

VICTORIA ACADEMIES TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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

Trustees

Gurinder Singh Josan CBE, Chair
Robert Elkington, Vice Chair
Prem Gabbi
Gursharn Mahli
Luke Hill
Shafiq Sharif
Alison Bruton (resigned 23 May 2023)
Rena Rani
Alison Young

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 2023

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 2023

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 2023. 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.

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 2023

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 more recently has been through professional links and local knowledge and social media channels. Members are currently recruiting an educational specialist Trustee who represents the demographic of our schools, following the resignation of Alison Bruton in May 2023. The recruitment process is robust and rigorous to ensure the right people, with the right skills and experiences have joined the board. The number of trustees is eight.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

f. Organisational structure

The scheme of delegation was published in Autumn 2022 and is available on the Trust website. A revised and updated scheme of delegation has been published in October 2023. 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 meet as an education or non-education team, whilst also, when appropriate, join a leaders' forum so that there is consistency of approach and clear communication through all levels of leadership at Trust level.

Our executive and central team structure is strong and robust. Directors of Schools oversee all schools, line managing 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, with a newly developed induction and training platform being introduced in 2023 to supplement the resources and support from membership of NGA.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

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 and move into 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 shared use ended on 31st August 2023.

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. A strategic priority to begin to develop our People Strategy over the past year included questionnaires and focus groups.

Our Trust conference in June 2023 provided an opportunity for all employees to meet face to face, and for members of the central and executive teams to speak directly with colleagues.

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 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.

VICTORIA ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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.

During the past year, we have worked to re-culture our Trust, reviewing and developing our Mission, Vision and Values. This included ongoing consultation with a range of stakeholders.

MISSION

Our mission is our reason for being - it is simply this: to make our people the best they can be.

VISION

Our vision is the picture we paint, the future we want to create, based on our mission.

We are a **family** of schools, **united** in our **passion** for **inspiring** pupils to **achieve more than they imagine possible**.

We have a **positive influence** on children's lives in areas where we can **make the most difference**.

We are **ambitious** for our children. Our **high expectations** of them, the **memorable experiences** and **opportunities** they have in our schools, along with the **kindness** and **compassion** which is at the centre of our Trust means that they will be **successful** in whatever they choose for their future.

We are at the **heart of our communities**; a place where local people can turn to for help, support and guidance, working with us for the greater good of our shared community.

We are aspirational for our people, who are given opportunities to **grow, develop** and become **experts** in their chosen fields.

Our people feel **valued and supported**; they show **ambition, courage** and **resilience**, but most of all are **kind** and **respectful**.

VALUES

Our values are important to us and guide our behaviours, our relationships and the way we work together. They define how we want to be.

These values of **UNITY, INTEGRITY, COURAGE, CURIOSITY AND EXCELLENCE**, along with our commitment to **strong ethical leadership** ensure that we build a positive and powerful legacy to be proud of.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)



We know that by working together, we are stronger than working alone. We work together as a family, united in our shared responsibility to achieve our mission.



We show integrity by being honest, truthful, and transparent; always doing what we believe is right and true. We show kindness and respect by treating others with dignity, empathy, and understanding.



We show courage by being ambitious, challenging ourselves and others to achieve more. We take on challenges with enthusiasm, determination, and resilience, learning from failures.



We show curiosity by having a passion to learn, explore, and discover new things and new ways of working. We are innovative and ambitious, always seeking to be even better.



We have a strong commitment to continuous improvement, a willingness to learn and a dedication to becoming **the best we can be**.

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)'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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. This year, we have developed a series of Key Performance Indicators that are used through the year to judge performance in a range of education and non-education areas. An end of year 'Structured Conversation' is held where the CEO, executive leaders, school head teacher and senior leaders meet to discuss overall performance and areas of strength and identify areas for development in the coming year.

In turn, each academy produces its own rigorous self evaluation summary and subsequent academy improvement plan. In addition, external monitoring as required, is 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 2022 23 were:

- 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

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, and for Trustees to consider the strengths and development points for the board through the NGA self evaluation tool.

