

Register

VALLEY INVICTA ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2015

TUESDAY



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COMPANIES HOUSE

COMPANY REGISTRATION NUMBER:
07559256 (ENGLAND AND WALES)

VALLEY INVICTA ACADEMIES TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2015

CONTENTS	PAGE
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 9
Governance Statement	10 - 13
Statement on Regularity, Propriety and Compliance	14
Statement of Governors' Responsibilities	15
Independent Auditors' Report on the Financial Statements	16 - 17
Independent Reporting Accountant's Assurance Report on Regularity to Valley Invicta Academies Trust and the Education Funding Agency	18
Statement of Financial Activities (incorporating the Income & Expenditure Account)	19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements	22 -40

VALLEY INVICTA ACADEMIES TRUST
REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 AUGUST 2015

Reference and Administrative Details

Members	Mr David Izatt Mr Tony Moore (until 18 February 2015) Mr Chris Stevens Mrs Judi Taylor Dr Nick Ware
Trustees	Mr Vic Ashdown Mrs Julie Derrick Mr Richard Hayden (from 8 July 2015) Mr Tony Hooker (until 13 October 2015) Mr David Izatt Dr Philip Limbert (CEO and Accounting Officer) Mr Tony Moore (until 18 February 2015, Chair until 18 February 2015) Dr John Möss Mrs Sharon Pink (Chief Financial Officer) Mr Brendan Roodt (from 6 July 2015) Mr Chris Stevens Mr Carl Taylor (from 6 July 2015) Mrs Judi Taylor Dr Nick Ware (Chair from 19 February 2015)
Company Secretary	Schofield Sweeney LLP
Senior Leadership Teams	
VIAT	
Headteacher	Mr Vic Ashdown
Headteacher	Mrs Julie Derrick
CEO	Dr Philip Limbert (Accounting Officer)
Finance & HR Director	Mrs Sharon Pink (Chief Financial Officer)
Invicta Grammar School	
Headteacher	Mrs Julie Derrick
Deputy Headteacher	Ms Liz Ball (until 12 April 2015)
Deputy Headteacher	Mrs Dora Butt (from 13 April 2015)
Valley Park School	
Headteacher	Mr Vic Ashdown
Deputy Headteacher	Mrs Jacqueline Gleadall
Deputy Headteacher	Mr Giles Gleadall
Deputy Headteacher	Mrs Angela Grant (until 31 October 2014)
Deputy Headteacher	Mr Stephen Cartwright (from 1 November 2014)
Aylesford Primary School	
Headteacher	Miss Vanessa Homewood
Assistant Headteacher	Mrs Sarah Bone
Company Name	Valley Invicta Academies Trust

VALLEY INVICTA ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Principal and Registered Office	Invicta Grammar School Huntsman Lane Maidstone Kent ME14 5DS
Company Registration Number	07559256 (England and Wales)
Independent Auditors	Day Smith and Hunter Globe House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN
Bankers	HSBC 1/5 Week Street Maidstone Kent ME14 1QW
Solicitors	Schofield Sweeney LLP Wellington Street Leeds LS1 2AY

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2015

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

During the year ended 31 August 2015 the Trust operated 3 academies; an 11-18 selective girls' school; an 11-18 mixed non-selective school; and a mixed primary school.

Published admission numbers were:

Invicta Grammar School	192
Valley Park School	240
Aylesford Primary School	45

The October 2014 census student numbers were:

Invicta Grammar School	958 years 7 to 11 and 325 in the sixth form
Valley Park School	1,120 years 7 to 11 and 252 in the sixth form
Aylesford Primary School	246 years R to 6.

On 1 September 2015 the Trust opened 3 new primary schools. Each school has a published admission number of 30 but capacity is capped at 90 in the first academic year.

Structure, Governance and Management

Constitution

The 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 Trust. The Trustees of Valley Invicta Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Valley Invicta Academies Trust.

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

Members' Liability

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

Trustees' Indemnities

The Trustees' have indemnity insurance cover of £5,000,000.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Method of Recruitment and Appointment or Election of Trustees

The articles of the Trust allow for:

- The members to appoint:
 - Up to 9 Trustees
 - Staff Directors through such process as they may determine provided that the total number of Trustees, (including the Chief Executive Officer) who are employees of the Company, does not exceed one third of the total number of Trustees.
- The Chair of each Local Governing Body to be a Trustee for as long as he or she remains in office.
- The Chief Executive Officer to be a Trustee for as long as he or she remains in office as such.
- A minimum of 2 Parent Trustees elected by the Parent members of the Local Governing Bodies
- The Trustees may appoint up to 3 Co-opted Trustees

In appointing Trustees consideration is given to succession planning and any skills shortage currently within the Board

The Trust has agreed it wishes to adopt the Department for Education's new Model Articles.

Policies and Procedures for the induction and training of Trustees

The Chair of the Trust appoints a fellow Trustee to provide induction for new Trustees. New Trustees have access to external training courses. New Trustees meet with Executive Trustees. Whole Trust training is an on-going development programme.

Organisational Structure

During the year there was a Finance & Premises Committee of the Trust Board with delegated responsibility for matters in these areas, but all Trustees sat on this committee. There were 2 Governing Bodies: a Governing Body for Invicta Grammar School and Valley Park School; and a Governing Body for Aylesford Primary School; but all decisions were made at Trust level.

The Trust Chief Executive Officer is the Accounting Officer.

The Trust Finance & HR Director is the Chief Financial Officer.

The Trust has delegated financial decisions up to £25K at Invicta Grammar School and Valley Park School to the respective Headteacher and at Aylesford Primary School to the Trust Finance & HR Director. Financial decisions above £25K and up to £50K are delegated to the same, together with the Chief Executive Officer. Financial decisions above £50K are made at Trust level.

Related Parties and other Connected Charities and Organisations

Invicta Grammar School and Valley Park School have become the lead schools in the Mid Kent Learning Alliance.

Objectives and Activities

The Trust has a responsibility to establish and maintain schools.

