

Registered number: 09284368

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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INVICTUS EDUCATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST
Members, Directors and Advisors
For the Year Ended 31 August 2017

Directors

Appointed

Geoffrey Marsh, Chair (GM)	
Lyndon Evans, Vice-Chair (LE)	
William Caldwell (WC)	
Craig Cartwright (CC)	
Andrew Griffiths (ASG)	
John Harris (JH)	
Richard Westwood (RW)	
Phillip Whitehouse (PW)	
Robert Dimmock (DM)	Appointed 24 January 2017
Gillian Withers (GW)	Appointed 01 December 2016
Annette Whalley (AW)	Resigned 01 January 2017
David Naylor-Leyland (DNL)	Resigned 24 October 2016
Amy Buttery (AM)	Appointed 01 November 2017

Members

Geoffrey Marsh
Lyndon Evans
William Caldwell

Executive Headteacher's Board

Andrew Griffiths (ASG)	Executive Headteacher and Accounting Officer
Alan Jasper (AJ)	Headteacher – Ellowes Hall Sports College
Christine Brown (CB)	Principal – Ounsdale High School
Christopher Rogers (CR)	Headteacher – Kinver High School
Tony Bowles (TB)	Headteacher – Crestwood School
Matthew Mynott (MT)	Acting Headteacher – Leasowes High School

Company Secretary

Clare Tolan	Retired 31 October 2017
Amy Buttery	Appointed 1 November 2017

Company Number 09284368

Principal and Registered Office

Ward House
Himley Park
Himley
West Midlands
DY3 4DF

INVICTUS EDUCATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST
Members, Directors and Advisors
For the Year Ended 31 August 2017

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Independent Auditors

Crowe Clark Whitehill LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Barclays Bank PLC
P O Box 5
Queens Square
Wolverhampton
WV1 1DS

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

DIRECTORS' REPORT
For the Year Ended 31 August 2017

The trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditor's report of Invictus Education Trust ("the trust") for the year ended 31 August 2017. The Directors confirm that the annual report and financial statements of the trust comply with the current statutory requirements, the requirements of the trust's governing document and the provisions of the FRS102, including the Charities SORP 2015. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under Company Law.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The trust is a company limited by guarantee and is an exempt charity. The charitable company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the trust. The Charitable Company was incorporated on 18 October 2014, and commenced operations on 1 March 2015.

The trust is constituted under a Memorandum of Association dated 18 October 2014.

The Directors act as the trustees for the charitable activities of the trust and are the Directors of the charitable company for the purposes of company law.

Details of the Directors who served the trust during the year 1 September 2016 to 31 August 2017 are in the Reference and Administrative Details on Page 2.

Member 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.

Directors' Indemnity

Directors benefit from indemnity insurance to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty to which they may be guilty in relation to the trust.

Method of Recruitment and Appointment of Election of Directors

The trust's Board of Directors has been appointed for a 4-year term. Where a vacancy arises, through the completion of term or by the resignation of a serving Director, Directors will be recruited in accordance with the Articles of Association and 'A Guide to the Law for School Directors.' The term of office for any Director is 4 years, and may be re-elected.

Policies and Procedures Adopted for their Induction and Training of Directors

The trust is a member of the National Governors' Association and through this professional Body. Each member receives regular updates on current legislation by email and the NGA magazine. A programme of Governor specific training is provided by the Local Authority and additional training is sourced as required based on individual or collective need from external providers such as Browne Jacobson.

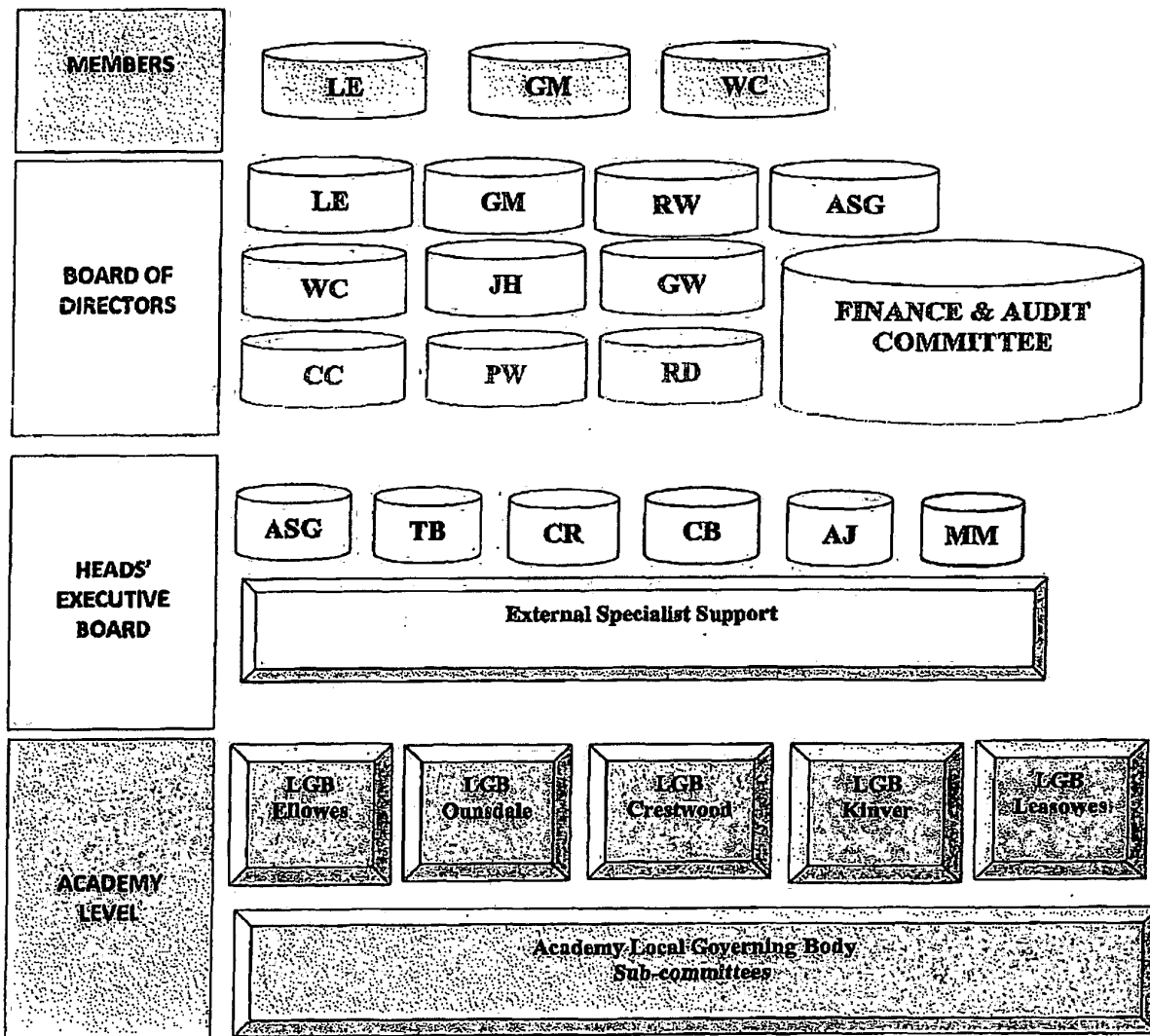
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DIRECTORS' REPORT
For the Year Ended 31 August 2017