A summary of the key achievements and successes include:

- New vision and values is in place, articulated and launched, clear 'brand' – our 'why' and values that underpin this are relevant to VAT today
- A whole trust conference with a focus on wellbeing, and a relaunch of our revised Vision and Values
- Marketing and branding work begun so that we are presenting ourselves in line with the new vision and values
- All policies reviewed and implemented across schools, aligned with a revised Scheme of Delegation to ensure consistency of approach

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

- Foundations in place for equity funding to be implemented.
- 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.
- Development of our own KPIs allow clear measurement of improvement and areas of strengths and development in each school.
- All schools have received Poverty Proof audits, and have bespoke actions plans to remove barriers to the school day for parents and communities.
- Elm Tree Academy, our first SEND Free School successfully opened in September 2022, providing much needed places for autistic children across Sandwell, receiving very positive feedback from LA, DfE and external visits and reviews. The team successfully moved to their new purpose built school in Wednesbury, Sandwell in September 2023.
- By October 2023, we had received 4 Ofsted visits, including a first monitoring inspection for Birchen Coppice Academy. 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. Fibbersley Park Academy received it's first 'Good' outcome since joining us as a sponsor academy. This means that 7/8 of our schools are now graded good or better (our two Free Schools are awaiting their first inspections). The monitoring inspection for Birchen Coppice noted the strong leadership team now in place, and the effective progress that had been made since the previous inspection.
- Development and implementation of a HR and People Strategy. Appointment of a head of HR, and procurement of an online system to be implemented across all schools.
- Draft People Strategy written following a requirements gathering process, involving all colleagues. Procurement of a 'VAT Perks' employee benefits programme, to be launched in Autumn 2023.
- Procurement and launch of a CPD platform for all colleagues to provide high quality internal and external professional development.
- Key partnerships with national providers, including Whole Education, TT Education and Best Practice Network ensures access to high quality, nationally accredited course.
- Creation of an agreed and updated VAT Curriculum approach as a building block for a revised version of the NICER curriculum.
- 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'.

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Goal 1. To Continually Improve Our Schools	
Success Criteria	Progress
All schools are Ofsted graded good or better	<p>Ofsted Inspection outcomes in Sept 2022 – Oct 2023:</p> <ul style="list-style-type: none"> • Devonshire Junior- Good • Rowley Park – Good • Fibbersley Park – Good (moving from RI) • Birchen Coppice –positive first monitoring inspection <p>Of schools not yet graded good, Birchen Coppice (Serious Weaknesses) continues to improve and internal monitoring shows them to be on an upward journey towards Good. Outcomes for EYFS, Y1 phonics and KS1 were very positive.</p> <p>Poppyfield (free school, not yet inspected) is strong and internal monitoring shows no concerns.</p> <p>Elm Tree (free school, not yet inspected) is strong and internal and external monitoring shows no concerns.</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 2023.
Progress for disadvantaged pupils is greater than that of non-disadvantaged	Based on initial unvalidated data, 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.
The Trust is financially sustainable	The Trusts reserves are currently above levels required as per our reserves policy. Plans are in place to use the reserves to provide equity to our schools to improve education outcomes for all.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 continued to develop with an increasing number of schools re-introducing their parent councils set up, with others in the early stages of this. Parents are strongly represented on all local governing boards (Academy Councils), all of which were invited to our Autumn AGM and 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 Wyre Forest with our Kidderminster Schools, Welsh National Opera 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 for Elm Tree Academy in December 2022 brought 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 pro-active 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, leading to a TEG funding application to work with three Walsall Schools.</p> <p>The CEO works as a System Leader through the DfE Trust and School Improvement Offer and is working with a Walsall school during 2022-23.</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> <p>An application to deliver the SEND workstream of the Sandwell Priority Education Investment Area work was successful. This means that VAT will be leading and delivering, with key local and national partners w whole LA project to raise achievement through supporting SEND provision and leadership.</p>

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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>Project Plan for development of a People Strategy has been developed and implemented.</p> <p>Employee feedback and requirements exercise involving questionnaires and focus groups.</p> <p>Draft Strategy in consultation phase.</p> <p>Recruitment of Head of HR, and procurement of an online HR system which will be implemented 2023-24 supports the whole employee lifecycle.</p> <p>Procurement and launch of 'Vat Perks', and employee benefit scheme in Autumn 2023, open to all existing and new employees.</p>
Pathways is accessed by all employees and positively impacts on performance	<p>New CPD approach 'The Hive' developed and launched to replace 'Pathways'.</p> <p>This uses an online platform through TT Education, providing access to quality CPD in a range of education and non-education areas.</p> <p>Appraisals will move online in Autumn 23, and will link to bespoke CPD packages for all colleagues.</p> <p>Continuing and new 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>We are now working with a number of local schools who are accessing our CPD, and we are developing a SEND in-reach and out-reach package to support schools within and beyond VAT.</p> <p>Opportunities for our colleagues to work across schools has been developed and we will launch our 'Associate Leader' route in Autumn 2023.</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>Our Whole Trust Conference in June 2022 had the theme of wellbeing with workshops and speakers we supported and promoted the wellbeing of staff.</p> <p>Focus Group work linked to People Strategy had a Wellbeing link.</p> <p>Our new employee benefits scheme includes access to counselling, health benefits such as cycle to work and memberships schemes, and vouchers and offers for shops and restaurants, supporting mental, emotional and physical health.</p>