Objects and Aims

The Trust has 4 strategic goals:

- To be Outstanding is our expectation – To be World Class is our aspiration
- To develop a World Class Multi Academy Trust providing both primary and secondary education
- To lead a World Class Teaching School Alliance providing educational services to our schools and others
- To establish a World Class Teacher Training Programme providing outstanding teachers for our profession

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Objects and Aims (continued)

The work of the Trust is based on 4 core principles:

- Ambition
- Challenge
- Knowledge
- Professionalism

Objectives, Strategies and Activities

Objectives for 2014.15	Level of Success	Objectives for 2015.16	Success Criteria
To maintain Invicta Grammar School as the highest performing selective school in Maidstone	Achieved at both GCSE and A Level	To maintain Invicta Grammar School as the highest performing selective school in Maidstone	To outperform other 3 selective schools in Maidstone at <ul style="list-style-type: none"> • GCSE • A Level
To maintain Valley Park School as the highest performing non-selective school in Maidstone	Achieved at both GCSE and A Level/BTEC	To maintain Valley Park School as the highest performing non-selective school in Maidstone	To outperform other non-selective schools in Maidstone at <ul style="list-style-type: none"> • GCSE • A Level
To ensure that both Invicta Grammar School and Valley Park School would maintain Outstanding status at any future Ofsted inspection	Achieved	To ensure that both Invicta Grammar School and Valley Park School would maintain Outstanding status at any future Ofsted inspection	Internal inspections indicate Outstanding status
To ensure both Invicta Grammar School and Valley Park School achieve at least 80% success rate against the Trust's World Class objectives	Achieved	To ensure both Invicta Grammar School and Valley Park School achieve at least 80% success rate against the Trust's World Class objectives	Each school to achieve 80% of the Trust's World Class targets
To continue the development of the Maidstone Campus and Aylesford Primary site	The Trust was unsuccessful in its bids to the 2015.16 Condition Improvement Fund	To continue the development of the Maidstone Campus and Aylesford Primary site	<ul style="list-style-type: none"> • To incorporate the Joint Sports Hall and refectory for Valley Park School into the new build for Maidstone School of Science and Technology. • To secure funding for a new roof at Aylesford Primary School

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Objectives, Strategies and Activities (continued)

Objectives for 2014.15	Level of Success	Objectives for 2015.16	Success Criteria
To ensure the 3 new sponsored primary schools open on time in September 2015	Achieved	To ensure the 3 new schools successfully enter year 2 of their development	The 3 schools to be fully staffed
To submit a proposal to the DfE for a secondary Free School on the Maidstone campus	Achieved and Maidstone School of Science and Technology will open on 1 September 2017	To ensure the DfE is on target to build new school ready for opening in September 2017	Progress against targets

Public Benefit

The Trustees have complied with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

STRATEGIC REPORT

Achievements and Performance

The level of success shown above against the 2014.15 objectives demonstrates the success of the 3 schools within the Trust during the year. Our analysis of 2015 examination results shows:

Invicta Grammar School achieved an excellent set of results at both GCSE and A Level bucking the national downward trend in many areas. In particular:

GCSE

62% A/A*, a 7% increase from the previous year
27% A8, an 8% increase from the previous year
Best 8 average grade increased from A- to A
Progress 8 increased from +0.48 to +0.66

A Level

12% A*, a 3% increase from the previous year
69% A*-B, a 1% increase from the previous year

Valley Park School achieved a record set of examination results at GCSE/level2 and A Level/level3. In particular:

Year 11

60% achieved 5+ A*-C including English and Mathematics, a 4% increase from the previous year
Students entered the school with standards significantly below the national average and achieved standards in Year 11 significantly above

The Sixth Form

Level 3 combined

56% A*-A, a 1% increase from the previous year
65% A*-B, a 5% increase from the previous year
87% A*-C, a 4% increase from the previous year
100% A*-E, a 1% increase from the previous year

Vocational Subjects

64% Distinction*, a 14% increase from the previous year
95% Distinction*, a 1% increase from the previous year

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Aylesford Primary School achieved results at KS1 and KS2 that were above the LA and National results. In particular:

KS1

Reading	L2+ 93%	L2b+ 93%, a 3% increase from the previous year
Writing	L2+ 90%	
Mathematics	L2+ 100%	L2b+ 98%, a 8% increase from the previous year
Points progress	Good	

KS2

Writing	L4+ 89%, a 7% increase from the previous year
Mathematics	L4+ 97%, a 8% increase from the previous year
SPaG	L4+ 89%, a 15% increase from the previous year
SPaG	L5+ 78%, a 12% increase from the previous year

Key Performance Indicators

The Trust holds its Schools to account through individual School Performance Agreements. The key indicators are:

- Achievement of students
- Quality of teaching and learning
- Behaviour and safety of students
- Leadership and management

The achievement of students has been summarised in the preceding section.

Ofsted Inspection Outcomes

Invicta Grammar School	Outstanding	2012
Valley Park School	Outstanding	2013

The Trust sponsored Aylesford Primary School to academy status in December 2013. The school had previously been a LA maintained school and had been judged by Ofsted to be Inadequate. The external team that carried out a "mock" Ofsted at Aylesford Primary School during the summer term of 2015 indicated the school was Good. 89% of teaching has been judged to be Good or better.

Student Recruitment

Invicta Grammar School and Valley Park were again heavily over subscribed.

There were 94 appeals at Invicta Grammar School and 241 students started in year 7 in September 2015 against a published admissions number of 192. This is an increase of 23 from the 218 students admitted in 2014.

At Valley Park School there were also 94 appeals and 271 students started in year 7 in September 2015 against a published admissions number of 240. This is an increase of 31 from the 240 students admitted in 2014.

Financial Performance

The Trust met its objectives to increase reserves at 31 August 2015 from the level held at 31 August 2014 by:

- Increase in funding due to increase in student numbers
- Income generation
- Reducing staffing costs from the planned position

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Going Concern

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

Financial review

The financial statements show revenue reserves of £894K against £334K at 31 August 2014. Revenue reserves at 31 August 2014 were low due to significant investment in ACMF projects and a 3G pitch at Invicta Grammar School and Valley Park School and at Aylesford Primary School essential costs to improve performance.

The initial budget for 2014.15 showed an in-year deficit but through careful management, including savings in staffing costs, increasing income generation and maximising funding including £132K additional post 16 funding allocated after 2014 numbers had increased significantly from 2013, a surplus was achieved.