Organisational Structure

The Executive Headteacher is the Accounting Officer of the trust, and as such, has ultimate responsibility for the operations and controls in place.

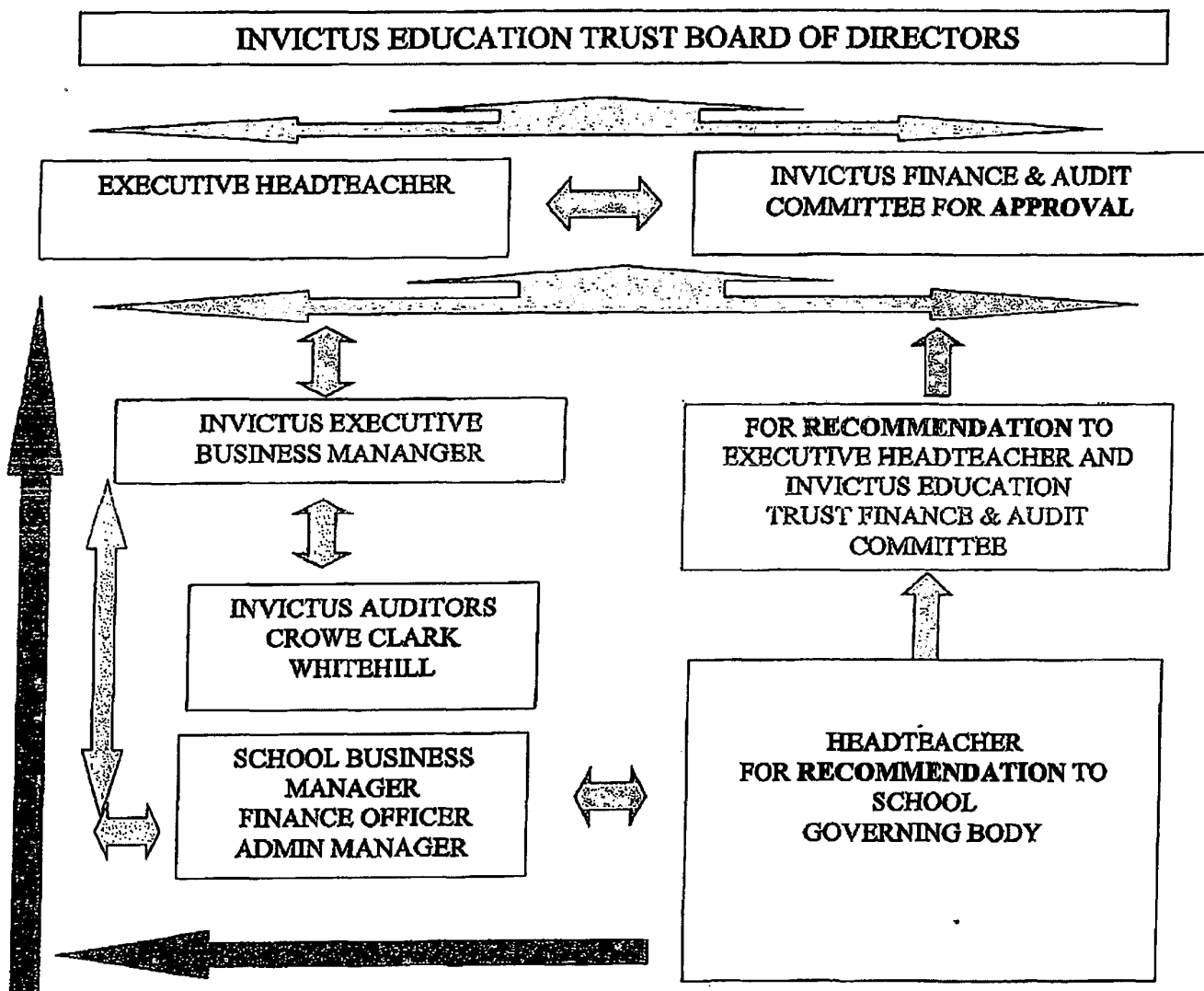
The trust has a Board of Directors with responsibility and accountability for the five schools, with a local governing body at each school. See below organisation structure. This structure is currently under review to bring into line with the requirements of the Governance Handbook.