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

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 revised 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. Curriculum has been seen as a strength in our Ofsted Reports this year. There is now a clear Trust Approach and Curriculum Drivers, agreed by all schools. This will form the basis of a 'macro Curriculum' with further work by new Associate leaders to produce a 'Micro Curriculum' for those schools who wish or need to utilise this.
Consistent and established approach to metacognition across all schools	Most schools use metacognition approaches. This will be a key focus of the curriculum rebrand and refresh, where metacognition will be interwoven into the VAT Curriculum.
Children are responsible, respectful and active citizens, who contribute actively to society	Internal and external monitoring has shown that behaviour is strong in schools and that the vast majority of children are responsible citizens. PHSE is strong in schools. Behaviour at Birchen Coppice has significantly improved and was noted in the recent Ofsted Monitoring report.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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	Benchmarking	Victoria Academies Trust 2022/23
Staff Pay % of Income	80%	83.8%
Staff Pay % of Expenditure	80%	83.0%
Average Teacher Cost	£50,000	£49,117
Average Class Size	28	28.83
Teacher Contact Ratio	0.74	0.78
Pupil to Teacher Ratio	20	21.21
Non-Staff Spend per Pupil	£1,100	1,244

In the academic year we improved our finance reporting with the implementation of IMP to produce our month-end management pack.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

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.

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 its 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 2023 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.

Overall, the Trust has made a deficit for the year end 31 August 2023. This has been primarily driven by the investment in Birchen Coppice Primary Academy. The Trust Board recognise the need to invest in the school to ensure rapid improvement in its education outcomes (which are well on track). The Board review the investment required and the education performance at each board meeting and ensure they have the appropriate balance to ensure the Trust is a going concern whilst delivering the required education improvements.

The overall financial performance of the trust will be continue to be impacted by unfunded pay rises for both teachers and National Joint Council staff. The 2023 pay rises have had a significant impact on current year budgets and significant savings have had to be identified to ensure appropriate budgets are in place. If the continued underfunding remains significant cuts will need to be made year-after-year.

The Trust balance sheet grew during the academic year primarily driven by the recognition of the fixed asset donated as part of our opening of Elm Tree Primary Academy in its permanent site in August 2023 and the reduction in pension liability driving by the movement in underlying interest rates.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

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 £1.8m). 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 £1.77m (2022: £2.08m).

The additional reserves, above the level required by the reserves policy have been previously used to support capital projects. All major capital projects have been completed. Any excess reserves will now be used to improve the education outcomes for all schools.

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 improving the education outcomes for all children in the Trust against a backdrop of ever-increasing financial pressures. 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 significant progress has been made it is still at the early stages of its improvement journey with continued time and resources required to ensure it reaches the required education standards.

Through careful budgeting and rigorous monitoring of the financial KPI's the board are confident of the long-term viability of the trust.

The Trust mitigates the risk of an unsafe site through a number of methods. Firstly, the trust employs a dedicated Head of Estates who's key responsibility is site Health & Safety and the use of capital funding to remediate any issues identified. Secondly, the Trust also conducts full condition surveys on a periodic basis on top of the CDC surveys provided by the DfE.

VICTORIA ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 2023

Streamlined energy and carbon reporting

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

	2023	2022
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 2023

Plans for future periods

Our 2023/24 strategic plan identifies nine key objectives. These are:

- To ensure that our culture, ethos, vision and values are embedded in our schools
- To develop and implement a self-improving school-led system.
- To implement a KPI driven approach to equitable budgeting
- To develop and implement a strategy for growth
- To develop a vision and strategy for Charitable status
- To implement an effective HR function
- To develop and implement our Wellbeing Strategy
- To continue to develop our VAT Curriculum
- To develop and implement our Sustainability Strategy

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 **19/12/2023** and signed on its behalf by:



Gurinder Singh Josan CBE
Chair of Trustees

VICTORIA ACADEMIES TRUST
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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 Principal, 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	6	6
Robert Elkington, Vice Chair	4	6
Prem Gabbi	3	6
Gursharn Mahli	2	6
Luke Hill	5	6
Shafiq Sharif	2	6
Alison Bruton	4	4
Rena Rani	5	6
Alison Young	6	6

