

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

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VICTORIA ACADEMIES TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Gurinder Singh Josan CBE
Ayo Ajanaku
Ninder Johal
Noel Dunne
Baljinder Kang (appointed 1 November 2021)

Trustees

Gurinder Singh Josan CBE, Chair
Robert Elkington, Vice Chair
Prem Gabbi
Gursharn Mahli
Luke Hill
Shafiq Sharif
Alison Bruton
Rena Rani
Alison Young (appointed 1 September 2021)

Company registered number

07887796

Company name

Victoria Academies Trust

Principal and Registered office

Victoria Academies Trust
Ballot Street, Smethwick
West Midlands, B66 2HH

Company secretary

Ian Kirby

Chief executive officer

Sharron Philpot

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Executive leadership team

Sharron Philpot, Chief Executive Officer
Kate Tewley, Director of Schools
Hayley Mapp, Director of Schools
Ian Kirby, Chief Operating Officer

Independent auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds Bank
Solihull Business Centre
Shirley
Solihull
West Midlands
B90 3BW

Solicitors

Anthony Collins Solicitors
145 Edmund Street
Birmingham
West Midlands
B3 2ES

Internal auditors

Bishop Fleming
1-3 College Yard
Worcester
Worcestershire
WR1 2LB

VICTORIA ACADEMIES TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the reporting year to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

Victoria Academies Trust is an established multi academy trust created on 1st January 2014. It began as a single academy and is named after the founder school, Victoria Park Academy in Smethwick. It became the first primary school in the local authority (Sandwell) to convert to an academy in April 2012. Almost two years later it became the lead school and sponsor within Victoria Academies Trust. The Trust currently operates ten primary schools for pupils aged 3 – 11, nine mainstream and one newly opened SEND free school for autistic pupils.

The Trust has a proven track record for transforming schools, regardless of where they are on their improvement journey. At any one time, typically half of our schools will have been in special measures at some point. Our sponsor academy, Victoria Park Academy itself moved from inadequate to outstanding during its own unique journey. We have a deep understanding therefore of the challenges that schools and their communities face when transforming the life chances of our families.

All of our schools are within 45 minutes driving time from Victoria Park Academy. Our academies serve challenging communities across a number of local authorities in the West Midlands, including Birmingham, Sandwell, Staffordshire, Walsall and Worcestershire.

In total, including part time nursery pupils, the Trust is responsible for the education of just over 3,000 pupils. The Trust successfully opened its first free School, Poppyfield Primary Academy in September 2019, and was awarded its first Special School, Elm Tree Primary Academy, which opened in September 2022 in Sandwell as a primary school for autistic pupils. The trust's eleventh school is currently in pre-opening phase. Austin Park Primary is a mainstream free school planned for the Cofton Park area of Worcestershire

Structure, governance and management

a. Constitution

The multi academy trust is a company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Victoria Academies Trust are also the Directors of the charitable company for the purposes of company law.

The charitable company operates as Victoria Academies Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

c. Trustees' indemnities

The Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Trust also purchased and maintained liability insurance for its Trustees.

d. Method of recruitment and appointment or election of Trustees

The trustees are recruited by the Members who will determine the recruitment process, ensuring that the skills and experience of potential candidates are matched to the requirements of the board.

The board has previously used Academy Ambassadors to support recruitment as it sought to increase the professional skills on the board. Inspiring Governance has also been another source of recruitment matching specific skills to the roles required on the Board. Recruitment this year has been through professional links and local knowledge as Members recruited a SEND specialist Trustee. The process has been robust and rigorous to ensure the right people, with the right skills and experiences have joined the board. The number of trustees is nine.

e. Policies adopted for the induction and training of Trustees

Trustees are inducted as part of the training and support provided by NGA, in addition to bespoke sessions with the Chair of Trustees and CEO. The Trust also has its own governance training and support programme that all Trustees and local governors have access to throughout the year. All Governors and Trustees also have access to all NGA training material. All training and development is based on the annual skills' audit undertaken by all Governors and Trustees. Induction processes have been developed to ensure trustees have a clear understanding of the board, their role and the Trust as a whole.

f. Organisational structure

The scheme of delegation was published in summer 2021 and is available on the Trust website. A revised and updated scheme of delegation will be published in Autumn 2022. The scheme serves as an accountability framework for decision making at all levels across the Trust including members, Trustees, local governors (academy councillors), the executive, headteachers, and central team members. The chief executive also undertakes the role of accounting officer and leads the executive team, consisting of two directors of school and the chief operating officer. To complement the work of the executive, a headteacher forum meets frequently to ensure consistency and alignment across the schools and Trust as a whole. The central core team of the Trust are line managed by the executive, and regularly join a leaders' forum so that there is consistency of approach and clear communication through all levels of leadership at Trust level.

From September 2021, a new structure was introduced where Directors of Schools oversee all schools, replacing the previous 'hub model'. The Directors of Schools line manage head teachers, and have a strategic overview of all schools and lead the Trust School Improvement central team. Each school has a substantive head teacher and its own local governing body (known as academy councils). The naming as 'academy council', makes clear the fact that all governance flows only from the board. The scheme of delegation and academy council handbook clarifies succinctly the difference in roles through explicit terms of reference, including for the committees of the board: Performance management and pay, audit, finance and risk, standards and health and safety.

Each academy council has been appointed by the board, including chair and vice chair. Parents and staff continue to be elected under the usual way plus up to four community councillors based on an assessment of needs according to a skills gap. The academy councils are supported by our own head of governance.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

An external expert appraises the CEO and meets with the Trustee appointed committee to advise on the extent to which previously agreed objectives have been met and that proposed new objectives are sufficiently challenging and aligned with the strategic plan and vision of the Trust. The committee will discuss the findings and recommendations of the external expert with a particular focus on ensuring judgements are supported by relevant evidence and may, if required, discuss aspects with the member of staff concerned. Staff employed on the payroll (including the chief executive) are not present during any discussions relating to pay. Once a decision has been made, taking into account the advice from the external expert and Trustees' own evaluation of the impact of performance, the outcome is shared with the CEO who is invited to join the meeting and informed of the decision.

The CEO undertakes appraisals for the executive (Directors of Schools and COO) Challenging targets which align to the strategic plan and vision of the Trust will be set, and the executive will be held to account through mid-year and end of year meetings to discuss progress towards these, and evidence to support this. The chief executive will then make recommendations to the Trust pay and performance management committee regarding pay. This committee will make the final decisions on the pay of all members of the executive leadership team.

h. Trade Union facility time

In accordance with the provision of the Trade Union regulations 2017, the Trust does not have any union officials and therefore no current employee spends any time on facility time or any paid trade union activities.

i. Related parties and other connected charities and organisations

All related party transactions are reported and disclosed as required by the academies accounts directive. There were no related party transactions during the year.

We have shared premises for Elm Tree Academy, which started in September 2022, as a temporary measure until the completion of the permanent build in September 2023. The shared site is with a Local Authority Department for Inclusion Support; a shared use agreement is in place to ensure costs are apportioned appropriately.

The board are satisfied that appropriate measures are in place to manage any conflict of interest including completing an annual register of interests, requirement to declare interests in meetings and if a discussion is required in regard to any connected party, that Trustee will be requested to withdraw. There is a Trust conflicts of interests policy, developed and agreed by Trustees.

j. Engagement with employees (including disabled persons)

Our Trust believes in equality and welcomes applications from disabled persons. Appointment will be based on merit and robust processes which promote equality for all. For employees who may become disabled, all advice will be sought to enable appropriate adaptations to be made to enable them to effectively fulfil their role.