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The trust's Finance and Audit Committee works across the trust, where appropriate, duties are delegated to sub- committees and employees of the trust. Although the Board of Directors maintains overall control for the activities and performance of the trust. See reporting structure below:



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An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the trust nurtures the talents of its entire staff to support continual improvement and excellence.

The Board of Directors is responsible for setting the trust's policies, approval of budgets, monitoring performance against these plans and making major decisions about the direction of the trust including its curriculum, the achievement and welfare of students, and staffing.

Groups of Directors may be formally organised outside of this structure as necessary to support the trust as required.

Arrangements for setting pay and remuneration of key management personnel

The Board of Directors recognise the range of powers which it has a duty, or discretion, to exercise in respect of the remuneration of staff. Pay and remuneration is reviewed annually as required by the School Teachers' Pay and Conditions Document.

It is the responsibility of the Board of Directors to approve annual pay increases of Key Management Personnel. Key Management Personnel are paid at a rate that is comparable to other employers of teachers.

Annual pay reviews are linked to performance, with appropriate incremental progression and 'cost of living' increases. Pay awards are only given where performance management targets have been met.

Support Staff salary grades are based on the National Joint Council Pay Range, in selecting the salary grade the responsibilities of the job outlined in the Job Description and Person Specification are used and the role is assessed using a recognised job evaluation scheme with advice from our HR Adviser.

Related Parties and other connected Charities and Organisations

The trust has procured the services of several external consultants to help develop educational and business expertise within the trust. None of which constitute a related party or connected organisation but are currently working closely with the trust:

- David Rzeznik (former Senior HMI Inspector)
- Peter Linn (former HMI Inspector)
- Steve Abbott (former HMI Inspector)
- Christine Jones (former HMI Inspector)
- Leszek Iwaskow (former HMI Inspector)
- North Dudley Learning Partnership

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DIRECTORS' REPORT
For Year Ended 31 August 2017

OBJECTIVES AND AIMS - EDUCATIONAL

School Improvement Process

Invictus Education Trust has been created with a distinctive and 'cast iron' identity.

We start (and end) with academic excellence – and it is academic excellence for all. We will not deal in excuses and where, perhaps, circumstances conspire against our students; we will fight to overcome those circumstances. We know, moreover, that for many of our students, especially the ablest that good qualifications will only take them so far. Consequently, we are determined to grow them in confidence, in articulation and as leaders.

They will have the opportunity to try out a wide and rich range of experiences. We will try to bring them the best of cultural, vocational and sporting opportunities. We understand that those aspects are not recreational but critical to the students' independent development and success.

If we believe in what we are doing, then it is right that we should do it for more children. To that end, we will consider expansion.

We have established a very rigorous system of School Improvement. The trust has taken on David Rzeznik, former Senior HMI, as an Educational Advisor. David Rzeznik has also brokered the involvement of 3 further former HMI's – including one to advise and conduct Headteacher performance management.

The work begins with a detailed scrutiny of the picture painted of a school by its data. From this, we have used a template, produced by Tony Thomley (another HMI) and ASCL. This template gives us what is called a 'Scorecard' and from this, a school will produce a Self-Evaluation Form (SEF). The work identified and required by the SEF is put into three categories of importance, (Red, Amber and Green). These, in effect, become the School Improvement Plan.

Sometimes schools can be busy on worthwhile endeavours that do not get to the heart of what needs to be done. Consequently, the priorities, especially 'Red' and 'Amber', are scrutinised carefully, including by David Rzeznik.

To monitor progress towards meeting the demands of the School Improvement Plan there will be termly Quality Assurance Days (QUADs). Each school will be visited by David Rzeznik, the Executive Headteacher and another of the Headteachers. The day will concentrate on the priorities of the SIP and will always involve visits to lessons to observe teaching, check on books, interview pupils etc. David Rzeznik will 'merge' the observations and arrange them into an Ofsted style summary. This report will be published and will be lodged in the on-line repository for all Directors to read.

The Board will also receive up-dates on progress at each meeting. There will be formal 'data-drops' when GCSE predictions - of both attainment and progress - will be presented to Directors

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Factors Relevant to Achieve Objectives

In order to achieve the objectives and future-plans of the trust we must:

- Increase our student numbers, particularly in one of our schools, which remains undersubscribed.
- Improve our Sixth Form Provision
- Maximise income and optimise alternative funding/grants
- Reduce staffing and expenditure in line with need/income
- Share good practice and seek opportunities to share resources

OBJECTIVES AND AIMS - BUSINESS AND FINANCIAL MANAGEMENT

Financial Management

To improve financial management within the trust, the following controls have been implemented:

- Mid-Year audit review, the reviews will now complete a mini audit at 31 March each year and a full audit of accounts as normal at 31 August.
- Mid-Year audit review on new schools joining the trust
- Updated Monthly School Check List to incorporate more checks ensuring year closure and reconciliation process are being completed each month.
- Expansion of Central Staff working directly with each school
- Expanded staff training on all financial systems in school
- Use of one school fund system and one facilities management system across the trust
- Centrally controlled Asset Management Register
- Centrally controlled Significant Risk Register

Condition Improvement Funding

Invictus Education Trust was extremely successful in the December 2016 bids for Condition Improvement Funding. Out of four applications submitted, three were successful in obtaining funding. See below

Due to the number of students on roll, the trust will not be able to submit applications for Condition Improvement Funding in December 2017. Instead, the trust will be allocated Schools Capacity Funding Allocation. An internal process to determine how this funding, will be fairly distributed to each school is being developed.