Alison Bruton resigned from the board in May 2023. Members are currently recruiting for a Trustee who has senior educational experience, to replace Alison's expertise, but also a Trustee who represents the diversity and demographic of the schools served by the Trust. The quality of the information presented to the board has improved with the implementation of new finance systems and Microsoft PowerBi real-time dashboards

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	3	3

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	2	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 PMAP meetings 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
Alison Young	1	1
Leigh Smith (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	2	3
Robert Elkington	3	3
Alison Bruton	2	2

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;
- Utilising SCA funding to ensure the Trust sites are safe and strategic improvements are made
- 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 Trust has utilised its resources effectively to develop a school-to-school support model. Central staff have worked across all schools. And these have been supplemented by seconding school-based staff to undertake Trust wide or school specific projects. The secondment of school-based experts ensures that staff are up-to-date with current practice, but also only utilised when and where projects arise, thus reducing central costs. Where appropriate key contracts were tendered to ensure better value for money. In the academic year 2022/23 these included the auditors and HR MIS system. In 2023/24 the catering, cleaning and legal contract will all be retendered.

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.

Governance Reviews

The Trust governance arrangements were reviewed as part of the Trust internal audit. 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.

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.

VICTORIA ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

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'. It's 2022 inspection found that the school continued to be 'Good' and the report highlighted improvements since 2017. 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 in 2022 supports staffing models whilst also providing the education needed by the community. This has already impacted positively on pupil numbers for September 2023 with the school being oversubscribed. This will continue to impact longer term as pupils move through the school.

Significant Trust reserves were invested into Birchen Coppice as it continues its improvement journey. A strong and substantive leadership team is in place, and an improvement action plan, supported by executive leaders was approved by Trustees. This has included the secondment of a second deputy head teacher to focus on behaviour, attendance and support with SEND. The new behaviour systems continue to impact positively, and outcomes in EYFS, Y1 phonics and KS1 showed the impact of financial investments. 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 2022 to 31 August 2023 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 2022 to 31 August 2023 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 decided to buy-in an internal audit service from Bishop Fleming LLP.

This option has been chosen because it provides the best value for money to deliver the services required on an independent basis.

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

- Cyber security
- Governance
- Recruitment

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 Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- 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;
- discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress

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 and signed on their behalf by:



Gurinder Singh Josan CBE
Chair of Trustees
Date: 19/12/2023

VICTORIA ACADEMIES TRUST
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Victoria Academies Trust, have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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 2022.

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: 19-12-2023

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- 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 19/12/2023 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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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
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**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
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**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 timing and completeness of income recognition of non-grant income and 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. In addition to this we have also designed audit procedures over income to test the timing and completeness of non-grant income recognition in the year.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

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

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 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: 20/12/23

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 2022 to 2023, 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 2022 to 31 August 2023 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 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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.

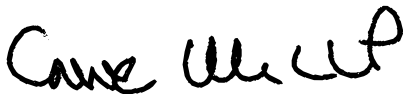
The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

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 2022 to 31 August 2023 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: 20/12/2023

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	4	24,902	19,060	11,422,947	11,466,909	673,843
Other trading activities		382,870	-	-	382,870	310,977
Charitable activities		160,630	21,021,958	-	21,182,588	19,117,572
Total income		568,402	21,041,018	11,422,947	33,032,367	20,102,392
Expenditure on:						
Charitable activities		88,739	22,016,651	830,050	22,935,440	21,184,333
Total expenditure		88,739	22,016,651	830,050	22,935,440	21,184,333
Net income/(expenditure)		479,663	(975,633)	10,592,897	10,096,927	(1,081,941)
Transfers between funds	17	-	(105,914)	105,914	-	-
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	3,857,000	-	3,857,000	16,193,000
Net movement in funds		479,663	2,775,453	10,698,811	13,953,927	15,111,059
Reconciliation of funds:						
Total funds brought forward		668,729	(5,068,664)	30,436,737	26,036,802	10,925,743
Net movement in funds		479,663	2,775,453	10,698,811	13,953,927	15,111,059
Total funds carried forward		1,148,392	(2,293,211)	41,135,548	39,990,729	26,036,802