Through ongoing wellbeing work, the Trust seeks to listen to all employees and school wellbeing groups and whole trust survey aid understanding and prioritise future work regarding our staff.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

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

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to — (a) the likely consequences of any decision in the long term, (b) the interests of the company's employees, (c) the need to foster the company's business relationships with suppliers, customers and others, (d) the impact of the company's operations on the community and the environment, (e) the desirability of the company maintaining a reputation for high standards of business conduct, and (f) the need to act fairly as between members of the company. All decisions are made by the board of Victoria Academies Trust, which includes engagement with our key stakeholders, and are in line with our FIDES values and our overall purpose 'To make people become the best they can be'. This includes not only our pupils but the staff and communities within which we operate. The Trustees' report below goes into greater depth the key areas of success through engagement with our stakeholders.

Objectives and activities

a. Objectives, strategies and activities

We are a values-led Trust. At any one time, typically half of our schools will have been in special measures at some point. We have a unique understanding therefore of the challenges that schools and their communities face when transforming the life chances of our families. With a blend of high performing schools (converter academies), those that we sponsor that are on the journey to excellence, and free schools, built and developed from new, we are aiming to build a family of like minded schools who share our passion for real, immersive and purposeful learning.

Our core purpose is to ensure that all our people (pupils, staff, parents, academy councillors, Trustees, members) become the best they can be. This is our reason for being and why we created the Trust in the first place. To help us fulfil our purpose, we have a number of core values that drive all that we do. These serve as our guiding principles and are built around five key beliefs based on the Latin word FIDES, the ancient Roman goddess of Trust and honesty.

Our five core values, along with how we believe people should behave to achieve them are:

Loyalty by	Focusing on family
Tenacity by	Insisting on excellence
Kindness by	Doing good as you go
Courage by	Embracing innovation
Brilliance by	Seizing success

Our values help us to model and articulate the behaviours that we expect from our people in order to fulfil our vision.

Our vision is the future we intend to create, it paints a picture of our goals and aspirations. Our vision should be the heartbeat running through our schools and communities. It should be understandable, relatable and authentic.

*"Our people will be **brilliant, courageous and kind**. **Ambition and innovation** are at the heart of all that we do as we strive **to become the best we can be**".*

*Our strapline tells of what we want to achieve: "**Being the best we can be**".*

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

Our annual strategic plan has a number of key objectives and strategic priorities that are driven by our values and core purpose and linked to our four long term goals:

1. To continually improve our schools
2. To invest in our school communities
3. To grow and value our colleagues
4. To prepare our children for the future

b. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Strategic report

Achievements and performance

Performance throughout the year is monitored and evaluated at a number of levels. Internal monitoring is carried out by the executive team through termly school improvement visits using our self-evaluation framework.

In turn, each academy produces its own rigorous self-evaluation summary and subsequent academy improvement plan. In addition, external monitoring conducted by an independent consultancy company ensures the necessary external rigour. Our robust performance management systems ensure that this drives appraisal. An external consultant is commissioned to ensure that the process is robust and rigorous.

Our main strategic priorities during 2021-22 were:

- To ensure that the Recovery Premium is effectively used so that all pupils make accelerated progress
- To improve the effectiveness of assessment across all foundation subjects so that it is consistent across all schools
- To create a target operating model and associated KPIs understood by all schools
- To develop a fit for purpose HR function
- To be proactive in key opportunities for growth and expansion
- Further enhance pathways so that it is the CPD platform of choice
- To re-establish links with external partners
- Schools have an effective wellbeing offer for all children

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Throughout the year, the executive leadership team and board continue to monitor progress towards the success criteria identified for each of the above objectives. The chief executive officer provides the board with a progress and impact update as part of their report at each Trustees' meeting. Each Trustee is linked with an academy and makes at least one visit to the school (including attending an academy council meeting) and reports back to the board. As a result, Trustees know their academy (and community) well.

In July a strategic away day took place to enable the executive team to present to members, trustees and academy councillors to enable them to assess progress towards the strategic priorities and together, discuss priorities for the coming year. This session also allowed the group to begin to self evaluate the Trust's current position and priorities in relation to the White Paper and DfE definition of a Strong Trust.

A summary of the key achievements and successes include:

- Pupil premium and recovery premium plans in place and implemented effectively in all schools.
- Assessment systems and language of assessment now consistent in all schools and monitored by head of assessment
- New foundation subject assessment system developed and introduced in schools during the summer term.
- Key links with external partners re-established, including education, CPD and community partners
- Trust Partnership Offer developed and detailed on the VAT website.
- Three free school bids submitted in academic year.
- Target operating models developed to go forward to consultation with stakeholders
- Training content on pathways refreshed and developed throughout the year for education and non-education colleagues.
- Career pathways opportunities extended to all staff, including bespoke apprentice levy signposts.
- Partnership with best Practice network led to VAT being delivery partner for ECF and NPQ courses for colleagues and external to VAT
- Central register of career progression and expertise across the trust developed
- Through the use of termly visits, Directors of Schools have been able to support and challenge schools on their journey of improvement, and also identify good practice and opportunities to share across the Trust.
- Elm Tree Academy, our first SEND Free School successfully opened in September 2022, providing much needed places for autistic children across Sandwell.
- By October 2022, we had received 6 Ofsted visits, including the pre-opening inspection for Elm Tree. All schools maintained or improved their gradings, and all showed significant improvements in key areas of focus, with areas to develop already identified through our own internal monitoring activities.
- Implementation of a live 'data dashboard' in Autumn 2022 to allow schools, trust central team, local governors and trustees to have real-time data to monitor KPIs at all levels
- Trustees agreed to fund 50% of the 2022 unfunded payrises from Trust reserves to ensure minimised impact on school and to ensure staff pay is in line with national guidance
- Trust have funded the rises of paid school meals until March 2023 to allow families time to budget and to support finances over the winter.
- Increased use of apprenticeships across all roles in schools and centrally, supporting our people to develop and grow in their roles, linked to our mission 'To Make People The Best They can be'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

A summary of progress towards our goals and three-year key performance objectives is as follows:

Goal 1. To Continually Improve Our Schools	
Success Criteria	Progress
All schools are Ofsted graded good or better	<p>Ofsted Inspection outcomes in Sept 2021 – Oct 2022:</p> <ul style="list-style-type: none"> • Northfield Manor- Good • Foley Park – Good • Birchen Coppice – moved from Special Measure to Serious Weaknesses, receiving RI or Good in 4of the 5 key areas. • Elm Tree- Pre-opening Ofsted successful with no measures identified • Devonshire Junior – Good • Rowley Park - Good <p>Of schools not yet graded good, Fibbersley Park (RI) continues to improve and internal monitoring shows them to be on an upward journey to good.</p> <p>Poppyfield (free school, not yet inspected) is strong and internal monitoring shows no concerns.</p> <p>Birchen Coppice – recent report noted the journey and improvements made, clear action plan for rapid improvement is in place and the impact of this can already be seen with a significant improvement in behaviour, which is now not impacting on learning during the start of the Autumn term. Pupil voice backs this up with pupils noticing and welcoming the changes.</p>
Progress measures for all schools are at least in line with national	Unvalidated data shows a mixed picture across schools, and this area will be a focus in visits and monitoring over the coming year. Further information will be available when validated data is released at the end of 2022.
Progress for disadvantaged pupils is greater than that of non-disadvantaged	As a trust (without Birchen Coppice) disadvantaged children made more progress than non-disadvantaged this year. Ongoing focus on BCA, and provision and outcomes for disadvantaged continues to be a priority.
All schools individually have balanced budgets	<p>A Trust balanced budget was submitted to ESFA.</p> <p>Two of our sponsor schools, Rowley Park and Birchen Coppice have deficit budgets as approved by Trustees. Rowley Park has a deficit recovery plan in place and is moving towards this. Trustees invested reserves into Birchen Coppice over the last year as part of their rapid improvement plan. This will be reviewed annually and as the school makes progress, investment will be able to be reduced.</p> <p>Other schools have financial stability and are working within their budgets.</p>