The Trust's main source of income is funding from the EfA and this has been allocated to enable the Schools to meet their key objectives.

Reserves Policy

The Trust will continue to give consideration to a medium term budget plan and to hold reserves at the year end that:

- Are not above the maximum allowed at any time
- Are sufficient to allow the schools to operate with levels of resources considered appropriate for the delivery of outstanding education
- Allow the school to deliver Best Value
- Support any identified risks
- Allow for planned development

The financial statements show unrestricted general funds of £436K that have been built up through income generations and voluntary activities and restricted funds of £458K. The restricted general funds of £458 include £31K of specific funding committed in 2015.16 for World School, the Comenius Project and the Music Project. The balance is unspent General Annual Grant funding.

A proportion of the reserves will be allocated in 2015.16 to ensure the Schools meet their objectives.

Investment Policy

The Trust wishes to maximise the total return on investments whilst containing risk to an acceptable level and maintaining a suitable profile of investments with regard to the possible need to fund future developments. The Trust does not hold endowment funds. During 2014.15 all surplus funds were held in interest earning accounts with the Trust's bankers.

Performance Risks and Uncertainties

The Trust has considered and agreed an on-going Risk Register. The Trust considers the principal risk that could affect performance is recruitment and retention of outstanding staff and strategies are in place to review and manage. The principal financial risk is reducing levels of funding. The Trust considers current reserves and increasing student numbers leaves the Trust well placed to manage the risk. The Trust believes that by providing Outstanding education the risk of recruitment and retention of students is low and this is demonstrated in the continuing increase in student numbers.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Plans for Future Periods

The Trust has a World Class ambition for its schools and has set highly demanding academic targets for each school. The aim is for all Schools within the Trust to be judged Outstanding by Ofsted. Targets have been set to measure the quality of teaching.

The Trust recognises that recruiting and retaining teachers of the highest quality is essential and plans to establish new recruitment policies and retention packages for each of its Schools.

The Trust aims to continue to improve facilities and resources and, in particular, to seek funding for a new roof at Aylesford Primary School and to incorporate a joint sports hall for Invicta Grammar School and Valley Park School and a new refectory for Valley Park School into the new build project for Maidstone School of Science and Technology.

Funds Held as Custodian Trustee on Behalf of Others

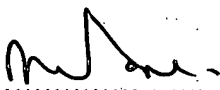
VIAT and its Trustees do not act as Custodian Trustees.

Auditors

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 3 December 2015 and signed on its behalf by:



Dr Nick Ware
Chair of Trustees

VALLEY INVICTA ACADEMIES TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2015

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Valley Invicta 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.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Valley Invicta 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 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

	Meetings attended	Out of a possible
Mr Vic Ashdown (Headteacher)	6	7
Mrs Julie Derrick (Headteacher)	7	7
Mr Richard Hayden (appointed 6 July 2015)	0	0
Mr Tony Hooker (resigned 13 October 2015)	5	7
Mr David Izatt	6	7
Dr Philip Limbert (CEO and Accounting Officer)	7	7
Mr Tony Moore (resigned 18 February 2015)	3	3
Dr John Moss	2	7
Mrs Sharon Pink (Chief Financial Officer)	6	6
Mr Brendan Roodt (appointed 8 July 2015)	0	0
Mr Chris Stevens	6	7
Mr Carl Taylor (appointed 8 July 2015)	0	0
Mrs Judi Taylor	7	7
Dr Nick Ware (Chair from 18 February 2015)	7	7

On 18 February 2015 Mr Tony Moore resigned as Chair and also resigned as a Member and Trustee. Dr Nick Ware was elected as Chair in his place.

Governance Review

The Trust was aware that during the year the composition did not meet the required ratio of non-executive to executive Trustees and took steps to ensure the position was corrected before the end of the year as required by the EFA.

The Trust reviewed its strategic vision including the proposal for the Maidstone School of Science and Technology and having regard to this and skill shortages looked to appoint new Trustees that would add value to the Board. 3 new Trustees were appointed in July 2015.

During the year the Trustees met with a partner from its Company Secretary, Schofield Sweeney LLP, and reviewed the structure of governance. In July 2015 the Board agreed they would like to adopt the new model articles of association.

The Trust is planning to shortly carry out the next self-evaluation.

VALLEY INVICTA ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

The Finance & Premises Committee met to consider matters related to these areas. All Trustees sat on this Committee. Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
Mr Vic Ashdown (Headteacher)	5	6
Mrs Julie Derrick (Headteacher)	6	6
Mr Richard Hayden (appointed 8 July 2015)	0	0
Mr Tony Hooker (resigned 13 October 2015)	4	6
Mr David Izatt	5	6
Dr Philip Limbert (CEO and Accounting Officer)	6	6
Mr Tony Moore (resigned 18 February 2015)	3	3
Dr John Moss	2	6
Mrs Sharon Pink (Chief Financial Officer)	6	6
Mr Brendan Roodt (appointed 8 July 2015)	0	0
Mr Chris Stevens	5	6
Mr Carl Taylor (appointed 8 July 2015)	0	0
Mrs Judi Taylor	6	6
Dr Nick Ware (Chair from 18 February 2015)	6	6

The Audit Committee is a sub-committee of the Board. Its purpose is to consider financial risk and to receive and act upon audit reports. Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
Dr Philip Limbert (CEO and Accounting Officer)	3	3
Mr Tony Moore (resigned 18 February 2015)	1	1
Mrs Sharon Pink (Chief Financial Officer)	3	3
Dr Nick Ware (from 18 February 2015)	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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Educational outcomes

- Ensuring the needs of all pupils are identified and results in effective allocation of resources
- Ensuring effective teaching
- Keeping staff structures under review to be in line with changes in the curriculum and profile of curriculum areas being taught

VALLEY INVICTA ACADEMIES TRUST
GOVERNANCE STATEMENT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

Review of Value for Money (continued)