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

The notes on pages 38 to 67 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	40,900,697	<i>30,490,286</i>
		<u>40,900,697</u>	<u>30,490,286</u>
Current assets			
Debtors	14	1,070,170	<i>958,063</i>
Cash at bank and in hand		3,016,231	<i>2,712,070</i>
		<u>4,086,401</u>	<u>3,670,133</u>
Creditors: amounts falling due within one year	15	(2,061,940)	<i>(1,572,086)</i>
Net current assets		2,024,461	<i>2,098,047</i>
Total assets less current liabilities		42,925,158	<i>32,588,333</i>
Creditors: amounts falling due after more than one year	16	(15,429)	<i>(70,601)</i>
Net assets excluding pension liability		42,909,729	<i>32,517,732</i>
Defined benefit pension scheme liability	24	(2,919,000)	<i>(6,480,930)</i>
Total net assets		39,990,729	<i>26,036,802</i>

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	41,135,548	30,436,737
Restricted income funds	17	625,789	1,412,266
Restricted funds excluding pension asset	17	<u>41,761,337</u>	<u>31,849,003</u>
Pension reserve	17	<u>(2,919,000)</u>	<u>(6,480,930)</u>
Total restricted funds	17	38,842,337	25,368,073
Unrestricted income funds	17	1,148,392	668,729
Total funds		<u>39,990,729</u>	<u>26,036,802</u>

The financial statements on pages 34 to 67 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Gurinder Singh Josan CBE
Chair of Trustees
Date: 19/12/2023

The notes on pages 38 to 67 form part of these financial statements.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	19	140,733	1,442,264
Cash flows from investing activities	21	182,488	(1,002,395)
Cash flows from financing activities	20	(19,060)	(18,321)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		304,161	421,548
Cash and cash equivalents at the beginning of the year		2,712,070	2,290,522
Cash and cash equivalents at the end of the year	22, 23	3,016,231	2,712,070
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 38 to 67 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 2023

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 2022 to 2023 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 2023

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.

• **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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

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.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.4 Expenditure (continued)

• **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.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

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:

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Leasehold property	- Over 100 years
Leasehold improvements	- 4% 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.

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.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

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. Prepayments are not financial instruments.

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. 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.

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.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 24, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

Where a scheme is in a surplus according to the accounting valuation the associated asset has not been recognised on the basis that it is not likely to be recoverable either through future reductions in contributions rates or future repayments. Further details of pension assets not recognised can be found with the pensions note to the financial statements.

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 2023

4. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	24,902	-	-	24,902
Capital Grants	-	19,060	1,293,694	1,312,754
Building donated from Local authority	-	-	10,129,253	10,129,253
	<u>24,902</u>	<u>19,060</u>	<u>11,422,947</u>	<u>11,466,909</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	18,289	-	18,289
Capital Grants	-	655,554	655,554
	<u>18,289</u>	<u>655,554</u>	<u>673,843</u>

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Funding for the Academy Trust's educational operations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
DfE/ESFA grants			
General Annual Grant	-	15,049,106	15,049,106
Other DfE/ESFA grants			
Other DfE/ESFA Grants	-	590,786	590,786
UIFSM	-	351,214	351,214
Pupil Premium	-	1,577,694	1,577,694
SEN funding	-	1,527,776	1,527,776
School led tutoring	-	555,198	555,198
	-	19,651,774	19,651,774
Other Government grants			
Early years funding	-	898,219	898,219
Other Local Authority Grants	-	300,890	300,890
	-	1,199,109	1,199,109
Other income from the Academy Trust's direct costs	160,630	-	160,630
COVID-19 additional funding (DfE/ESFA)			
COVID recovery grant	-	171,075	171,075
	160,630	21,021,958	21,182,588

The Trust received £171,075 of COVID-19 recovery premium during the year. There were no outstanding amounts unspent at the year end.

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
DfE/ESFA grants			
General Annual Grant	-	14,291,698	14,291,698
Other DfE/ESFA grants			
Other DfE/ESFA Grants	-	452,179	452,179
UIFSM	-	327,715	327,715
Pupil Premium	-	1,490,463	1,490,463
SEN funding	-	1,081,475	1,081,475
School led tutoring	-	148,708	148,708
	-	<u>17,792,238</u>	<u>17,792,238</u>
Other Government grants			
Early years funding	-	854,624	854,624
Other local authority grants	-	164,956	164,956
	-	<u>1,019,580</u>	<u>1,019,580</u>
Other income from the Academy Trust's direct costs	<u>151,494</u>	-	<u>151,494</u>
COVID-19 additional funding (DfE/ESFA)			
Other COVID-19 funding	-	154,260	154,260
	<u>151,494</u>	<u>18,966,078</u>	<u>19,117,572</u>

6. Other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Hire of facilities	18,321	18,321
Other income	364,549	364,549
	<u>382,870</u>	<u>382,870</u>