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Goal 2. To Invest In Our School Communities	
Success Criteria	Progress
Strong parent partnerships are established and parent voice is valued and acted upon	Parent voice has developed in schools post-Covid, and parents through the year were invited back into schools. A number of schools have strong parent councils set up, with others in the early stages of this. Parents are strongly represented on all local governing boards (Academy Councils), a number of which attended our Trust strategic away day in the summer. Activities such as Poverty Proof audits provide an important insight into parent views, allowing schools to act upon this feedback.
Constructive relationships with local community partners impact positively on schools	<p>Schools utilise key partners in their work in line with their own context and demographic. Key partners support in curriculum opportunities such as Welsh National Opera partnership with Devonshire Junior, and a key partnership at Poppyfield with Littleton Lodge Care Home. Other partnerships such as the Hope project at Rowley Park support wellbeing and family support.</p> <p>The Trust is also developing links with schools within the communities of our Trust schools, offering support, training and informal networking and partnerships, in our work to become known as centres of excellence in the local areas.</p> <p>A community engagement event is planned for Elm Tree Academy in December 2022 to bring local groups together to collaborate and work alongside the school, positioning it in the centre of its community.</p>
Targeted growth ensures that there is no standalone school in any Local Authority area	<p>Key conversations have been held with Regional Schools Teams in each of the LAs which we operate. Links with a number of LAs have been made, and we have been proactive in attending LA led events such as the Family of Schools event in Walsall to share our work. Continued work with other schools is developing relationships which could lead to growth opportunities.</p> <p>Three free school bids were submitted during the year as key opportunities in line with our vision and values arose.</p> <p>Informal partnership working with a small number of local schools ensures that the Trust is visible, and sharing its practice; becoming known for its work with communities.</p>

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Goal 3 . To Grow and Value our Colleagues	
Success Criteria	Progress
Implementation of 'employer of choice' strategies	<p>Initial discussions regarding a People Strategy and development of end to end HR service have begun and will form a key priority for the coming year.</p> <p>Initial feedback has been sought from colleagues around what it is like to be part of VAT, what we do well, and what we can do to be 'even better'.</p> <p>Work around poverty proofing for colleagues as well as families is planned to support the strain of cost of living rises on our people.</p>
Pathways is accessed by all employees and positively impacts on performance	<p>Pathways has been developed and opportunities expanded for all colleagues; education and non-education. Key partnerships with external agencies have led to a bespoke provision of apprentice-levy funded training being open to all. As key partners with best Practice Network, we also deliver accredited courses such as ECF and NPQs both within and external to our trust.</p> <p>Elements of Pathways has now been opened up, at no cost, to a small number of schools who we work with outside of the Trust.</p>
Mental health and wellbeing is recognized and effectively supported	<p>Wellbeing surveys have been actioned and outcomes analysed, with schools developing bespoke action plans.</p> <p>Wellbeing champions have been identified in each school and resources and support have been shared with schools.</p>

Goal 4 . To Prepare our Children for the Future	
Success Criteria	Progress
Children have opportunities to take part in experiences that raise aspirations for the future	Schools have been able to provide a range of trips, visits and experiences this year linked to aspiration, ambition and deeper knowledge and understanding of the curriculum. This will be further developed as we refine and relaunch our NICER curriculum in the next year.
An ambitious curriculum is in place for all children that is real, immersive and purposeful	Internal QA visits focused on curriculum have shown that almost all schools are providing a curriculum which meets the approaches of our Trust. Support for curriculum leads has been positive and they have developed in their roles. There will be a refocus, refresh and re-launch of our own NICER curriculum in the coming year.
Consistent and established approach to metacognition across all schools	Most schools use metacognition approaches but this is not yet consistent. A key focus of the coming year will interweave metacognition with the refresh of the NICER curriculum.
Children are responsible, respectful and active citizens, who contribute actively to society	Internal monitoring has shown that behaviour is strong in almost all schools and that the vast majority of children are responsible citizens. PHSE is strong in schools and there is a clear focus on 'doing good as you go' as one of our key values. All but one Ofsted report found behaviour and relationships in schools to be very strong. Birchen Coppice will be focusing on this as part of their Ofsted Action plan.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Key finance indicators

As part of the monthly management accounts the trustees monitor the following financial KPI's in line with the Department for Educations recommendations.

Key Performance Indicator	Benchmark	Victoria Academies Trust 2021/22
Staff Pay % of Income	75%	83%
Staff Pay % of Expenditure	75%	77%
Average Teacher Cost	£50,000	£49,920
Average Class Size	28 pupils	30 pupils
Teacher Contact Ratio	0.74	0.78
Pupil to Teacher Ratio	20	20.92
Pupil to Education Support Ratio	20	15
Non-Staff Spend Per Pupil	£1,000	£1,208

b. Going concern

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

c. Promoting the success of the company

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to — a) the likely consequences of any decision in the long term, b) the interests of the company's employees, c) the need to foster the company's business relationships with suppliers, customers and others, d) the impact of the company's operations on the community and the environment, e) the desirability of the company maintaining a reputation for high standards of business conduct, and f) the need to act fairly as between members of the company.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Trustees have promoted the success of the Trust through internal and external networks and through its AGM and associated documentation.

As highlighted in the structure, governance and management section above all decisions made by Victoria Academies Trust are made in line with FIDES values and our overall purpose - 'To make people become the best they can be'. The likely consequences of any decision in the long run are thoroughly analysed by the Board of Trustees before approving a decision. This would include opportunities to expand the Trust through expansion of its current schools, working with schools as part of a Trust Partnership agreement and applying for further schools to join the Trust; performance management and pay; and education decisions.

Financial review

Victoria Academies Trust's primary source of funding comes via the ESFA by way of the General Annual Grant. The expenditure incurred is mainly staff costs; however, it also utilises the grant to maintain and expand the buildings and provide resources.

Other funding from the Department for Education (DfE) is received in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust has also received grants for capital works from the DfE/ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by an annual depreciation charge over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31 August 2022, total expenditure of £21,184,333 was mainly covered by recurrent grant funding from the DfE together with other incoming resources. The excess of expenditure over income for the year was £1,081,941. These figures exclude the actuarial gains and losses on the Local Government Pension Scheme (see note 25 to the accounts).

At 31 August 2022 the net book value of fixed assets was £30,490,286 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of each Academy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

a. Reserves policy

The Academy Trust review resources and recognise the need to have sufficient reserves to protect against possible reductions or delays in funding streams. The aim is to carry forward sufficient funds to meet the Academy's long term capital projects, ensuring that this does not affect the day-to-day operational activities. The Academy Trust has decided that a consolidated reserve level of one month's average operating costs for all schools and central services, is appropriate (circa £1.71m). This is made up of restricted and unrestricted reserves. Sums over this amount may be allocated to major projects, in line with the Trust Strategic Plan.

The free reserves of the Academy Trust are £2.08m (2021: £1.85m).

The additional reserves, above the level required by the reserves policy, are provisioned for capital projects. With the move from Capital Improvement Funding (CIF) to School Capital Funding (SCA) the amount received is significantly less than the historic CIF awards the trust has received whilst the amount of capital works required still remains high.

b. Investment policy

The Trustee Body is responsible for setting investment policy. This day-to-day responsibility for managing this function is delegated to the Chief Operating officer. In the current economic climate of reducing income, and with previously low interest rates, and in view of the capital projects undertaken by the Academy Trust, most funds have been held in the Academy current accounts or fixed term deposits. Given rising interest rates the trust will look to utilise these to increase interest income.

c. Principal risks and uncertainties

The risks and issues of the Trust are managed, via delegation from the Trust Board, by the Audit and Risk Committee, with the Board receiving a summary of risks on a periodic basis.