School	Funding	Condition Improvement
Crestwood	£810,657	Central Heating & Boiler Replacement
Crestwood	£875,365	Roof Refurbishment Works
Leasowes	£656,644	Roof Repairs & Replacement
Kinver	£3,102,655	Partial School Rebuild & Sports Hall
	£3,316,586	
Total	£8,761,907	

Finance Systems

All finance staff have undertaken additional bespoke training on PS Financial Management System. The training has concentrated on the following areas:

- Improved accuracy on data input/Scanning information into the system and improved extraction of data out of the system – all schools now scan all invoices/information directly on to PSF, which has improved the trust's ability to drill down to actual invoices etc. when investigating expenditure.

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- Reporting – Wider selection of reports. The ability to produce bespoke reports for specific needs
- Asset Management – Improved financial control regarding recording asset additions and depreciation
- Year End Processes – Ensuring the year-end is processed and balances transferred into the next financial year.

Banking

All schools within the trust bank with Barclays bank. This allows the trust to have full access to all bank accounts, statements, users and to have full control over access security and banking limits.

Traded/External Services

HR Transactions/Payroll

Dudley Transaction and Payroll Department on a 3-year contract. This is a fully managed payroll and pension service operating from September - August

HR Employment Advice

Browne Jacobson Solicitors on a 2-year contract. To provide HR Advice in matters such as disciplinary, capability, policies, employment law.

Insurance

Zurich Insurance via Solihull MBC Brokers on a 3-year contract. Cover runs from September – August and covers, inter alia land, buildings, assets, public liability, employer liability, school trips, mini buses

Legal Services

Browne Jacobson Legal Advisory Service to the trust dealing with schools converting to academy and joining the trust

Gas & Electricity

Norther Gas & Power a fixed term 5-year energy supply contract.

The intention is to merge more of the external service provisions, key ones we shall be looking at are:

- Catering – to bring this provision in-house across the trust
- Education Psychology/Learning Support Services currently access through two local authority contracts
- Counselling – Intention is to seek one provider, a possibility of extending the service we already have with the What Centre in Stourbridge
- Hygiene Services/Waste Disposal
- Grounds Maintenance
- Education Welfare/Attendance

Procurement

The following new providers/services have been implemented trust wide during the financial year:

- Stationery/Education Supplies - We have negotiated a 15% - 20% discount on all stationery items with one supplier
- Subscriptions/Licences – Where possible we are purchasing one licence/subscription for the trust
- Marketing – Most marketing is now done as a trust; this includes school prospectus, advertising, flyers etc.

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- ICT equipment sourced and introduced to schools via the centralised ICT service. This service ensures that equipment purchased meets the needs of the school, but also that the trust has the same level of IT hardware and software in all its schools.

School Fund

All schools in the trust now use Pebble Financial Management System to record School Fund transactions. This system is linked to Parent Pay, which allows parents to have an online account therefore reducing cash management in the school office.

Tucasi Facility & Lettings Management System

We are in the process of introducing Tucasi Booking Pro across the schools in the trust. This will ensure consistency of data and financial management across the trust.

Staffing

Expansion of the Central HQ Team

The Headquarters team has expanded to ensure sufficient resources; skills and knowledge are available as the trust increases its number of schools.

A restructure of the central team will be implemented in November 2017. Two new strategic roles have been developed – Senior Finance Officer and Chief Operating Officer both roles will be part of the Senior Management Team.

Public Benefit

In setting the trust's objectives and planning its activities, the Directors have given careful consideration to the Charity Commission's general guidance on Public Benefit.

STRATEGIC REPORT

Achievement and Performance

Year 7 Student Intake September 2017, see below

School	PAN	Actual Number Admitted Sept 2017
Crestwood School	150	170
Ellowes Hall Sports College	180	231
Kilnver High School	120	139
Ounsdale High School	192	162
Leasowes High School	150	192

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For Year Ended 31 August 2017

In August 2017, Students achieved GCSE results as follows:

Year 11, 2016/2017															
School	Crestwood			Elbowes Hall			Kilver			Omsdale			Leasowes		
Groups	All	Non-PP	PP	All	Non-PP	PP	All	Non-PP	PP	All	Non-PP	PP	All	Non-PP	PP
Students On Roll	113	60	53	199	146	53	86	75	11	140	118	22	131	71	60
Average KS2 Level	4.52	4.61	4.41	4.80	4.89	4.55	4.82	4.85	4.65	4.97	5.03	4.64	4.25	4.03	4.52
Attainment 8	42.38	46.66	37.55	47.46	50.26	39.46	44.31	46.38	31.32	48.98	50.65	40.01	42.58	44.58	40.14
Attainment 8 (Expected)	41.96	43.21	40.55	47.56	49.43	42.21	48.30	49.27	42.22	51.50	52.60	45.62	43.79	45.67	41.69
Progress 8	0.04	0.35	-0.30	-0.01	0.08	-0.28	-0.40	-0.29	-1.09	-0.25	-0.20	-0.56	-0.03	0.02	-0.09
E-Bacc Entry (%)	55.8%	68.3%	41.5%	56.8%	65.1%	34.0%	31.4%	34.7%	9.1%	15.7%	16.9%	9.1%	59.5%	62.5%	55.9%
E-Bacc Pass (%)	16.8%	25.0%	7.5%	29.6%	36.3%	11.3%	14.0%	16.0%	0.0%	7.9%	8.5%	4.5%	19.1%	22.2%	15.3%
E-Bacc Score	3.29	3.73	2.79	4.04	4.39	3.06	3.58	3.75	2.40	4.10	4.24	3.35	3.63	3.89	3.32
Bucket 1 Full (%)	99.1%	100.0%	98.1%	98.0%	99.3%	94.3%	89.5%	90.7%	81.8%	100.0%	100.0%	100.0%	96.7%	98.6%	94.2%
Bucket 1 (Attainment)	16.50	18.47	14.26	19.08	20.25	15.73	18.36	19.16	13.36	20.13	20.78	16.64	16.23	17.33	14.88
Bucket 2 Full (%)	94.7%	98.3%	90.6%	85.4%	91.1%	69.8%	84.9%	86.7%	72.7%	90.7%	92.4%	81.8%	88.5%	89.2%	87.8%
Bucket 2 (Attainment)	9.84	11.03	8.50	12.57	13.58	9.69	11.98	12.67	7.68	14.03	14.53	11.30	11.61	12.33	10.74
Bucket 3 Full (%)	98.2%	100.0%	96.2%	98.0%	99.3%	94.3%	88.4%	89.3%	81.8%	99.3%	99.2%	100.0%	96.0%	96.7%	95.0%
Bucket 3 (Attainment)	16.05	17.17	14.78	15.82	16.43	14.04	13.97	14.56	10.27	14.83	15.34	12.08	14.74	14.92	14.52
5+ in English & Maths	28.3%	40.0%	15.1%	42.2%	47.9%	26.4%	27.9%	32.0%	0.0%	41.4%	45.8%	18.2%	27.5%	31.9%	22.0%
4+ in English & Maths	51.3%	66.7%	34.0%	70.4%	76.7%	52.8%	52.3%	54.7%	36.4%	70.0%	72.9%	54.5%	51.1%	58.3%	42.4%
5+ in English	55.8%	63.3%	47.2%	66.3%	72.6%	49.1%	66.3%	68.0%	54.5%	75.0%	79.7%	50.0%	46.6%	52.8%	39.0%
4+ in English	66.4%	76.7%	54.7%	83.4%	87.0%	73.6%	80.2%	81.3%	72.7%	87.1%	90.7%	68.2%	64.9%	68.1%	61.0%
5+ in Maths	31.0%	43.3%	17.0%	46.7%	52.1%	32.1%	30.2%	34.7%	0.0%	42.9%	47.5%	18.2%	32.1%	37.5%	25.4%
4+ in Maths	55.8%	70.0%	39.6%	73.9%	80.8%	54.7%	54.7%	57.3%	36.4%	72.9%	75.4%	59.1%	58.8%	66.7%	49.2%

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DIRECTORS' REPORT
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Additional Educational Expertise

A clear need to improve Maths across the trust has emerged - certainly in three of the four schools. David Rzeznik has identified another former HMI, Mr Steve Abbott, to work with us. Also scheduled to work with the trust is Christine Jones former HMI (Science) and Leszek Iwaskow former HMI (Geography). There is something of a theme here - of recognising that in order to progress we need to go to the very best people.

Going Concern

After consideration of the trust's financial position, its financial plans, (including projected student numbers), the demand for places and the broader environment, the Board of Directors has a reasonable expectation that the trust has and will continue to have adequate resources to enable it to be a sustainable going concern in 2017/18 and for the foreseeable future.

Key Financial Performance Indicators (KPI's)

Each school monitors its budget against allocations that constitute their key financial performance indicators for each financial year. These categories include employee costs, environmental costs, educational/non educational supplies, professional services etc. enabling any variations in spending vs budgets to be identified and addressed. Additionally, schools benchmark costs across the trust to ensure best value and where appropriate will aim to purchase collaboratively to achieve economies of scale.

The financial Key Performance Indicators (KPI's) which are currently being incorporated into the performance management of the trust include targets for annual operating surplus, liquidity and staff related costs. Further details can be found in the Summary of Financial Performance section of this report.

Investment Policy and Performance

With the potential growth and diversity of the trust, Directors recognised the need for a formal Investment Policy ratified by Directors. Where cash flows identify a base level of cash funds that will be surplus to requirements, these funds may be invested, following approval from the Finance and Audit Committee. In making decisions regarding where and how any surplus funds should be invested, and the pursuit of optimum performance consistent with due regard given to risk.

The trust's primary objectives for the investment of its surplus funds are to protect the principal sums invested from loss, and to ensure adequate liquidity so that funds are available for expenditure when needed. The generation of investment income to support the provisions of the trust business, services and charitable objectives is an important, but secondary objective.

The trust acknowledges that effective treasury management will provide support towards the achievement of its charitable objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of risk management.

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DIRECTORS' REPORT
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FINANCIAL REVIEW

Principal Funding and financial performance

The trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during the year.

Restricted General Fund

The majority of the trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the trust's charitable activities, its educational operations. These revenue grants and the associated expenditure made against them are detailed in the SOFA. General Restricted Fund income for the year was £19,735,787 (excluding pension liabilities assumed on conversion); expenditure against the fund was £23,142,598 including £751,000 in relation to the LGPS pension deficit. After transfers, the restricted general fund broke even.

Unrestricted Funds

Income received into the Unrestricted Fund was £1,797,930. Expenditure against the fund was £1,337,656 for the year, giving an Unrestricted Fund, in-year surplus, £460,274. After transfers there is an in-year deficit of £197,359 on the unrestricted fund.