VICTORIA ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

6. Other trading activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Hire of facilities	8,731	8,731
Other income	302,246	302,246
	<u>310,977</u>	<u>310,977</u>

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Academy's educational operations:				
Direct costs	9,919,267	792,305	936,389	11,647,961
Support costs	8,492,553	1,458,496	671,337	10,622,386
Catering - support costs	-	15,163	649,930	665,093
	<u>18,411,820</u>	<u>2,265,964</u>	<u>2,257,656</u>	<u>22,935,440</u>

	<i>Staff Costs 2022 £</i>	<i>Premises 2022 £</i>	<i>Other 2022 £</i>	<i>Total 2022 £</i>
Academy's educational operations				
Direct costs	8,910,595	651,670	847,998	10,410,263
Support costs	8,566,686	703,789	935,383	10,205,858
Catering - support costs	-	21,708	546,504	568,212
	<u>17,477,281</u>	<u>1,377,167</u>	<u>2,329,885</u>	<u>21,184,333</u>

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Analysis of support costs

	Academy's educational operations	Catering	Total
	£	£	£
Staff costs	8,492,553	-	8,492,553
Technology costs	33,374	-	33,374
Premises costs	1,458,496	15,163	1,473,659
Other support costs	871,178	649,930	1,521,108
Governance costs	37,463	-	37,463
Total 2023	10,893,064	665,093	11,558,157

	<i>Academy's educational operations</i>	<i>Catering</i>	<i>Total</i>
	£	£	£
Staff costs	8,566,686	-	8,566,686
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
<i>Total 2022</i>	<i>10,205,858</i>	<i>568,212</i>	<i>10,774,070</i>

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
	£	£
Depreciation of tangible fixed assets: owned by the charity	830,048	651,670
Operating lease rentals	41,334	30,437
Auditor's remuneration - audit	18,450	15,750
Auditor's remuneration - non audit	4,575	3,800

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	12,940,072	11,390,595
Social security costs	1,211,920	1,074,778
Pension costs	3,418,883	4,247,994
	17,570,875	16,713,367
Supply teacher costs	815,436	756,634
Staff restructuring costs	25,509	7,280
	18,411,820	17,477,281

Staff restructuring costs comprise:

	2023	2022
	£	£
Severance payments	25,509	7,280

b. Severance payments

The Academy Trust paid 4 severance payments in the year (2022 - 1), disclosed in the following bands:

	2023	2022
	No.	No.
£0 - £25,000	4	1

c. Special staff severance payments

There was 4 (2022: 1) non-statutory/non-contractual severance payment included in staff costs during the year totalling £25,509 (2022: £7,280). Individually, the payments were £16,500, £3,220, £3,080 and £2,709 (2022: £7,280).

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff (continued)

d. Staff numbers

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

	2023	2022
	No.	No.
Teachers	155	157
Administration and support	404	389
Management	4	4
	563	550

e. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	7	4
In the band £70,001 - £80,000	5	-
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	2	1
In the band £120,001 - £130,000	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 £537,746 (2022: £487,434).

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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:

	2023	<i>2022</i>
	£	<i>£</i>
Victoria Park Academy	228,204	<i>211,584</i>
Rowley Park Academy	71,388	<i>64,668</i>
Devonshire Infant Academy	111,096	<i>107,856</i>
Devonshire Junior Academy	128,388	<i>125,940</i>
Northfield Manor Primary Academy	154,572	<i>145,992</i>
Fibbersley Park Primary Academy	199,224	<i>179,832</i>
Birchen Coppice Primary Academy	99,684	<i>91,644</i>
Foley Park Primary Academy	76,452	<i>72,828</i>
Poppyfield Primary Academy	42,000	<i>31,260</i>
Elm Tree Primary Academy	13,500	<i>-</i>
Total	<u>1,124,508</u>	<i><u>1,031,604</u></i>

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	Long-term leasehold improvements £	Long-term leasehold property and land £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2022	5,155,600	27,270,361	36,495	834,781	726,938	34,024,175
Additions	901,078	-	897	65,120	144,111	1,111,206
Additions donated	-	10,027,960	-	-	-	10,027,960
At 31 August 2023	<u>6,056,678</u>	<u>37,298,321</u>	<u>37,392</u>	<u>899,901</u>	<u>871,049</u>	<u>45,163,341</u>
Depreciation						
At 1 September 2022	724,778	1,544,300	26,149	668,104	570,558	3,533,889
Charge for the year	241,057	272,704	1,240	92,011	121,743	728,755
At 31 August 2023	<u>965,835</u>	<u>1,817,004</u>	<u>27,389</u>	<u>760,115</u>	<u>692,301</u>	<u>4,262,644</u>
Net book value						
At 31 August 2023	<u><u>5,090,843</u></u>	<u><u>35,481,317</u></u>	<u><u>10,003</u></u>	<u><u>139,786</u></u>	<u><u>178,748</u></u>	<u><u>40,900,697</u></u>
At 31 August 2022	<u><u>4,430,822</u></u>	<u><u>25,726,061</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>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Debtors