The principal risk ongoing and managed by the Trust during the academic year is the COVID-19 pandemic and ensuring we can keep pupils, staff and the wider school community safe whilst maximising the education available to pupils. The Trust has put in place a rigorous risk assessment and management process run by the executive leadership team and reviewed and approved by the Trust Board and the teaching unions.

The key education priority which has the biggest risk and uncertainty is the improvement required at Birchen Coppice Academy. The school joined the Trust in December 2017 and whilst progress has been made it is still at the beginning of its improvement journey with considerable time and resources required to ensure it reaches the required education standards.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Fundraising

The Trust is mindful/aware of the requirements of the Charities (Protection and Social Investments) Act 2016, primarily fundraising is undertaken by staff or parents and no professional fundraisers work with the Trust currently. Methods to generate income have included bid writing e.g., breakfast club bids, play equipment, Trust Capacity and Improvement Fund, raffles and PTA activities. PTA groups work closely with their respective academy who provides oversight and represents the Trust to ensure its values and ethos are understood and put into practice.

Fundraising is recognised as an important aspect to support income generation and provides alternative sources of income, outside public sector funding. All funds are paid directly into the Trust central bank account. No fundraising complaints have been received, but if they were the complaints policy would be followed.

The Trust is mindful of the requirement to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. Trustees have access to reference materials providing regulatory guidance including, but not limited to:

www.fundraisingregulator.org.uk/code/keyprinciples
www.legislation.gov.uk/ukpga/2016/4/section/13/enacted
[www.gov.uk/government/publications/charities and fundraising cc20](http://www.gov.uk/government/publications/charities-and-fundraising-cc20)

VICTORIA ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2022	2021
Energy consumption used to calculate emissions (kWh)	3,852,831	4,171,279
Energy consumption breakdown (kWh):		
Gas	2,949,129	3,384,798
Electricity	848,457	785,642
Transport fuel	55,245	839
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	538.33	622.36
Owned transport - mini buses	13.83	0.21
Total scope 1	552.16	622.57
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	164.07	183.16
Scope 3 emissions (in tonnes of CO2 equivalent):		
Water consumption	7.42	26.24
Total gross emissions (in tonnes of CO2 equivalent):	723.65	831.97
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.23	0.26

Water consumption should be managed to monitor spending, but it also has a carbon footprint of its own, due to the energy used to bring it up to drinking quality standards, distribute it, and to treat it after use.

The Academy Trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

The Academy Trust utilised the Salix Energy Efficiency Fund (SEEF) and entered into Salix loans during the year to support energy saving LED lighting projects.

VICTORIA ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

Our 2022-23 strategic plan identifies ten key objectives. These include:

- To ensure that our culture, ethos, vision and values are embedded in our schools so that our people can be the best they can be
- To ensure consistency in systems, processes and procedures so that we continually improve our schools
- To ensure equity for all so that we continue to improve our schools
- To Poverty Proof our schools for all stakeholders so that we invest in our school communities
- To develop our marketing and promotion material so that future growth invests in our school communities
- To provide an effective HR system so that we grow and value our colleagues
- To develop a People Strategy so that we grow and value our colleagues
- To provide high quality, effective training and development opportunities so that we grow and value our colleagues
- To relaunch the NICER curriculum so that we prepare our children for the future
- To reduce our carbon footprint so that we prepare our children for the future

These key objectives have been influenced by evaluating our current position, external influences and the steps needed to move the Trust towards its vision and long terms goals.

Funds held as custodian on behalf of others

There are no Funds held as Custodian Trustee on behalf of others.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on *7 December 2022* and signed on its behalf by:



Gurinder Singh Josan CBE
Chair of Trustees

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to 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 agreement between Victoria Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Gurinder Singh Josan CBE, Chair	5	6
Robert Elkington, Vice Chair	5	6
Prem Gabbi	5	6
Gursham Mahli	4	6
Luke Hill	4	6
Shafiq Sharif	3	6
Alison Bruton	5	6
Rena Rani	3	6
Alison Young	5	6

Alison Young joined the Trust board in September 2021 to add Special Education Needs (SEN) expertise in support of our opening of Elm Tree Primary Academy. To support the opening of Elm Tree a Steering Committee was instigated, in addition to the current sub-committees, attended by one member of the Trust board. The quality of the information presented to the board has improved with the implementation of new finance systems and Microsoft PowerBI.

A register of declarations is maintained for all members, trustees and executive leaders. When new suppliers are added to the finance system a manual check is performed against the register of interest to identify any trading with a related party. At each board meeting the clerk of the board requests trustees to identify any conflicts of interest for the meeting.

The audit and risk committee is a sub committee of the main Board of Trustees. The committee has taken delegated responsibility on behalf of the Board for ensuring that there is a framework for financial scrutiny and accountability. It examines and reviews all systems and methods of control both financial and otherwise including the process of risk management and review. The committee ensures that systems are in place for whistleblowing and the prevention of fraud. It also ensures compliance with all aspects of the law, relevant regulations and good practice.

VICTORIA ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Gurinder Singh Josan CBE	3	3
Luke Hill	3	3
Prem Gabbi	3	3
Alison Young	2	2

The Health and Safety Committee is also a sub committee of the main Board of Trustees. This committee takes delegated responsibility on behalf of the Board to assist them in the discharge of their health and safety responsibilities. The Committee shall take all reasonable and practicable steps to maintain a safe and healthy working environment which complies with statutory requirements. It will ensure that there is a clear health and safety policy and procedure across the Trust and all Academies which is available to all staff and that the policy is implemented and reviewed at appropriate intervals. The committee monitors the effectiveness of the safety content of employee training and ensures that staff are adequately trained to perform their jobs in a safe manner. The committee will ensure that all serious incidents, accidents or ill health involving Trust staff are adequately investigated and, where necessary, that the appropriate enforcing authority is informed.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Shafiq Sharif	3	3
Robert Elkington	3	3
Rena Rani	2	3

The Performance Management & Pay Committee is also a sub committee of the main Board of Trustees. The objective of the annual PMAP is: to approve the Trust pay policy and review on an annual basis, to approve Trust wide pay recommendations based on changes in national deals e.g. teachers pay rises and NJC pay scale. The committee take delegated responsibility on behalf of the Board for ensuring that there is a framework for performance management and pay reviews. The committee will conduct the performance review in accordance with statutory requirements and set performance objectives for the CEO. It will review the prior year performance objectives and will decide whether or not to award pay progression (salaries) for the CEO. It will also determine if any pay adjustments are required due to a change in duties for the executive team. It will also moderate the performance management of the Executive Leadership Team performed by the CEO, and of other teaching staff performed by executive leaders or designated school leaders.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Gurinder Singh Josan	2	2
Gursharn Mahli	2	2
Alison Bruton	2	2
Trevor Sutcliffe (external expert)	1	1

The Standards Committee is also a sub committee of the main Board of Trustees. The objective of the committee is: to take delegated responsibility on behalf of the Board for ensuring that there is a framework for scrutiny of standards and overall performance for each Academy and across the Trust, to examine and review systems and procedures for school improvement and to ensure compliance with all aspects of standards and achievement in each academy.

VICTORIA ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Sharon Mahli	3	3
Robert Elkington	3	3
Alison Bruton	2	3

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

- identifying and reducing inefficient processes within the Trust;
- deployment of an expanded central team across our family of schools;
- reducing procurement costs through utilising the Trust's economies of scale; and
- restricting the number of new hires by reallocating staff resources across Trust schools.