Restricted Fixed Asset (Capital) Fund

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the trust's Depreciation Policy.

Income received into the fund included £8,761,807 Capital Improvement Funding (CIF), £97,587 of Devolved Capital Grant Funding and a capital donation of £433,259 receivable from Dudley Metropolitan Borough Council.

Summary of Financial Position

Total fund balance as at 31st August 2017 was £108,404,072 comprised of a surplus of £797,165 and £115,823,907 in Unrestricted and Restricted Fixed Asset Funds respectively (excluding the pension fund deficit of £8,217,000).

Balance Sheet

The trust's assets were predominantly used for providing education to school students within the trust.

Some assets were used by the local community, predominantly for sports but also working with local charities to raise funds and support for the elderly and disadvantaged.

The net book value of the trust's tangible fixed assets was £105,956,154 as at 31st August 2017. Cash at bank at 31st August 2017 was £5,547,692, which includes capital grants received, but not yet spent at the year end.

Principal Risk Management Objectives and Policies

The objectives of the trust's Risk Management Procedure, is to identify the principal risks facing the trust so that existing controls may be considered and further action taken if required, including external insurances.

The Board of Directors has compiled a comprehensive risk management process to identify and monitor the risks faced by the trust within the context of the trust constitution.

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The Financial risks considered include; economic/financial uncertainty, liquidity and solvency, credit risk, the risk of fraud and compliance with financial statutory requirements.

Principal Risk and Uncertainties

The major risks to which the trust is exposed, as identified by the Directors and Auditors will be reviewed, systems, and procedures established including internal controls to manage and mitigate these risks. Risks will be regularly reviewed and reported to the Audit and Finance Committee and any significant non-compliance actioned upon.

The trust regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of financial Management activities will be measured. Risk management will be embedded into the ongoing planning and strategy process of the Board of Directors.

The following principal risks have been considered during the year:

Financial – The principal financial risks include reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs.

Reputational – The continued success of the trust is dependent on continuing to attract applicants in sufficient numbers and maintaining its highest educational standards. To mitigate the risk, the Directors ensure that student success and achievement are closely monitored and reviewed.

Loss of key staff – The trust is reliant on the quality of its staff. The Directors monitor policies and procedures, which ensure continued development and training of staff as well as ensuring that there is clear succession planning so any risk is kept to a minimum.

Reserves Policy

The trust's Reserve Policy adheres to the legal requirement not to hold onto income reserves for an excessive period of time. Usually, restricted reserves derived from grant income would be excluded from the definition of reserves, since expenditure on such income is allocated for specific purposes. However, the trust is a young company and therefore its main consideration is to build up its reserves for future capital expenditure and to ensure the ongoing financial security of the trust.

The trust's free reserves as at 31 August 2017 amounted to £797,165 which comprised entirely of unrestricted reserves. Note 17 to the financial statements includes an overview of the trust's free reserves by academy.

PLANS FOR FUTURE YEARS

Future Developments

The trust strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be, into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential.

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For the Year Ended 31 August 2017

The trust believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will develop students' commitment to lifelong learning and enrich their quality of life. To this extent, the trust strives to provide exceptional behaviour and attendance management support to its students, and to offer a broad range of extra-curricular activities.

Expansion of the trust

Invictus has 'nailed its colours to the mast' in terms of high academic achievement, allied to providing students with a broad, rich and confidence growing set of experiences. We have also chosen as an imprecise but very expressive benchmark that we will 'give any independent school a run for its money'. Consequently, when we consider expansion we need to recruit schools that could fit, or be grown to fit, our ambition.

In December 2016 Leasowes High School joined the trust. Leasowes is a secondary school based in Halesowen.

When considering expansion, it is obvious that we must do the scrutiny of 'due diligence' around such things as financial position, buildings etc.

However, we need to be mindful that, particularly for schools converting to academy 'voluntarily', they will not be short of suitors. The Board is currently considering the optimum size for the trust.

Establishment of an Invictus Joint Sixth Form

We are optimistic for this development. We:

- Offer some 37 courses which means wider student choice
- We have combined small course numbers, requiring fewer teachers. This saving is of course, repeated in the following year
- Offer better teaching and outstanding pastoral care.

Subsequent student feedback from our Sixth Form Launch and Open Evenings tells us that in the main, 'the Invictus effect' is very positive and we will see an increase in numbers.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

DIRECTORS' REPORT
For the Year Ended 31 August 2017

Free School Vision – Invictus Academy/Invictus Military Academy

Rationale

In each of the five trust schools, there is a noticeable stratum of students who are disengaged with the current constraints of the national curriculum and consequently underachieving. Dudley Council shows a projected imminent increase in demand for Secondary provision in Central Dudley with a shortfall of approximately 300 places by 2018. In addition, the Black Country Core Strategy group plan to build approximately 1,000 new homes in Dudley each year for the next three years, which will further compound this shortfall. Urban Development Plan in Gornal suggests an additional 800 new homes.

Our vision embraces the agenda of free schools by providing new and exciting ways to educating children.