	2023	2022
	£	£
Due within one year		
Trade debtors	4,697	34,053
VAT repayable	187,492	103,471
Prepayments and accrued income	877,981	820,539
	1,070,170	958,063
	1,070,170	958,063

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Salix loans (note 16)	19,060	19,060
Trade creditors	752,190	396,925
Other taxation and social security	267,013	231,931
Other creditors	321,296	271,173
Accruals and deferred income	702,381	652,997
	2,061,940	1,572,086
	2,061,940	1,572,086

	2023	2022
	£	£
Deferred income at 1 September 2022	224,411	236,484
Resources deferred during the year	403,760	224,411
Amounts released from previous periods	(224,411)	(236,484)
	403,760	224,411
	403,760	224,411

At the balance sheet date, the Trust is holding grants received in advance for the provision of infant free school meals and High needs funding grants at Rowley Park Academy and Elm Tree Primary Academy.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023 £	2022 £
Salix loan	15,429	34,489
Other creditors	-	36,112
	15,429	70,601

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.

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	668,729	568,402	(88,739)	-	-	1,148,392
Restricted general funds						
General Annual Grant (GAG)	1,412,266	15,068,166	(15,748,729)	(105,914)	-	625,789
Pupil premium	-	1,577,694	(1,577,694)	-	-	-
SEN funding	-	1,527,776	(1,527,776)	-	-	-
Other Dfe/ESFA Grants	-	624,330	(624,330)	-	-	-
School led funding	-	665,306	(665,306)	-	-	-
Local authority grants	-	300,890	(300,890)	-	-	-
LA: Early years funding	-	898,219	(898,219)	-	-	-
COVID-19 recovery grant	-	378,637	(378,637)	-	-	-
Pension reserve	(6,480,930)	-	(295,070)	-	3,857,000	(2,919,000)
	(5,068,664)	21,041,018	(22,016,651)	(105,914)	3,857,000	(2,293,211)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Restricted Fixed Assets	30,490,286	10,129,253	(830,050)	1,111,206	-	40,900,695
DfE/ESFA capital grants	-	1,293,694	-	(1,024,352)	-	269,342
Fixed assets purchased with Salix loan	(53,549)	-	-	19,060	-	(34,489)
	<u>30,436,737</u>	<u>11,422,947</u>	<u>(830,050)</u>	<u>105,914</u>	<u>-</u>	<u>41,135,548</u>
Total Restricted funds	<u>25,368,073</u>	<u>32,463,965</u>	<u>(22,846,701)</u>	<u>-</u>	<u>3,857,000</u>	<u>38,842,337</u>
Total funds	<u><u>26,036,802</u></u>	<u><u>33,032,367</u></u>	<u><u>(22,935,440)</u></u>	<u><u>-</u></u>	<u><u>3,857,000</u></u>	<u><u>39,990,729</u></u>

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

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 £34,489 (2022: £53,549) 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 Trust pools free reserves at the end of each year into the Central Trust.

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 2023

The Trustee Board operate a Reserves and Investment Policy which states 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 2023

17. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
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)	-	-	-
LA: Early years funding	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)
	<u>(19,669,859)</u>	<u>18,966,078</u>	<u>(20,456,134)</u>	<u>(101,749)</u>	<u>16,193,000</u>	<u>(5,068,664)</u>

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
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>

VICTORIA ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	40,900,697	40,900,697
Current assets	1,148,392	2,649,609	288,400	4,086,401
Creditors due within one year	-	(2,023,820)	(38,120)	(2,061,940)
Creditors due in more than one year	-	-	(15,429)	(15,429)
Provisions for liabilities and charges	-	(2,919,000)	-	(2,919,000)
Total	1,148,392	(2,293,211)	41,135,548	39,990,729