- Maximising income
 - Ensuring popularity of schools has grown resulting in an increase in pupil numbers and subsequent funding
 - Ensuring all available funding is secured
 - Increasing generated funds through letting of new 3G facility
- Improvements in spending:
 - Effective procedures for review of staff performance and reward
 - Reviewing grounds maintenance at the Maidstone campus including the 3G pitch and bringing service largely in-house
 - Considering lease as well as purchase options for equipment including IT, minibuses and grounds maintenance equipment to ensure best value
 - Procurement of new catering contract that will deliver lower costs whilst delivering a better service including quality of food
 - Appointment of apprentices that provide value for money to the schools whilst giving the young person the opportunity of employment and training
 - Sharing best practice across the schools within the Trust
 - Utilising resources in schools within the Trust

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 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 Valley Invicta Academies Trust for the period 1 September 2014 to 31 August 2015 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Audit Committee and Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees through its Finance and Premises Committee
- Regular reviews of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes by the Board of Trustees through its Finance and Premises Committee
- Setting targets and key performance indicators to measure financial and other performance;
- Clearly defined purchasing guidelines;
- Appropriate delegation of authority and segregation of duties;
- Identification and management of risks.

VALLEY INVICTA ACADEMIES TRUST
GOVERNANCE STATEMENT (CONTINUED)

YEAR ENDED 31 AUGUST 2015

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Day Smith Hunter, its external auditor to carry out a programme of additional checks to fulfil internal audit requirements. The role includes a range of checks on the Trust's financial and HR systems. In particular the checks carried out in the current period included testing:

- Payroll systems
- Staff contracts
- Purchase systems
- Bank reconciliations

The auditor's reports were taken to the Board of Trustees through the Audit Committee that met 3 times during the year.

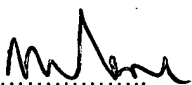
The trust confirms that the auditor delivered their schedule of work as planned.

Review of Effectiveness

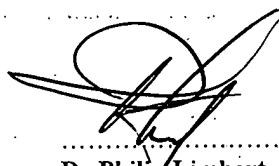
As accounting officer the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- Internal audit reports
- The work of the external auditor
- The work of the Chief Financial Officer who has responsibility for the development and maintenance of the internal control framework

Approved by order of the members of the board of trustees on 3 December 2015 and signed on its behalf by:



.....
Dr Nick Ware
Chair of Trustees



.....
Dr Philip Limbert
Accounting Officer

VALLEY INVICTA ACADEMIES TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2015

As Accounting Officer of Valley Invicta Academies Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

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 the EFA.



.....
Dr Philip Limbert
Accounting Officer

3 December 2015

VALLEY INVICTA ACADEMIES TRUST

STATEMENT OF GOVERNORS' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2015

The trustees (who act as governors of the schools within the academies trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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 the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

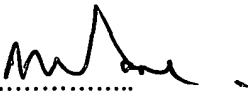
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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 the EFA/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 3 December 2015 and signed on its behalf by:



.....
Dr N Ware
Chair of Trustees

VALLEY INVICTA ACADEMIES TRUST

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE VALLEY INVICTA ACADEMIES TRUST

YEAR ENDED 31 AUGUST 2015

We have audited the financial statements of Valley Invicta Academies Trust for the year ended 31 August 2015 on pages 19 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the reports and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenses, 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 and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report and Governance Statement for the financial period for which the financial statements are prepared is consistent with the financial statements.

VALLEY INVICTA ACADEMIES TRUST

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS
TO THE MEMBERS OF THE VALLEY INVICTA ACADEMIES TRUST (CONTINUED)**

YEAR ENDED 31 AUGUST 2015

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.

PHILIP WILSON FCA (Senior Statutory Auditor)

For and on behalf of

Day Smith and Hunter
Chartered Accountants & Statutory Auditor
Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent ME14 3EN

3 December 2015

VALLEY INVICTA ACADEMIES TRUST

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

YEAR ENDED 31 AUGUST 2015

In accordance with the terms of our engagement letter dated 25 September 2015 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Valley Invicta Academies Trust during the year ended 31 August 2015 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 Valley Invicta Academies Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Valley Invicta Academies Trust and the EFA 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 Valley Invicta Academies Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Valley Invicta Academies Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Valley Invicta Academies Trust's funding agreement with the Secretary of State for Education dated 31 August 2012 and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. 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 ended 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. 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.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year ended 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

PHILIP WILSON FCA (Reporting Accountant)

For and on behalf of
DAY SMITH & HUNTER
Reporting Accountant
Globe House, Eclipse Park
Sittingbourne Road
Maidstone, Kent ME14 3EN

3 December 2015

VALLEY INVICTA ACADEMIES TRUST
STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	6,426	993,077	-	999,503	2,645,830
Activities for generating funds	3	188,808	-	-	188,808	64,665
Investment income	4	6,104	-	-	6,104	2,799
Incoming resources from charitable activities:						
Funding for the Academy's educational operations	5	-	13,924,440	94,250	14,018,690	16,514,675
TOTAL INCOMING RESOURCES		<u>201,338</u>	<u>14,917,517</u>	<u>94,250</u>	<u>15,213,105</u>	<u>19,227,969</u>
RESOURCES EXPENDED						
Cost of activities for generating funds	6	12,568	-	-	12,568	-
Charitable activities:						
Academy's educational operations	7	-	14,378,882	1,008,922	15,387,804	14,389,559
Governance costs	8	-	41,227	-	41,227	36,066
Other resources expended – cost upon conversion		-	-	-	-	160,000
TOTAL RESOURCES EXPENDED		<u>12,568</u>	<u>14,420,109</u>	<u>1,008,922</u>	<u>15,441,599</u>	<u>14,585,625</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		188,770	497,408	(914,672)	(228,494)	4,642,344
Transfer between funds	17	(26,626)	(288,524)	315,150	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		162,144	208,884	(599,522)	(228,494)	4,642,344
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial (losses)/gains on defined benefit pension scheme	17,26	-	(111,000)	-	(111,000)	356,000
NET MOVEMENT IN FUNDS		162,144	97,884	(599,522)	(339,494)	4,998,344
RECONCILIATION OF FUNDS						
Total funds brought forward At 1 September 2014		274,285	(2,500,948)	34,008,666	31,782,003	26,783,659
Total funds carried forward at 31 August 2015	17	<u>436,429</u>	<u>(2,403,064)</u>	<u>33,409,144</u>	<u>31,442,509</u>	<u>31,782,003</u>

All of the academy trust's activities derive from continuing operations during the above financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

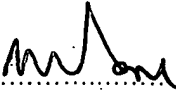
The notes on pages 22 to 40 form part of these financial statements.