The governance of the Trust was enhanced during the year with the recruitment of a further Trustee with specific SEND experience to support the Elm Tree opening.

Challenges continue to be experienced, over the 12-month period in relation to our sponsored academies and their finances. Further information is provided on the next page.

Challenges around Covid-19 continued somewhat through the year, in particular due to staffing costs, although to date these challenges have not as yet impacted on the value for money of our Trust.

Governance Reviews

There were no formal reviews of governance undertaken other than as part of the formal self evaluation process. However, on an ongoing basis our head of governance continues to support Trustees and academy councillors, quality assuring meetings and minutes. An annually reviewed Academy Council Handbook and Scheme of Delegation ensures clarity and consistency of approach, and so governance is stronger than in previous years. An in-house Governance Training Platform provides bespoke and on demand training for governors at all levels within the trust tailored to the specific needs of trustees and academy councillors. This is used in conjunction with externally provided CPD the NGA and other quality assured providers.

Deficit Recovery Plans

Two of our sponsored academies have significant deficits. Rowley Park, a smaller than average primary school which was sponsored in September 2014; and Birchen Coppice, a two-form entry primary school which the Trust sponsored in December 2017.

When Rowley Park was taken into the Trust it was in special measures. At the schools 2017 Ofsted inspection, it was rated Good with Outstanding for 'Effectiveness of leadership and management' and 'Early years provision'.

VICTORIA ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

(continued)

The school continues to attract more pupils with the target of having more than 210 pupils (including nursery) by the end of the academic year. The staff structure continues to be monitored to ensure it represents value for money and cost saving efforts are being made in all areas of the budget. Investment to create an EYFS unit will support staffing models whilst also providing the education needed by the community. This, longer term will impact positively on pupil numbers.

Significant Trust reserves were invested into Birchen Coppice as it continues its improvement journey. Trustees approved an action plan to operate the school with smaller class sizes and increased adult:child ratios to support the needs of the pupils. A bespoke behaviour support model was introduced in addition to a curriculum approach which was nurture rich, with resourcing to support staff workload. The investment will continue this year as the school continues its journey.

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 system of internal control has been in place in Victoria Academies Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees and sub committees.

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:

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

VICTORIA ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Bishop Fleming as independent internal auditors, to perform additional checks. During the year extended assurance visits were conducted in the following areas:

- Budgets and Forecasting
- Trust Key Performance Indicator review
- Academy Trust Handbook MUST review

The findings from the internal audit review identified on issues and noted four observations, that if corrected, would improve internal control and governance.

On a termly basis, the finance, audit and risk committee meets to review the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of effectiveness

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

- the work of the internal auditor;
- discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

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

Approved by order of the members of the Board of Trustees on their behalf by:

7 December 2022

and signed on



Gurinder Singh Josan CBE
Chair of Trustees



Sharron Philpot
Accounting Officer

VICTORIA ACADEMIES TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Victoria Academies Trust 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 Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 Trust Handbook 2021.

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.



Sharron Philpot
Accounting Officer

Date:

7 December 2022

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 7/12/22 and signed on its behalf by:



Gurinder Singh Josan CBE
Chair of Trustees

VICTORIA ACADEMIES TRUST
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VICTORIA ACADEMIES TRUST**

Opinion

We have audited the financial statements of Victoria Academies Trust (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 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 Academy Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VICTORIA ACADEMIES TRUST (CONTINUED)**

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 contained within the Annual Report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 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.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VICTORIA ACADEMIES TRUST (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction and the Academy Trust Handbook. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VICTORIA ACADEMIES TRUST (CONTINUED)**

regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the Academy Trust'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 Academy Trust'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 Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Dave Darlaston (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: *8 December 2022*

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 11 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Victoria Academies Trust during the year 1 September 2021 to 31 August 2022 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 Victoria Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Victoria Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Victoria Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Victoria Academies Trust's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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 a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Crowe U.K. LLP

Reporting Accountant

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 8 December 2022

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	4	18,289	-	655,554	673,843	1,457,496
Other trading activities		310,977	-	-	310,977	191,591
Investments		-	-	-	-	521
Charitable activities	5	151,494	18,966,078	-	19,117,572	18,428,195
Total income		480,760	18,966,078	655,554	20,102,392	20,077,803
Expenditure on:						
Charitable activities	7	76,529	20,456,134	651,670	21,184,333	19,606,576
Total expenditure		76,529	20,456,134	651,670	21,184,333	19,606,576
Net income/(expenditure)		404,231	(1,490,056)	3,884	(1,081,941)	471,227
Transfers between funds	17	-	(101,749)	101,749	-	-
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	16,193,000	-	16,193,000	(2,504,000)
Net movement in funds		404,231	14,601,195	105,633	15,111,059	(2,032,773)
Reconciliation of funds:						
Total funds brought forward	17	264,498	(19,669,859)	30,331,104	10,925,743	12,958,516
Net movement in funds		404,231	14,601,195	105,633	15,111,059	(2,032,773)
Total funds carried forward		668,729	(5,068,664)	30,436,737	26,036,802	10,925,743

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 35 to 65 form part of these financial statements.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07887796

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	30,490,286	29,446,098
		<u>30,490,286</u>	<u>29,446,098</u>
Current assets			
Debtors	14	958,063	2,418,877
Cash at bank and in hand		2,712,070	2,290,522
		<u>3,670,133</u>	<u>4,709,399</u>
Creditors: amounts falling due within one year	15	(1,572,086)	(1,885,667)
Net current assets		2,098,047	2,823,732
Total assets less current liabilities		32,588,333	32,269,830
Creditors: amounts falling due after more than one year	16	(70,601)	(90,029)
Net assets excluding pension liability		32,517,732	32,179,801
Defined benefit pension scheme liability	25	(6,480,930)	(21,254,058)
Total net assets		26,036,802	10,925,743

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07887796

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	30,436,737	30,331,104
Restricted income funds	17	1,412,266	1,584,199
Restricted funds excluding pension asset	17	<u>31,849,003</u>	<u>31,915,303</u>
Pension reserve	17	(6,480,930)	(21,254,058)
Total restricted funds	17	25,368,073	10,661,245
Unrestricted income funds	17	668,729	264,498
Total funds		<u>26,036,802</u>	<u>10,925,743</u>

The financial statements on pages 31 to 65 were approved by the Trustees, and authorised for issue on 7 December 2022 and are signed on their behalf, by:



Gurinder Singh Josan CBE
Chair of Trustees

The notes on pages 35 to 65 form part of these financial statements.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	19	1,442,264	633,757
Cash flows from investing activities	21	(1,002,395)	7,414
Cash flows from financing activities	20	(18,321)	(17,953)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		421,548	623,218
Cash and cash equivalents at the beginning of the year		2,290,522	1,667,304
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	22, 23	2,712,070	2,290,522
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 35 to 65 form part of these financial statements

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

The Academy Trust is a company limited by guarantee and is incorporated in England and Wales, registered number 07887796. The address of its registered office is Victoria Academies Trust, Ballot Street, Smethwick, West Midlands, B66 3HH.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Victoria Academies Trust meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.3 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 year for which it is receivable and any abatement in respect of the year 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.

• **Donations**

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

• **Other income**

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

2.4 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 allocated on the portion of the asset's use.

• **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.

All resources expended are inclusive of irrecoverable VAT.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.5 Interest receivable

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

2.6 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 Part 11, chapter 3 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.

2.7 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.8 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 1% Straight line
Freehold property improvements	- 4% Straight line
Long term leasehold	- 1% Straight line
Motor vehicles	- 10% Straight line
Fixtures and fittings	- 20% Straight line
Computer equipment	- 25% 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.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.9 Pensions

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.