- The empowerment of students by providing a dynamic and less constraining curriculum
- A connection to the community through student-led social activities
- Use of British Values to underpin the ethos of the school

- Collaboration with the Military to instil core values
- Vocational courses and opportunities to enhance employability skills
- To provide the EBACC qualification
- This is not a Pupil Referral Unit (PRU)
- Somewhere with space

Funding

- Funding secured for Development Programme from NSN.
- Funding available for pre-opening (including staffing) from DfE.
- Funding available for procurement of land; refurbishment and fixtures and fittings from DfE
- Funding available for post-opening from DfE

Next Steps

- Decision by trust - Taken
- To be Alternative Provision Free School or Mainstream Free School - Mainstream
- An application to take part in the Development Programme run by New Schools Network - 50% of applications through this programme are successful - Done
- Recommendation on Start Date, Admission Policy and Staffing Structure
- Secure 'capacity letter' from the Regional Schools Commissioner – Received
- Final Application - Made

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

DIRECTORS' REPORT
For the Year Ended 31 August 2017

Next Steps

- Decision by trust - Taken
- To be Alternative Provision Free School or Mainstream Free School - Mainstream
- An application to take part in the Development Programme run by New Schools Network - 60% of applications through this programme are successful - Done
- Recommendation on Start Date, Admission Policy and Staffing Structure
- Secure 'capacity letter' from the Regional Schools Commissioner - Received
- Final Application - Made

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The trust acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received 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. In some instances, the trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- So far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report, incorporating the Strategic report, was approved by order of the Board of Directors, as the Company Directors on 5/12/2017, and signed on the Board's behalf by:



Geoffrey Marsh
Chair of Directors

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As directors, we acknowledge we have overall responsibility for ensuring that Invictus Education 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 Directors has delegated the day-to-day responsibility to the Executive Headteacher, 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 Invictus Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' report and in the Statement of Directors' responsibilities. The Board of Directors has formally met 5 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
William Caldwell	5	5
Craig Cartwright	5	5
Lyndon Evans	5	5
Andrew Griffiths	5	5
Geoffrey Marsh	5	5
Richard Westwood	5	5
David Naylor-Leyland (resigned 24 October 2016)	0	1
Phillip Whitehouse	3	5
John Harris	5	5
Gillian Withers (appointed 1 December 2016)	3	4
Annette Whalley (resigned 1 January 2017)	1	1
Robert Dimmock (appointed 24 January 2017)	3	3

Governance Reviews

With the support of legal advice from Browne Jacobson solicitors, the Board of Directors are in the process of reviewing the current structure of the Board, including the structure, roles and responsibilities of the Local Governing Bodies and relevant sub-committees. The intention is to streamline the current structure and review the scheme of delegation, in line with the requirements of the Governance Handbook.

Finance and Audit Committee

The Finance and Audit Committee is a sub committee of the main Board of Directors, plus Chairs of Local Governing Bodies. Its purpose is to oversee the Trust's financial and audit considerations as required as part of the Trust's Funding Agreement. Key responsibilities of the Finance & Audit Committee are:

- Maintain and monitor the Trust's Risk Register and compile report for Board Meetings
- Review the proposed Annual Budget produced by the Headteachers and Local Governing Body for recommendation by the Accounting Officer.
- Review the actual expenditure and half-termly budget reports.
- Approve expenditure over £50,000 sums under that amount are delegated to the Executive Headteacher and School Headteacher as per the 'Scheme of Delegation'.
- Approve all payments over £50,000 sums under that amount are delegated to the Executive Headteacher as per the 'Scheme of Delegation'.
- To establish and received an up to date 3-year financial plan for each school.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

- Consider budget position statement including virements decisions at least termly and to report significant anomalies to the Board of Directors.
- Ensuring the Trust operates within the Financial Regulations of the ESFA and Charities Commission for the use of Public Money.
- Receive any recommendations from the Internal Audit Control reports and ensure action plans are monitored for compliance.
- Receive any ESFA audit plans and ensure they are monitored for compliance.
- Pay & Conditions of Service review – likely financial implications to budget, including where necessary, determining whether sufficient funds are available for pay increments as recommended by Headteachers and Local Governing Body.
- To monitor and confirm Trust standing orders and accounting policies are complied with.
- To monitor and apply structures for the following procedures, redeployment, redundancy, disciplinary, grievance, appraisal and capability.
- To keep under review, the staffing structure in consultation with the Headteacher and Local Governing Body for salary assessments.
- To annual review charges and remission policies and expenses policies.
- To monitor decisions made in respect of service level agreements.
- To establish a pay policy by adopting Invictus Pay Policy for all staff and to be responsible for its administration and review.
- To consider any appeal against decisions on pay grading or pay awards.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Richard Westwood - Chair	5	5
Lyndon Evans	5	5
Phillip Whitehouse	1	5
Craig Cartwright	3	5
Andrew Griffiths	5	5
Peter Mangon	4	5
Andrew Dyehouse (invited)	4	5
Peter Hipkiss (invited)	4	5
David Carr (invited)	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Executive Headteacher has responsibility for ensuring that the 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 Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the trust has delivered improved value for money during the year by:

- Merging and streamlining the use of traded services
- Implementation of Facilities Management Systems across the Trust
- Negotiating new procurement contracts and bulk purchasing
- Enlisting and expanding the use of external education and non-education experts

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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 ongoing 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 Invictus Education Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Directors 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 Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

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 Directors;
- regular reviews by the Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Directors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Directors have appointed Crowe Clark Whitehill LLP, the external auditor, to perform additional checks.

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

- School Fund and Cash Management Processes and Procedures Audit at all schools
- Mid-year Audit at Leasowes High School
- A review of IT Laptop Lease at Crestwood School

On an annual basis, the auditor reports to the Board of Directors through the audit committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

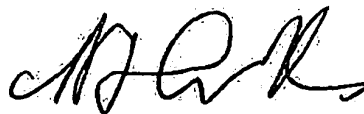
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Directors 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 Directors on 5/12/2017 and signed on their behalf, by:



Geoffrey Marsh
Chair of Directors



Andrew Griffiths
Accounting Officer

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Invictus Education Trust I have considered my responsibility to notify the academy trust board of directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust board of directors 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 2016.