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023	2022
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	10,096,927	(1,081,941)
Adjustments for:		
Depreciation	728,755	651,670
Decrease/ (increase) in debtors	(112,107)	1,460,814
(Decrease)/ increase in creditors	453,742	(352,597)
Capital grants from DfE and other capital income	(1,293,694)	(655,554)
Prepaid defined benefit pension deficit contributions	-	48,872
Defined benefit pension scheme cost less contributions payable	(103,930)	1,011,000
Defined benefit pension scheme finance cost	399,000	360,000
Donation of fixed assets	-	-
Donation of fixed assets	(10,027,960)	-
Net cash provided by operating activities	140,733	1,442,264

20. Cash flows from financing activities

	2023	2022
	£	£
Repayments of Salix loan	(19,060)	(18,321)
Net cash used in financing activities	(19,060)	(18,321)

21. Cash flows from investing activities

	2023	2022
	£	£
Purchase of tangible fixed assets	(1,111,206)	(1,374,292)
Capital grants from DfE/ESFA	1,293,694	371,897
Net cash provided by/(used in) investing activities	182,488	(1,002,395)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	3,016,231	2,712,070

23. Analysis of changes in net debt

	At 1 September 2022	Cash flows	Salix loan	At 31 August 2023
	£	£	£	£
Cash at bank and in hand	2,712,070	304,161	-	3,016,231
Debt due within 1 year	(19,060)	19,060	(19,060)	(19,060)
Debt due after 1 year	(34,489)	-	19,060	(15,429)
	2,658,521	323,221	-	2,981,742

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. 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 2022.

Contributions amounting to £320,186 were payable to the schemes at 31 August 2023 (2022 - £270,166) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 result of the 31 March 2022 valuation is due to be implemented from 1 April 2024 which confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

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24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,013,329 (2022 - £1,336,153).

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.

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 2023 was £2,019,000 (2022 - £1,772,000), of which employer's contributions totalled £1,652,000 (2022 - £1,481,000) and employees' contributions totalled £ 367,000 (2022 - £291,000). 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.

Principal actuarial assumptions

	2023	2022
	%	%
Discount rate for scheme liabilities	4.90	4.27
Rate of increase in salaries	3.79	3.91
Rate of increase for pensions in payment / inflation	2.83	2.99
Inflation assumption (CPI)	2.83	2.95

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

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24. Pension commitments (continued)

	2023	<i>2022</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	19.9	<i>21.8</i>
Females	23.5	<i>24.2</i>
<i>Retiring in 20 years</i>		
Males	21.8	<i>23.1</i>
Females	25.4	<i>26.1</i>

Sensitivity analysis

	2023	<i>2022</i>
	£000	<i>£000</i>
Discount rate +0.1%	17,413	<i>19,365</i>
Discount rate -0.1%	18,203	<i>20,351</i>
Mortality assumption - 1 year increase	18,415	<i>20,603</i>
Mortality assumption - 1 year decrease	17,399	<i>19,111</i>
CPI rate +0.1%	18,159	<i>20,269</i>
CPI rate -0.1%	17,456	<i>19,447</i>

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24. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023	<i>At 31 August 2022</i>
	£	£
Equities	10,637,000	9,168,000
Gilts	-	218,000
Corporate bonds	2,566,000	2,336,000
Property	1,178,000	1,094,000
Cash and other liquid assets	497,000	500,000
Other	-	156,000
Total market value of assets	14,878,000	<i>13,472,000</i>

The actual return on scheme assets was £189,000 (2022 - £(380,000)).

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

	2023	<i>2022</i>
	£	£
Current service cost	1,589,000	2,492,000
Net interest	399,000	357,000
Administration expenses	18,000	3,000
Total amount recognised in the Statement of Financial Activities	2,006,000	<i>2,852,000</i>

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

	2023	<i>2022</i>
	£	£
At 1 September	19,857,000	33,466,000
Interest cost	948,000	573,000
Employee contributions	309,000	291,000
Actuarial gains	(4,295,000)	<i>(16,789,000)</i>
Benefits paid	(212,000)	<i>(176,000)</i>
Current service cost	1,589,000	2,492,000
Transfer to assets	(389,000)	-
At 31 August	17,807,000	<i>19,857,000</i>

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24. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	13,376,070	12,211,942
Interest income	549,000	216,000
Actuarial losses	(438,000)	(596,000)
Employer contributions	1,710,000	1,432,128
Employee contributions	310,000	291,000
Benefits paid	(212,000)	(176,000)
Administration expenses	(18,070)	(3,000)
Transfer from obligations	(389,000)	-
At 31 August	14,888,000	13,376,070

25. Operating lease commitments

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	27,264	26,300
Later than 1 year and not later than 5 years	31,094	23,257
	58,358	49,557

26. 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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27. 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.