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

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

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

2.10 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - salix loans, trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. 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. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.11 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 the funders where the asset acquired or created is held for a specific purpose.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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 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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

Critical areas of judgment:

There are no critical judgments which would have a material impact on the financial statements.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	18,289	-	18,289
Capital Grants	-	655,554	655,554
	18,289	655,554	673,843
	18,289	655,554	673,843
		<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations		142,336	142,336
Capital Grants		1,315,160	1,315,160
		1,457,496	1,457,496
		1,457,496	1,457,496

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Funding for the Academy Trust's educational operations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
DfE/ESFA grants			
General Annual Grant	-	14,291,698	14,291,698
Other DfE/ESFA grants			
Other DfE/ESFA Grants	-	240,087	240,087
PE & Sports grant	-	168,410	168,410
Pupil Premium	-	1,490,463	1,490,463
Teachers' pension and pay grant	-	43,682	43,682
SEN funding	-	1,081,475	1,081,475
School led tutoring	-	148,708	148,708
	-	17,464,523	17,464,523
Other Government grants			
Early years funding	-	854,624	854,624
UIFSM	-	327,715	327,715
Other Local Authority Grants	-	164,956	164,956
	-	1,347,295	1,347,295
Other income from the Academy Trust's direct costs	151,494	-	151,494
COVID-19 additional funding (DfE/ESFA)			
COVID recovery grant	-	154,260	154,260
	151,494	18,966,078	19,117,572

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Funding for the Academy Trust's educational operations (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
DfE/ESFA grants			
General Annual Grant	-	13,258,845	13,258,845
Other DfE/ESFA grants			
Start Up Grant	-	250,000	250,000
Other DfE/ESFA Grants	-	360,666	360,666
Pupil Premium	-	1,435,685	1,435,685
Teachers' pension and pay grant	-	588,591	588,591
SEN funding	-	856,555	856,555
	-	<u>16,750,342</u>	<u>16,750,342</u>
Other Government grants			
Early years funding	-	778,031	778,031
UIFSM	-	483,382	483,382
	-	<u>1,261,413</u>	<u>1,261,413</u>
Other income from the Academy Trust's direct costs	<u>133,768</u>	-	<u>133,768</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	238,312	238,312
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	-	44,360	44,360
	<u>133,768</u>	<u>18,294,427</u>	<u>18,428,195</u>

The academy received £154k of funding for COVID-19 recovery and costs incurred in respect of this funding totalled £154k, with no balance unspent at the year end.

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. Other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Hire of facilities	8,731	8,731
Other income	302,246	302,246
	310,977	310,977
	310,977	310,977
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Hire of facilities	780	780
Other income	190,811	190,811
	191,591	191,591
	191,591	191,591

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Academy's educational operations:				
Direct costs	13,251,773	651,670	847,998	14,751,441
Support costs	4,225,508	703,789	935,383	5,864,680
Catering - support costs	-	21,708	546,504	568,212
	17,477,281	1,377,167	2,329,885	21,184,333
	17,477,281	1,377,167	2,329,885	21,184,333

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Expenditure (continued)

	<i>Staff Costs</i> 2021 £	<i>Premises</i> 2021 £	<i>Other</i> 2021 £	<i>Total</i> 2021 £
Academy's educational operations				
Direct costs	12,318,081	605,760	620,866	13,544,707
Support costs	3,811,554	837,724	884,579	5,533,857
Catering - support costs	-	8,744	519,268	528,012
	<u>16,129,635</u>	<u>1,452,228</u>	<u>2,024,713</u>	<u>19,606,576</u>

Analysis of support costs

	Academy's educational operations £	Catering £	Total £
Staff costs	4,225,508	-	4,225,508
Technology costs	59,983	-	59,983
Premises costs	722,115	21,708	743,823
Other support costs	824,601	546,504	1,371,105
Governance costs	32,473	-	32,473
Total 2022	<u>5,864,680</u>	<u>568,212</u>	<u>6,432,892</u>

	<i>Academy's educational operations</i> £	<i>Catering</i> £	<i>Total</i> £
Staff costs	3,811,554	-	3,811,554
Technology costs	102,139	-	102,139
Premises costs	837,724	8,744	846,468
Other support costs	756,015	519,268	1,275,283
Governance costs	26,425	-	26,425
<i>Total 2021</i>	<u>5,533,857</u>	<u>528,012</u>	<u>6,061,869</u>

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Depreciation of tangible fixed assets: owned by the charity	651,670	605,760
Operating lease rentals	30,437	87,910
Auditor's remuneration - audit	15,750	15,750
Auditor's remuneration - non audit	3,800	3,800
	<u>651,670</u>	<u>605,760</u>

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	11,390,595	10,835,882
Social security costs	1,074,778	983,828
Pension costs	4,247,994	3,874,523
	<u>16,713,367</u>	<u>15,694,233</u>
Supply teacher costs	756,634	419,551
Staff restructuring costs	7,280	15,851
	<u>17,477,281</u>	<u>16,129,635</u>

Staff restructuring costs comprise:

	2022	2021
	£	£
Redundancy payments	-	15,851
Severance payments	7,280	-
	<u>7,280</u>	<u>-</u>

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Staff (continued)

b. Severance payments

The Academy Trust paid 1 severance payments in the year (2021 - -), disclosed in the following bands:

	2022	<i>2021</i>
	No.	<i>No.</i>
£0 - £25,000	1	-

c. Special staff severance payments

There was one (2021: none) non-statutory/non-contractual severance payment included in staff costs during the year totalling £7,280 (2021: £nil). Individually, the payments were £7,280 (2021: £nil).

d. Staff numbers

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

	2022	<i>2021</i>
	No.	<i>No.</i>
Teachers	157	151
Administration and support	389	427
Management	4	13
	550	591

e. Higher paid staff

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

	2022	<i>2021</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	4	10
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	1	1

f. 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 £487,434 (2021: £488,459).

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Central services

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

- Financial services - including central Trust finance team, audit and annual accounts preparation
- Educational support services - including educational welfare officers, Head of Curriculum, Head of Early Years, Education Psychologist and Head of SEND
- Professional Development – including the Trust annual conference, subscription to education support companies, leadership development and training
- Academy Growth support – including applications for new schools, due diligence on potential new joiners, organic growth of current academies
- Legal services
- IT licences and support
- Others as arising

The Academy Trust charges for these services on the following basis:

The Academy Trust charges for these services on a percentage basis (5% - 7%) applied to the GAG income received by each constituent academy. In addition, on a school by school basis academies were recharged for Executive Head time. Any surplus generated is held as a contingency reserve for use in future periods.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Victoria Park Academy	211,584	211,188
Rowley Park Academy	64,668	64,020
Devonshire Infant Academy	107,856	111,324
Devonshire Junior Academy	125,940	132,744
Northfield Manor Primary Academy	145,992	155,736
Fibbersley Park Primary Academy	179,832	180,672
Birchen Coppice Primary Academy	91,644	120,468
Foley Park Primary Academy	72,828	71,652
Poppyfield Primary Academy	31,260	21,948
Total	1,031,604	1,069,752

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the combined insurance premium.

