<b>Total restricted funds</b>	<u>23,613</u>	<u>11,994</u>	<u>(11,199)</u>	<u>934</u>	<u>25,342</u>
<b>Unrestricted funds</b>					
General funds	<u>536</u>	<u>151</u>	<u>(175)</u>	<u>(4)</u>	<u>508</u>
<b>Total funds</b>	<u>24,149</u>	<u>12,145</u>	<u>(11,374)</u>	<u>930</u>	<u>25,850</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets plus the unspent element of Capital funds. When assets are purchased the fund is increased and depreciation charges reduce the fund. Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 18 Funds

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

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	559	8,404	(8,367)	(23)	573
Other DfE / ESFA grants	43	79	(74)	-	48
Pupil premium	-	327	(276)	-	51
Other government grants	-	251	(237)	-	14
Other restricted funds	320	502	(493)	-	329
Pension reserve	(3,961)	(499)	(469)	1,551	(3,378)
	<u>(3,039)</u>	<u>9,064</u>	<u>(9,916)</u>	<u>1,528</u>	<u>(2,363)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	20,933	3,903	(326)	-	24,510
DfE group capital grants	1,192	66	(51)	-	1,207
Capital expenditure from GAG and other funds	285	-	(49)	23	259
	<u>22,410</u>	<u>3,969</u>	<u>(426)</u>	<u>23</u>	<u>25,976</u>
<b>Total restricted funds</b>	<u>19,371</u>	<u>13,033</u>	<u>(10,342)</u>	<u>1,551</u>	<u>23,613</u>
<b>Unrestricted funds</b>					
General funds	<u>339</u>	<u>274</u>	<u>(77)</u>	<u>-</u>	<u>536</u>
<b>Total funds</b>	<u>19,710</u>	<u>13,307</u>	<u>(10,419)</u>	<u>1,551</u>	<u>24,149</u>

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 18 Funds

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	559	17,376	(17,107)	(101)	727
Other DfE / ESFA grants	43	215	(204)	-	54
Pupil premium	-	710	(636)	-	74
Other government grants	-	587	(582)	-	5
Other restricted funds	320	1,072	(1,035)	-	357
Pension reserve	(3,961)	(499)	(960)	2,481	(2,939)
	<u>(3,039)</u>	<u>19,461</u>	<u>(20,524)</u>	<u>2,380</u>	<u>(1,722)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	20,933	3,903	(812)	-	24,024
DfE group capital grants	1,192	693	(92)	-	1,793
Capital expenditure from GAG and other funds	285	-	(113)	105	277
Donated from Local Authority	-	970	-	-	970
	<u>22,410</u>	<u>5,566</u>	<u>(1,017)</u>	<u>105</u>	<u>27,064</u>
<b>Total restricted funds</b>	<u>19,371</u>	<u>25,027</u>	<u>(21,541)</u>	<u>2,485</u>	<u>25,342</u>
<b>Unrestricted funds</b>					
General funds	<u>339</u>	<u>425</u>	<u>(252)</u>	<u>(4)</u>	<u>508</u>
<b>Total funds</b>	<u>19,710</u>	<u>25,452</u>	<u>(21,793)</u>	<u>2,481</u>	<u>25,850</u>

# RMET

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 18 Funds

##### Total funds analysis by academy

	2018 £'000	2017 £'000
Fund balances at 31 August 2018 were allocated as follows:		
Riverside Primary School	158	168
Rainham Mark Grammar School	1,090	982
Twydall Primary School	410	325
Central services	67	76
Total before fixed assets fund and pension reserve	1,725	1,551
Restricted fixed asset fund	27,064	25,976
Pension reserve	(2,939)	(3,378)
Total funds	25,850	24,149

##### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total £'000
Riverside Primary School	798	143	100	123	1,164
Rainham Mark Grammar School	4,698	455	674	438	6,265
Twydall Primary School	1,789	218	172	350	2,529
Central services	-	407	56	362	825
	7,285	1,223	1,002	1,273	10,783

#### 19 Analysis of net assets between funds

	Unrestricted Funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	26,435	26,435
Current assets	1,059	1,217	629	2,905
Creditors falling due within one year	(551)	-	-	(551)
Defined benefit pension liability	-	(2,939)	-	(2,939)
Total net assets	508	(1,722)	27,064	25,850

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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	25,891	25,891
Current assets	536	1,557	85	2,178
Creditors falling due within one year	-	(542)	-	(542)
Defined benefit pension liability	-	(3,378)	-	(3,378)
<b>Total net assets</b>	<b>536</b>	<b>(2,363)</b>	<b>25,976</b>	<b>24,149</b>

#### 20 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £45k (2017: £45k) were payable to the schemes at 31 August 2018 and are included within creditors.

##### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**20 Pension and similar obligations**

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £674k (2017: £658k).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.0% for employers and 5.5% to 8.5% for employees.

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

<b>Total contributions made</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
Employer's contributions	358	303
Employees' contributions	104	88
	<hr/>	<hr/>
Total contributions	462	391
	<hr/>	<hr/>
<b>Principal actuarial assumptions</b>	<b>2018 %</b>	<b>2017 %</b>
Rate of increase in salaries	3.80	4.2
Rate of increase for pensions in payment/inflation	2.30	2.7
Discount rate for scheme liabilities	2.65	2.6
RPI Increases	3.30	3.6
CPI Increases	2.30	2.7
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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 20 Pension and similar obligations

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

	2018 Years	2017 Years
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

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

	2018 £'000	2017 £'000
Discount rate + 0.1%	(173)	(169)
Discount rate - 0.1%	178	174
Mortality assumption + 1 year	239	233
Mortality assumption - 1 year	(231)	(225)
CPI rate + 0.1%	25	35
CPI rate - 0.1%	(25)	(34)
Pension rate + 0.1%	153	139
Pension rate - 0.1%	(149)	(135)

#### Defined benefit pension scheme net liability

Scheme assets	4,407	3,797
Scheme obligations	(7,346)	(7,175)
Net liability	(2,939)	(3,378)

#### The Academy Trust's share of the assets in the scheme

	2018 Fair value £'000	2017 Fair value £'000
Equities	3,004	2,673
Gilts	34	26
Other Bonds	391	366
Cash	135	120
Property	545	466
Other assets	298	146
Total market value of assets	4,407	3,797

The actual return on scheme assets was £176,000 (2017: £119,000).



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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 20 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2018 £'000	2017 £'000
Current service cost	765	683
Interest income	(104)	(71)
Interest cost	188	160
Total operating charge	849	772
Changes in the present value of defined benefit obligations		2018 £'000
At 1 September 2017		7,175
Current service cost		763
Interest cost		188
Employee contributions		104
Actuarial gain		(856)
Benefits paid		(28)
At 31 August 2018		7,346
Changes in the fair value of the Academy Trust's share of scheme assets		2018 £'000
At 1 September 2017		3,797
Interest income		102
Actuarial gain		74
Employer contributions		358
Employee contributions		104
Benefits paid		(28)
At 31 August 2018		4,407

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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 21 Reconciliation of net income to net cash flow from operating activities

	2018 £'000	2017 £'000
Net income for the reporting period (as per the Statement of Financial Activities)	771	2,888
Adjusted for:		
Net surplus on conversion to academy	-	(3,551)
Capital grants from DfE/ESFA and other capital income	(1,597)	(66)
Investment income receivable	(5)	(6)
Defined benefit pension costs less contributions payable	407	380
Defined benefit pension net finance cost	84	89
Depreciation of tangible fixed assets	591	403
Decrease in stocks	-	1
(Increase) in debtors	(183)	(16)
Increase/(decrease) in creditors	9	(101)
<b>Net cash provided by operating activities</b>	<b>77</b>	<b>21</b>

#### 22 Commitments under operating leases

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

	2018 £'000	2017 £'000
Amounts due within one year	2	3
Amounts due in two and five years	6	1
	<u>8</u>	<u>4</u>

#### 23 Capital commitments

	2018 £'000	2017 £'000
Expenditure contracted for but not provided in the Financial Statements	510	3

At 31 August 2018, the Academy was committed to roofing works, the anticipated costs of the project were £544k due to be funded by CIF Capital Grant and GAG. This project was partly completed during the year to 31 August 2018, in which costs of £34k were incurred. Anticipated future costs to completion at 31 August 2018 are £510k.

#### 24 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 11.

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## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2018***

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#### **25 Members' liability**

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

#### **26 Agency arrangements**

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2018 the Trust received £20,255 (2017: £20,225) and disbursed £13,013 (2017: £15,247) from the fund. An amount of £34,745 (2017: £27,503) is included within creditors: amounts falling due in less than one year relating to undistributed funds that are repayable to the ESFA. The Academy Trust retained £1,013 (2017: £1,448) to cover costs incurred in the administration of this fund.

The Academy Trust distributes Science Learning Partnership funds as an agent to students. In the accounting period ending 31 August 2018 the Trust received £102,569 (2017: £53,550) from the fund. An amount of £68,529 (2017: 27,780) is included within creditors: amounts falling due in less than one year relating to undistributed funds repayable to Science Learning Partnership.