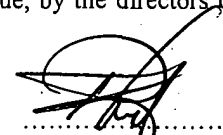
VALLEY INVICTA ACADEMIES TRUST

BALANCE SHEET AS AT 31 AUGUST 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible fixed assets	13	33,419,108	34,137,148
Current assets			
Stock		-	7,228
Debtors	14	647,852	438,635
Cash at bank and in hand		1,345,969	881,169
		<u>1,993,821</u>	<u>1,327,032</u>
Creditors: amounts falling due within one year	15	<u>(1,109,420)</u>	<u>(1,111,195)</u>
Net current assets		<u>884,401</u>	<u>215,837</u>
Total assets less current liabilities		<u>34,303,509</u>	<u>34,352,985</u>
Creditors: amounts falling due after one year	16	<u>-</u>	<u>(9,982)</u>
Net assets excluding pension liability		<u>34,303,509</u>	<u>34,343,003</u>
Pension scheme liability	26	<u>(2,861,000)</u>	<u>(2,561,000)</u>
Net assets including pension liability		<u><u>31,442,509</u></u>	<u><u>31,782,003</u></u>
Funds			
Restricted funds			
General fund	17	457,936	60,052
Pension reserve	17	(2,861,000)	(2,561,000)
Fixed asset fund	17	<u>33,409,144</u>	<u>34,008,666</u>
		<u>31,006,080</u>	<u>31,507,718</u>
Unrestricted funds			
General fund	17	<u>436,429</u>	<u>274,285</u>
		<u><u>31,442,509</u></u>	<u><u>31,782,003</u></u>

The financial statements have been approved, and authorised for issue, by the directors on 3 December 2015 and signed on their behalf by:


Dr N Ware
Chair of Trustees


Dr Philip Limbert
Accounting Officer

Registered Company Number: 07559256

The notes on pages 22 to 40 form part of these financial statements.

VALLEY INVICTA ACADEMIES TRUST

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	21	655,328	(490,284)
Returns on investment and servicing of finance			
Bank interest received	22	<u>6,104</u>	<u>2,799</u>
Net cash inflow from returns on investments and servicing of finance		6,104	2,799
Capital expenditure	23	<u>(196,632)</u>	<u>(1,175,125)</u>
Increase/(decrease) in cash	24	464,800	(1,662,610)
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		<u>881,169</u>	<u>2,543,779</u>
Net funds at 31 August 2015		<u><u>1,345,969</u></u>	<u><u>881,169</u></u>

The notes on pages 22 to 40 form part of these financial statements.

VALLEY INVICTA ACADEMIES TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2015

1. Statement of accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' (SORP 2005), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA) and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

All incoming resources are recognised when VIAT has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income, including specific capital grants, is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

The General Annual Grant (GAG) is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. General capital grants are recognised when receivable and are not deferred over the life on which they are expended. Unspent amounts of general capital grants are reflected in the balance in the restricted fixed asset funds.

- **Sponsorship**

Sponsorship income provided to VIAT, which amounts to a donation, is recognised in the Statement of Financial Activities in the year in which it is receivable, where there is certainty of receipt and it is measurable.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

- **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to VIAT are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount included is in the appropriate fixed asset category and depreciated over the useful economic life in accordance with VIAT's policies.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

1. Statement of accounting policies (continued)

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of generating funds**

These are costs incurred in attracting voluntary income, and those incurred in letting and other activities that raise funds.

- **Charitable activities**

These are costs incurred on VIAT's educational operations.

- **Governance costs**

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

All resources expended are inclusive of irrecoverable VAT.

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with VIAT's depreciation policy.

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

Freehold property	2%	on cost
Leasehold property	2%	on cost
Equipment, fixtures and fittings	20%	on cost
Computer equipment	33%	on cost

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.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

1. Statement of accounting policies (continued)

Stock

Unsold uniforms and sports equipment are valued at the lower of cost and net realisable value.

Operating lease transactions

Rentals under operating leases are charged on a straight line basis over the lease term.

Taxation

VIAT 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, VIAT is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of VIAT are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of VIAT.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with VIAT 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 quinquennial valuations using a prospective benefit method. As stated in Note 26, the TPS is a multi-employer scheme and VIAT is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of VIAT 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Agency Agreements

The academy trust acts as an agent distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The Trust did not use any of the allocation towards its own administration costs. The funds received and paid and any balances held are disclosed in note 30.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

1. Statement of accounting policies (continued)

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the objects of VIAT at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied for specific capital purposes imposed by the EFA, the Department for Education (DfE) or other funders 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 EFA and DfE.

2. Voluntary income

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2015 £	Total Funds 2014 £
Transfer from local authority on conversion	-	-	-	-	1,856,000
Production income	-	19,196	-	19,196	17,640
Laptop project income	-	230,184	-	230,184	115,430
H M Revenue & Customs reimbursements	6,426	-	-	6,426	-
Other grants and donations	-	-	-	-	1,959
Other voluntary activities	-	191,884	-	191,884	194,290
Trip income	-	540,721	-	540,721	453,099
Exam resits and other contributions from pupils	-	11,092	-	11,092	7,412
	<u>6,426</u>	<u>993,077</u>	<u>-</u>	<u>999,503</u>	<u>2,645,830</u>

3. Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total funds 2015 £	Total funds 2014 £
Lettings	170,637	-	170,637	51,940
Uniform sales	2,138	-	2,138	725
Support services	16,033	-	16,033	12,000
	<u>188,808</u>	<u>-</u>	<u>188,808</u>	<u>64,665</u>

4. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Interest on short term deposits	<u>6,104</u>	<u>-</u>	<u>6,104</u>	<u>2,799</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