13. Tangible fixed assets

	Freehold property and improvements £	Long-term leasehold property and land £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2021	14,512,055	16,369,544	25,000	798,576	623,142	32,328,317
Additions	1,544,362	-	11,495	36,205	103,796	1,695,858
At 31 August 2022	<u>16,056,417</u>	<u>16,369,544</u>	<u>36,495</u>	<u>834,781</u>	<u>726,938</u>	<u>34,024,175</u>
Depreciation						
At 1 September 2021	1,231,633	608,712	22,500	571,356	448,018	2,882,219
Charge for the year	193,774	234,959	3,649	96,748	122,540	651,670
At 31 August 2022	<u>1,425,407</u>	<u>843,671</u>	<u>26,149</u>	<u>668,104</u>	<u>570,558</u>	<u>3,533,889</u>
Net book value						
At 31 August 2022	<u><u>14,631,010</u></u>	<u><u>15,525,873</u></u>	<u><u>10,346</u></u>	<u><u>166,677</u></u>	<u><u>156,380</u></u>	<u><u>30,490,286</u></u>
At 31 August 2021	<u><u>13,280,422</u></u>	<u><u>15,760,832</u></u>	<u><u>2,500</u></u>	<u><u>227,220</u></u>	<u><u>175,124</u></u>	<u><u>29,446,098</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	34,053	4,315
VAT repayable	103,471	219,303
Prepayments and accrued income	820,539	2,195,259
	958,063	2,418,877
	958,063	2,418,877

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Salix loans (note 16)	19,060	17,953
Trade creditors	396,925	1,026,741
Other taxation and social security	231,931	229,034
Other creditors	271,173	255,678
Accruals and deferred income	652,997	356,261
	1,572,086	1,885,667
	1,572,086	1,885,667

	2022 £	2021 £
Deferred income at 1 September 2021	236,484	247,378
Resources deferred during the year	224,411	236,484
Amounts released from previous periods	(236,484)	(247,378)
	224,411	236,484
	224,411	236,484

At the balance sheet date, the Trust is holding grants received in advance for the provision of infant free school meals and a post opening grant in relation to Poppyfield Primary Academy.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Creditors: Amounts falling due after more than one year

	2022	<i>2021</i>
	£	£
Salix loan	34,489	53,917
Other creditors	36,112	36,112
	<u>70,601</u>	<u>90,029</u>

Salix loans under the Salix Energy Efficiency Fund (SEEF) were entered into by the Trust to support energy saving LED lighting projects and are repayable over 6 years in 12 half-yearly equal instalments at 0% interest. The repayments are made through a reduction in monthly GAG payments.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	264,498	480,760	(76,529)	-	-	668,729
Restricted general funds						
General Annual Grant (GAG)	1,154,184	14,291,698	(13,931,867)	(101,749)	-	1,412,266
Start Up Grant	206,726	-	(206,726)	-	-	-
Teachers' pension and pay grant	-	43,682	(43,682)	-	-	-
Pupil premium	-	1,490,463	(1,490,463)	-	-	-
SEN funding	-	1,081,475	(1,081,475)	-	-	-
School led funding	-	148,708	(148,708)	-	-	-
Local authority grants	-	1,347,295	(1,347,295)	-	-	-
Other Dfe/ESFA Grants	96,384	408,497	(504,881)	-	-	-
COVID-19 catch up premium	126,905	-	(126,905)	-	-	-
COVID-19 recovery grant	-	154,260	(154,260)	-	-	-
Pension reserve	(21,254,058)	-	(1,419,872)	-	16,193,000	(6,480,930)
	(19,669,859)	18,966,078	(20,456,134)	(101,749)	16,193,000	(5,068,664)

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

	Balance at 1 September 2021	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2022
	£	£	£	£	£	£
Restricted fixed asset funds						
Restricted Fixed Assets	29,446,098	-	(651,670)	1,695,858	-	30,490,286
DfE/ESFA capital grants	956,876	655,554	-	(1,612,430)	-	-
Fixed assets purchased with Salix loan	(71,870)	-	-	18,321	-	(53,549)
	<u>30,331,104</u>	<u>655,554</u>	<u>(651,670)</u>	<u>101,749</u>	<u>-</u>	<u>30,436,737</u>
Total Restricted funds	<u>10,661,245</u>	<u>19,621,632</u>	<u>(21,107,804)</u>	<u>-</u>	<u>16,193,000</u>	<u>25,368,073</u>
Total funds	<u><u>10,925,743</u></u>	<u><u>20,102,392</u></u>	<u><u>(21,184,333)</u></u>	<u><u>-</u></u>	<u><u>16,193,000</u></u>	<u><u>26,036,802</u></u>

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

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Within restricted fixed asset fund is a Salix loan of £53,549 (2021: £71,870) for energy efficiency fixed assets purchased in the year. The loan is repayable as a deduction to GAG payments issued by the DfE over 6 years. Therefore a transfer will be made for the same amount between GAG and the Restricted fixed assets fund each year to reduce the outstanding loan balance. The repayment is expected to be covered by the energy efficiency savings each year.

Transfers represent maintenance expenditure (funded from Devolved Formula Capital) to the General Annual Grant, Fixed assets purchased out of GAG from the General Annual Grant and accrued LGPS pension deficits from the General Annual Grant to the Pension reserve.

The start up grant relates to Elm Tree Primary Academy which is due to open in September 2022.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
General Funds - all funds	-	325,880	(61,382)	-	-	264,498
Restricted general funds						
General Annual Grant (GAG)	1,181,684	13,258,845	(13,135,809)	(150,536)	-	1,154,184
Start Up Grant	-	250,000	(43,274)	-	-	206,726
Teachers' pension and pay grant	-	588,591	(588,591)	-	-	-
Pupil premium	-	1,435,685	(1,435,685)	-	-	-
SEN funding	-	856,555	(856,555)	-	-	-
Other Dfe/ESFA Grants	-	360,666	(264,282)	-	-	96,384
LA: early years funding	-	778,031	(778,031)	-	-	-
LA: UIFSM	-	483,382	(483,382)	-	-	-
COVID-19 catch up premium	-	238,312	(111,407)	-	-	126,905
CJRS grant	-	44,360	(44,360)	-	-	-
Pension reserve	(17,552,000)	-	(1,198,058)	-	(2,504,000)	(21,254,058)
	<u>(16,370,316)</u>	<u>18,294,427</u>	<u>(18,939,434)</u>	<u>(150,536)</u>	<u>(2,504,000)</u>	<u>(19,669,859)</u>

VICTORIA ACADEMIES TRUST
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17. Statement of funds (continued)

	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Restricted fixed asset funds						
Restricted Fixed Assets	28,601,255	-	(605,760)	1,450,603	-	29,446,098
DfE/ESFA capital grants	817,400	1,315,160	-	(1,175,684)	-	956,876
Fixed assets purchased with Salix loan	(89,823)	-	-	17,953	-	(71,870)
Donated fixed assets	-	142,336	-	(142,336)	-	-
	<u>29,328,832</u>	<u>1,457,496</u>	<u>(605,760)</u>	<u>150,536</u>	<u>-</u>	<u>30,331,104</u>
Total Restricted funds	<u>12,958,516</u>	<u>19,751,923</u>	<u>(19,545,194)</u>	<u>-</u>	<u>(2,504,000)</u>	<u>10,661,245</u>
Total funds	<u><u>12,958,516</u></u>	<u><u>20,077,803</u></u>	<u><u>(19,606,576)</u></u>	<u><u>-</u></u>	<u><u>(2,504,000)</u></u>	<u><u>10,925,743</u></u>

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£	£
Victoria Park Academy	-	1,093,709
Rowley Park Academy	-	(1,006,627)
Devonshire Infant Academy	-	377,421
Devonshire Junior Academy	-	616,758
Northfield Manor Primary Academy	-	196,206
Fibbersley Park Academy	-	429,682
Birchen Coppice Academy	-	(324,185)
Foley Park Academy	-	84,707
Poppyfield Primary Academy	-	7,191
Victoria Academies Trust	2,080,995	373,835
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,080,995	1,848,697
Restricted fixed asset fund	30,436,737	30,331,104
Pension reserve	(6,480,930)	(21,254,058)
	<hr/>	<hr/>
Total	26,036,802	10,925,743
	<hr/> <hr/>	<hr/> <hr/>

On 8 July 2022, the Trustee Board approved a new Reserves and Investment Policy which stated that free reserves would be pooled into the central Trust.

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £
Victoria Park Academy	2,367,066	545,499	134,734	433,624	3,480,923
Rowley Park Academy	867,343	140,749	55,098	177,466	1,240,656
Devonshire Infant Academy	1,516,045	256,768	70,192	186,172	2,029,177
Devonshire Junior Academy	1,407,669	256,050	114,629	143,232	1,921,580
Northfield Manor Primary Academy	1,601,382	379,230	149,610	213,667	2,343,889
Fibbersley Park Academy	2,218,054	308,453	96,435	379,255	3,002,197
Birchen Coppice Academy	1,382,335	255,331	86,014	215,775	1,939,455
Foley Park Academy	845,175	211,359	75,369	116,646	1,248,549
Poppyfield Academy	432,150	44,445	40,907	115,995	633,497
Elm Tree Primary	34,177	(2,050)	3,408	11,974	47,509
Victoria Academies Trust	580,377	1,829,674	21,602	213,578	2,645,231
Academy Trust	13,251,773	4,225,508	847,998	2,207,384	20,532,663

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

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

	<i>Teaching and educational support staff costs</i> £	<i>Other support staff costs</i> £	<i>Educational supplies</i> £	<i>Other costs excluding depreciation</i> £	<i>Total 2021</i> £
Victoria Park Academy	2,205,557	518,033	123,985	357,306	3,204,881
Rowley Park Academy	837,399	111,286	32,656	236,845	1,218,186
Devonshire Infant Academy	1,428,998	277,027	38,610	157,761	1,902,396
Devonshire Junior Academy	1,366,403	265,547	93,496	250,793	1,976,239
Northfield Manor Primary Academy	1,613,733	368,306	122,374	363,432	2,467,845
Fibbersley Park Academy	2,062,923	342,748	97,688	223,619	2,726,978
Birchen Coppice Academy	1,118,269	245,718	40,002	196,022	1,600,011
Foley Park Academy	841,262	172,595	32,354	132,595	1,178,806
Poppyfield Primary Academy	298,205	37,213	24,972	100,220	460,610
Victoria Academies Trust	545,332	1,473,081	12,399	234,052	2,264,864
Academy Trust	<u>12,318,081</u>	<u>3,811,554</u>	<u>618,536</u>	<u>2,252,645</u>	<u>19,000,816</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	30,490,286	30,490,286
Current assets	668,729	3,001,404	-	3,670,133
Creditors due within one year	-	(1,553,026)	(19,060)	(1,572,086)
Creditors due in more than one year	-	(36,112)	(34,489)	(70,601)
Provisions for liabilities and charges	-	(6,480,930)	-	(6,480,930)
Total	668,729	(5,068,664)	30,436,737	26,036,802

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	29,446,098	29,446,098
Current assets	264,498	3,488,025	956,876	4,709,399
Creditors due within one year	-	(1,867,714)	(17,953)	(1,885,667)
Creditors due in more than one year	-	(36,112)	(53,917)	(90,029)
Provisions for liabilities and charges	-	(21,254,058)	-	(21,254,058)
Total	264,498	(19,669,859)	30,331,104	10,925,743

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,081,941)	471,227
Adjustments for:		
Depreciation	651,670	605,760
Interest received	-	(521)
Decrease/ (increase) in debtors	1,460,814	(918,560)
(Decrease)/ increase in creditors	(352,597)	735,289
Capital grants from DfE and other capital income	(655,554)	(1,315,160)
Prepaid defined benefit pension deficit contributions	48,872	47,058
Defined benefit pension scheme cost less contributions payable	1,011,000	870,000
Defined benefit pension scheme finance cost	360,000	281,000
Donation of fixed assets	-	(142,336)
Net cash provided by operating activities	1,442,264	633,757

20. Cash flows from financing activities

	2022 £	2021 £
Repayments of Salix loan	(18,321)	(17,953)
Net cash used in financing activities	(18,321)	(17,953)

21. Cash flows from investing activities

	2022 £	2021 £
Bank interest	-	521
Purchase of tangible fixed assets	(1,374,292)	(1,308,267)
Capital grants from DfE/ESFA	371,897	1,315,160
Net cash (used in)/provided by investing activities	(1,002,395)	7,414

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	2,712,070	2,290,522

23. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,290,522	421,548	2,712,070
Debt due within 1 year	(17,953)	(1,107)	(19,060)
Debt due after 1 year	(53,917)	19,428	(34,489)
	2,218,652	439,869	2,658,521

24. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	1,043,477

25. Pension commitments

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 West Midlands Pension Fund for Victoria Park Academy, Devonshire Infant Academy, Devonshire Junior Academy, Northfield Manor Academy, Fibbersley Park Academy, Staffordshire Pension Funds for Rowley Park Academy and Poppyfield Primary Academy and Worcestershire County Council Pension Fund for Birchen Coppice Primary School and Foley Park Primary School. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £270,166 were payable to the schemes at 31 August 2022 (2021 - £253,323) and are included within creditors.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

25. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £1,336,153 (2021 - £1,290,923).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

25. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,772,000 (2021 - £1,731,000), of which employer's contributions totalled £1,481,000 (2021 - £1,454,000) and employees' contributions totalled £ 291,000 (2021 - £277,000). The agreed contribution rates for future years are between 16.3 and 24.2 per cent for employers and between 5.5 and 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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.

As the scheme is in a deficit position the Academy Trust is making additional contributions. Future contributions for 2022/23 is £47,269.

Principal actuarial assumptions

	2022	<i>2021</i>
	%	%
Discount rate for scheme liabilities	4.27	1.69
Rate of increase in salaries	3.91	3.82
Rate of increase for pensions in payment / inflation	2.99	2.90
Inflation assumption (CPI)	2.95	2.86

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

	2022	<i>2021</i>
	Years	Years
<i>Retiring today</i>		
Males	21.8	22.0
Females	24.2	24.4
<i>Retiring in 20 years</i>		
Males	23.1	23.4
Females	26.1	26.3

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

25. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	9,168,000	7,809,000
Gilts	218,000	1,076,000
Corporate bonds	2,336,000	614,000
Property	1,094,000	835,000
Cash and other liquid assets	500,000	431,000
Other	156,000	1,494,000
Total market value of assets	13,472,000	12,259,000

The actual return on scheme assets was £(380,000) (2021 - £1,740,000).

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

	2022 £	2021 £
Current service cost	2,492,000	2,324,000
Net interest	357,000	277,000
Administration expenses	3,000	4,000
Total amount recognised in the Statement of Financial Activities	2,852,000	2,605,000

Changes in the present value of the defined benefit obligations were as follows:

	2022 £	2021 £
At 1 September	33,466,000	26,385,000
Interest cost	573,000	434,000
Employee contributions	291,000	277,000
Actuarial (gains)/losses	(16,789,000)	4,087,000
Benefits paid	(176,000)	(41,000)
Current service cost	2,492,000	2,324,000
At 31 August	19,857,000	33,466,000

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25. Pension commitments (continued)

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2022 £	2021 £
At 1 September	12,211,942	8,833,000
Interest income	216,000	157,000
Actuarial (losses)/gains	(596,000)	1,583,000
Employer contributions	1,432,128	1,406,942
Employee contributions	291,000	277,000
Benefits paid	(176,000)	(41,000)
Administration expenses	(3,000)	(4,000)
At 31 August	13,376,070	12,211,942

26. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	26,300	50,601
Later than 1 year and not later than 5 years	23,257	65,125
	49,557	115,726

27. Members' liability

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

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28. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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