5. Funding for the academy's educational operations

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2015 £	Total Funds 2014 £
DfE/EFA grants					
GAG	-	12,913,379	-	12,913,379	12,616,746
Start Up Grants	-	5,000	-	5,000	30,000
Capital grants	-	-	94,250	94,250	3,103,667
Other DfE/EFA grants	-	430,133	-	430,133	419,843
	-	13,348,512	94,250	13,442,762	16,170,256
Other government grants					
Local authority grants	-	530,181	-	530,181	328,876
Other	-	45,747	-	45,747	15,543
	-	575,928	-	575,928	344,419
	-	13,924,440	94,250	14,018,690	16,514,675

6. Resources expended

	Staff Costs £	Premises £	Other Costs £	Total 2015 £	Total 2014 £
Cost of activities for generating funds	8,847	3,721	-	12,568	-
Academy trust's educational operations:					
Direct costs	9,207,730	1,008,922	1,989,498	12,206,150	11,625,135
Allocated support costs	1,533,957	984,494	663,203	3,181,654	2,764,424
	10,750,534	1,997,137	2,652,701	15,400,372	14,389,559
Governance costs including allocated support costs	8,132	-	33,095	41,227	36,066
Costs upon conversion	-	-	-	-	160,000
	10,758,666	1,997,137	2,685,796	15,441,599	14,585,625

Incoming/outgoing resources for the year include:

	2015 £	2014 £
Depreciation	1,008,922	954,259
Operating leases	227,421	207,580
Fees payable to auditors:		
Audit	13,150	12,975
Other fees payable to auditors	7,375	6,266
	1,256,868	1,181,080

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

7. Charitable activities – educational operations

	Total Funds 2015 £	Total Funds 2014 £
Direct costs		
Teaching and educational support staff costs	9,207,730	8,329,929
Depreciation	1,008,922	954,259
Educational supplies	1,071,128	961,972
Examination fees	257,641	264,032
Technology costs	453,142	412,266
Staff development	99,427	105,097
Educational consultancy	91,074	85,415
Other	17,086	512,165
	<u>12,206,150</u>	<u>11,625,135</u>
Allocated support costs		
Support staff costs	1,533,957	1,366,215
Recruitment and support	33,157	25,772
Maintenance of premises and equipment	440,793	296,049
Cleaning	87,672	79,952
Rent, rates and utilities	327,751	278,746
Insurance	120,233	116,969
Security and transport	49,651	51,710
Catering	87,923	57,071
Bank interest and charges	6,238	4,824
Loan interest	-	1,922
Information and communication technology	88,114	62,569
Other support costs	406,165	422,625
	<u>3,181,654</u>	<u>2,764,424</u>
Total direct and support costs	<u>15,387,804</u>	<u>14,389,559</u>

8. Governance costs

	Total Funds 2015 £	Total Funds 2014 £
Auditors remuneration:		
Audit of financial statements	13,150	12,975
Other audit costs	7,375	6,266
Legal and professional fees	8,294	-
Support staff costs	8,132	6,366
Expenses and other costs	4,276	10,459
	<u>41,227</u>	<u>36,066</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

9. Staff costs and emoluments

Staff costs during the year were:

	2015 £	2014 £
Wages and salaries	8,431,331	7,699,383
Social security costs	649,478	608,186
Pension costs	1,400,985	1,271,410
	<u>10,481,794</u>	<u>9,578,979</u>
Supply teacher costs	44,835	39,631
Agency costs	219,537	517,214
Severance payments	12,500	83,900
	<u>10,758,666</u>	<u>10,219,724</u>

The average number of persons (including senior management team) employed by VIAT during the year expressed as full time equivalents was as follows:

	2015 £	2014 £
<i>Charitable Activities</i>		
Teachers	159	144
Administration and support	97	84
Management	11	8
	<u>267</u>	<u>236</u>

The number of employees whose emoluments fell within the following bands was:

	2015 No	2014 No
£60,001 - £70,000	3	4
£70,001 - £80,000	1	-
£80,001 - £90,000	-	2
£90,001 - £100,000	1	-
£100,001 - £110,000	1	-
£110,001 - £120,000	1	2
£120,001 - £130,000	1	-
£160,001 - £170,000	1	1
	<u>9</u>	<u>9</u>

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £108,626 (2014 : £115,394). None of the above employees participated in the Local Government Pension Scheme.

Included in staff costs are non-statutory/non-contractual severance payments (including lump-sum pension contributions) totalling £12,500 (2014 : £83,900). This related to an individual amount.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

10. Central services

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

- human resources;
- financial services;
- estate management; and
- chief executive officer.

The trust charges for these services according to the central services' staff time incurred. The actual amounts charged during the year were as follows:

	2015 £	2014 £
Invicta Grammar School	300,773	264,146
Valley Park School	321,637	263,928
Aylesford Primary School	28,835	21,249
	<u>651,245</u>	<u>549,323</u>

11. Related party transactions – Trustees' remuneration and expenses

The Headteacher and staff directors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as trustees. Other trustees did not receive any payments from VIAT in respect of their role as trustees. The value of trustees' remuneration was as follows:

P Limbert (CEO)

- Remuneration	£165,001 - £170,000	(2014 : £160,001 - £165,000)
- Employer's pension contribution	£20,000 - £25,000	(2014 : £20,001 - £25,000)

V Ashdown (Headteacher)

- Remuneration	£120,001 - £125,000	(2014 : £115,001 - £120,000)
- Employer's pension contribution	£15,001 - £20,000	(2014 : £15,001 - £20,000)

J Derrick (Headteacher)

- Remuneration	£115,001 - £120,000	(2014 : £110,001 - £115,000)
- Employer's pension contribution	£15,001 - £20,000	(2014 : £15,001 - £20,000)

S Pink (Finance and HR Director)

- Remuneration	£95,001 - £100,000	(2014 : £-)
- Employer's pension contribution	£-	(2014 : £-)

During the year ended 31 August 2015 travel and subsistence expenses totalling £672 (2014 : £988) were reimbursed to two trustees.

During the previous year ended 31 August 2014 VIAT received services from Pink Accountancy Limited a company of which Sharon Pink is a director and shareholder. The charge for that year was £110,000.

Other related party transactions involving the trustees are set out in note 29.

12. Directors' and officers' insurance

In accordance with normal commercial practice VIAT has purchased insurance to protect trustees/directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on VIAT business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £3,698 (2014 : £3,767).

The cost of this insurance is included in the total insurance cost.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

13. Tangible fixed assets

	Freehold land and buildings £	Leasehold property £	Computer equipment £	Equipment, fixtures and fittings £	Total £
Cost					
At 1 September 2014	33,409,808	2,047,022	382,402	598,530	36,437,762
Additions	33,803	59,309	111,587	86,183	290,882
At 31 August 2015	<u>33,443,611</u>	<u>2,106,331</u>	<u>493,989</u>	<u>684,713</u>	<u>36,728,644</u>
Depreciation					
At 1 September 2014	1,834,510	43,858	192,189	230,057	2,300,614
Charge for the year	668,817	42,127	161,036	136,942	1,008,922
At 31 August 2015	<u>2,503,327</u>	<u>85,985</u>	<u>353,225</u>	<u>366,999</u>	<u>3,309,536</u>
Net book value					
At 31 August 2015	<u>30,940,284</u>	<u>2,020,346</u>	<u>140,764</u>	<u>317,714</u>	<u>33,419,108</u>
At 31 August 2014	<u>31,575,298</u>	<u>2,003,164</u>	<u>190,213</u>	<u>368,473</u>	<u>34,137,148</u>

The trust's transactions relating to leasehold property include the acquisition of a mobile at Aylesford Primary School at a cost of £24,520. The trust's other transactions relating to freehold and leasehold property were all in respect of existing buildings.

14. Debtors

	2015 £	2014 £
Trade debtors	65,311	36,132
VAT recoverable	95,529	136,720
Other debtors	180,610	67,233
Prepayments and accrued income	306,402	198,550
	<u>647,852</u>	<u>438,635</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

15. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Loans due in one year	9,963	118,500
Trade creditors	387,805	296,253
Deferred income	536,589	335,970
Other creditors	3,192	1,097
Accruals	171,871	359,375
	<u>1,109,420</u>	<u>1,111,195</u>
Deferred income:		
Balance at 1 September 2014	335,970	1,320,481
Resources deferred in the year	536,589	334,263
Amounts released from previous years	(335,970)	(1,318,774)
Balance at 31 August 2015	<u>536,589</u>	<u>335,970</u>

At the balance sheet date VIAT was holding funding in advance of the 2015/16 financial year totalling £536,589 (2014 : £335,970) including specific capital grants of £Nil (2014: £33,820).

16. Creditors: amounts falling due after one year

	2015	2014
	£	£
Loans due in two to five years	<u>-</u>	<u>9,982</u>

The loans were due to Kent County Council and were originally repayable over seven years.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

17. Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
GAG	-	12,913,379	(12,243,956)	(242,486)	426,937
Start up grant	-	5,000	(5,000)	-	-
Other DfE/EFA grants	53,513	430,133	(483,646)	-	-
Other restricted projects	1,539	993,077	(967,616)	-	27,000
Other government grants	5,000	575,928	(530,891)	(46,038)	3,999
Pension reserve	(2,561,000)	-	(189,000)	(111,000)	(2,861,000)
	<u>(2,500,948)</u>	<u>14,917,517</u>	<u>(14,420,109)</u>	<u>(399,524)</u>	<u>(2,403,064)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	31,426,025	94,250	(669,563)	(25,805,261)	5,045,451
Assets transferred on conversion	1,856,000	-	(37,120)	24,239,069	26,057,949
Liability adopted on conversion	(128,482)	-	-	118,519	(9,963)
Capital expenditure from GAG	694,299	-	(265,870)	1,676,841	2,105,270
Capital expenditure from other funds	160,824	-	(36,369)	85,982	210,437
	<u>34,008,666</u>	<u>94,250</u>	<u>(1,008,922)</u>	<u>315,150</u>	<u>33,409,144</u>
Total restricted funds	<u>31,507,718</u>	<u>15,011,767</u>	<u>(15,429,031)</u>	<u>(84,374)</u>	<u>31,006,080</u>
Unrestricted funds					
Unrestricted funds	274,285	201,338	(12,568)	(26,626)	436,429
Total unrestricted funds	<u>274,285</u>	<u>201,338</u>	<u>(12,568)</u>	<u>(26,626)</u>	<u>436,429</u>
Total funds	<u>31,782,003</u>	<u>15,213,105</u>	<u>(15,441,599)</u>	<u>(111,000)</u>	<u>31,442,509</u>

The transfers between the restricted fixed asset funds were undertaken to more accurately reflect the funding of the academy trust's assets from the date of conversion to 31 August 2015.

Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2015.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

17. Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Invicta Grammar School	477,165
Valley Park School	360,186
Aylesford Primary School	57,014
Total before fixed assets and pension reserve	894,365
Restricted fixed asset fund	33,409,144
Pension reserve	(2,861,000)
Total	31,442,509

Analysis of academies by cost

Expenditure incurred by each academy during the year (excluding depreciation) was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total £
Invicta Grammar School	4,123,685	768,080	574,738	1,118,834	6,585,337
Valley Park School	4,380,925	706,041	414,912	1,204,453	6,706,331
Aylesford Primary School	689,876	58,752	64,157	228,845	1,041,630
Central Services	13,244	1,084	17,321	-	31,649
New primary schools	-	-	-	67,730	67,730
Academy trust	9,207,730	1,533,957	1,071,128	2,619,862	14,432,677

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	33,419,108	33,419,108
Current assets	436,429	1,557,392	-	1,993,821
Current liabilities	-	(1,009,456)	(9,964)	(1,109,420)
Pension scheme liability	-	(2,861,000)	-	(2,861,000)
Total funds	436,429	(2,403,064)	33,409,144	31,442,509

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

19. Financial commitments

Operating leases

At 31 August 2015 VIAT had annual commitments under non-cancellable operating leases (for equipment and the minibuses) as follows:

	2015 £	2014 £
Expiring within one year	58,602	34,531
Expiring between two and five years inclusive	156,102	129,375
	<u>214,704</u>	<u>163,906</u>

20. Capital commitments

	2015 £	2014 £
Amounts contracted for but not provided in the financial statements	-	34,820

21. Reconciliation of net (outgoing)/incoming resources before transfers to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net (outgoing)/incoming resources	(228,494)	4,642,344
Fixed assets transferred on conversion	-	(1,856,000)
Pension liability transferred on conversion	-	160,000
Depreciation (note 13)	1,008,922	954,259
Capital grants from DfE and other capital income	(94,250)	(3,103,667)
Interest receivable (note 4)	(6,104)	(2,799)
FRS 17 pension cost less contributions payable (note 26)	144,000	65,000
FRS 17 pension finance income (note 26)	45,000	100,000
Decrease/(increase) in stock	7,228	(7,228)
(Increase)/decrease in debtors	(209,217)	342,275
(Decrease) in creditors	(11,757)	(1,784,468)
Net cash inflow/(outflow) from operating activities	<u>655,328</u>	<u>(490,284)</u>

22. Returns on investments and servicing of finance

	2015 £	2014 £
Interest received	<u>6,104</u>	<u>2,799</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

23. Capital expenditure and financial investment

	2015 £	2014 £
Purchase of tangible fixed assets	(290,882)	(4,278,792)
Capital grants from DfE/EFA	94,250	3,103,667
Net cash outflow from capital expenditure and financial investment	<u>(196,632)</u>	<u>(1,175,125)</u>

24. Analysis of changes in net funds

	At 1 September 2014 £	Cash flows £	At 31 August 2015 £
Cash at bank and in hand	<u>881,169</u>	<u>464,800</u>	<u>1,345,969</u>

25. 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.

26. Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS was 31 March 2013.

There were no outstanding or prepaid contributions at the end of the financial year.

Teachers' Pension Scheme

Introduction

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

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

26. Pension and similar obligations (continued)

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

Valuation of the Teachers Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by H M Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £846,985 (2014 : £758,831).

A copy of the valuation report and supporting documentation is on the Teachers' Pension website:

(<https://www.teacherspensions.co.uk/news/employers/2014/publication-of-the-valuation-report.aspx>).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

26. Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £481,000, of which employer's contributions totalled £365,000 and employees' contributions totalled £116,000. The agreed contribution rates for future years are 26.75% for employer's and employees' contributions are dependent on the level of their full-time equivalent salary ranging from 5.5% to 10%.

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

	At 31 August 2015 % pa	At 31 August 2014 % pa
Rate of increase in salaries	4.5	4.5
Rate of increase for pensions in payment/inflations	2.7	2.7
Discount rate for scheme liabilities	4.0	4.0
Inflation assumption (CPI)	2.7	2.7
Commutation of pensions to lump sums	-	-

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

	At 31 August 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.8	22.7
Females	25.2	25.1
<i>Retiring in 20 years</i>		
Males	25.1	24.9
Females	27.6	27.4

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

26. Pension and similar obligations (continued)

Principal actuarial assumptions (continued)

VIAT's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31.8.2015 £	Expected return at 31.8.2014 % pa	Fair value at 31.8.2014 £
Equities	2,260,000	6.7	1,909,000
Government bonds	33,000	3.0	34,000
Other bonds	365,000	3.6	330,000
Property	446,000	5.9	286,000
Target return portfolio	144,000	5.9	121,000
Other	86,000	2.9	119,000
Total market value of assets	3,334,000		2,799,000
Present value of scheme liabilities			
- Funded	(6,195,000)		(5,360,000)
Deficit in the scheme	(2,861,000)		(2,561,000)

The expected return on assets at 31 August 2015 was 6.0% per annum.

The actual return on the scheme assets in the year was £71,000 (2014 : £253,000).

Amounts recognised in the statement of financial activities

	31.8.2015 £	31.8.2014 £
Current service cost (net of employee contributions)	509,000	399,000
Past service cost	-	-
Total operating charge	509,000	399,000

Analysis of pension finance (income)/costs

	31.8.2015 £	31.8.2014 £
Expected return on pension scheme assets	182,000	144,000
Interest on pension liabilities	(227,000)	(244,000)
Pension finance costs	(45,000)	(100,000)

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £513,000 loss (2014: £402,000 loss).

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

26. Pension and similar obligations (continued)

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

	2015 £	2014 £
At 1 September 2014	5,360,000	4,769,000
Transfer in from new academies	-	240,000
Current service cost	509,000	399,000
Interest cost	227,000	244,000
Employee contributions	116,000	96,000
Actuarial (gains)/losses	-	(391,000)
Benefits paid	(17,000)	(21,000)
Curtailments and settlements	-	24,000
At 31 August 2015	<u>6,195,000</u>	<u>5,360,000</u>

Movements in fair value of VIAT's share of scheme assets:

	2015 £	2014 £
At 1 September 2014	2,799,000	2,177,000
Transfer in from new academies	-	80,000
Expected return on assets	182,000	144,000
Actuarial (losses)/gains	(111,000)	(35,000)
Employer contributions	365,000	358,000
Employee contributions	116,000	96,000
Benefits paid	(17,000)	(21,000)
At 31 August 2015	<u>3,334,000</u>	<u>2,799,000</u>

The estimated value of employer contributions for the year ended 31 August 2016 is £519,000.

The history of experience adjustments is as follows:-

	2015 £	2014 £	2013 £	2012 £
Present value of defined benefit obligations	(6,195,000)	(5,360,000)	(4,769,000)	(3,939,000)
Fair value of share of scheme assets	<u>3,334,000</u>	<u>2,799,000</u>	<u>2,177,000</u>	<u>1,539,000</u>
Deficit in the scheme	<u>(2,861,000)</u>	<u>(2,561,000)</u>	<u>(2,592,000)</u>	<u>(2,400,000)</u>
Experience adjustments on share of scheme assets	<u>(111,000)</u>	<u>(35,000)</u>	<u>169,000</u>	<u>71,000</u>
Experience adjustments on scheme liabilities	<u>-</u>	<u>700,000</u>	<u>-</u>	<u>-</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2015

27. Ultimate controlling party

There is no ultimate controlling party.

28. Company limited by guarantee

The academy trust is a company limited by guarantee and does not have share capital.

29. Related party transactions

Owing to the nature of VIAT's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

30. Agency Agreements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period 31 August 2015 the trust received £42,047 and disbursed £42,047 from the fund.