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 directors and ESFA.



Andrew Griffiths
Accounting Officer

5/12/17

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Directors (who act as trustees of Invictus Education Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' report and the financial statements in accordance with the Annual Accounts Direction issued 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 Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

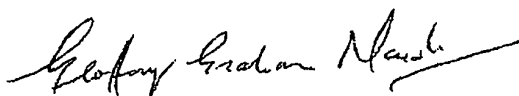
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Directors 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 Directors 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 Directors 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 Directors on 5/12/2017 and signed on its behalf by:



Geoffrey Marsh
Chair of Directors

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INVICTUS EDUCATION TRUST**

OPINION

We have audited the financial statements of Invictus Education Trust for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2016 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 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 2016 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF 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 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.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INVICTUS EDUCATION TRUST**

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 Directors' Report including the Strategic Report for which the financial statements are prepared is consistent with the financial statements.
- the Directors' 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 Directors' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INVICTUS EDUCATION TRUST**

RESPONSIBILITIES OF TRUSTEES

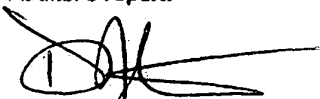
As explained more fully in the Directors' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Directors 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 Directors are responsible for assessing the academy'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 Directors either intend to liquidate the academy's 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.

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. The description forms part of our Auditor's report.



Dave Darlaston (Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

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

Date:

8/12/17

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO INVICTUS
EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 3rd November 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Invictus Education Trust during the year 1 September 2016 to 31 August 2017 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 Invictus Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Invictus Education Trust and the 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 Invictus Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF INVICTUS EDUCATION TRUST'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Invictus Education Trust's funding agreement with the Secretary of State for Education dated 26th February 2016, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 issued by the 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.

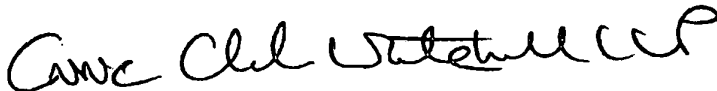
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure. The work undertaken to draw our conclusion includes a review of the design and implementation of the Trust's internal controls and review processes on regularity, supported by detailed tests on samples of expenditure incurred by the Trust and specific transactions identified from our review.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO INVICTUS
EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

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 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Crowe Clark Whitehill LLP

Statutory Auditor

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

Date: 8/12/17 .

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations & capital grants:						
Transfer on conversion	2	116,963	(2,164,000)	21,851,907	19,804,870	(44,410)
Other donations and capital grants	2	3,780	-	9,292,733	9,296,513	6,130,646
Charitable activities	4	855,549	19,735,787	-	20,591,336	17,590,855
Other trading activities	3	821,638	-	-	821,638	584,961
TOTAL INCOME		1,797,930	17,571,787	31,144,640	50,514,357	24,262,052
EXPENDITURE ON:						
Raising funds		384,001	-	-	384,001	417,300
Charitable activities		953,655	23,142,598	2,292,272	26,388,525	21,824,973
TOTAL EXPENDITURE	5	1,337,656	23,142,598	2,292,272	26,772,526	22,242,273
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		460,274	(5,570,811)	28,852,368	23,741,831	2,019,779
Transfers between Funds	17	(657,633)	2,655,811	(1,998,178)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(197,359)	(2,915,000)	26,854,190	23,741,831	2,019,779
Actuarial gains/(losses) on defined benefit pension schemes	24	-	1,473,000	-	1,473,000	(2,334,000)
NET MOVEMENT IN FUNDS		(197,359)	(1,442,000)	26,854,190	25,214,831	(314,221)
RECONCILIATION OF FUNDS:						
Total funds brought forward		994,624	(6,775,000)	88,969,717	83,189,241	83,503,462
TOTAL FUNDS CARRIED FORWARD		797,165	(8,217,000)	115,823,907	108,404,072	83,189,241

The notes on pages 33 to 58 form part of these financial statements.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09284368

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	11		105,956,154		84,876,932
CURRENT ASSETS					
Debtors	13	7,324,518		3,647,278	
Cash at bank and in hand		5,547,682		4,996,012	
		<u>12,872,210</u>		<u>8,643,288</u>	
CREDITORS: amounts falling due within one year	14	(2,201,643)		(3,542,221)	
NET CURRENT ASSETS			<u>10,670,567</u>		<u>5,101,067</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>116,626,721</u>		<u>89,977,999</u>
CREDITORS: amounts falling due after more than one year	16		(5,649)		(13,758)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>116,621,072</u>		<u>89,964,241</u>
Defined benefit pension scheme liability	24		(8,217,000)		(6,775,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>108,404,072</u>		<u>83,189,241</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted fixed asset fund		116,823,907		88,969,717	
Pension reserve		(8,217,000)		(6,775,000)	
Total restricted funds			<u>107,606,907</u>		<u>82,194,717</u>
Unrestricted income funds	17		<u>797,165</u>		<u>994,524</u>
TOTAL FUNDS			<u>108,404,072</u>		<u>83,189,241</u>

The financial statements on pages 30 to 58 were approved by the Directors, and authorised for issue, on 5/12/17 and are signed on their behalf, by:



Geoffrey Marsh
Chair of Directors

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	<u>(1,630,232)</u>	<u>39,119</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,519,587)	(31,209)
Capital funding received from ESFA and other sources		<u>3,597,686</u>	<u>2,849,081</u>
Net cash provided by investing activities		<u>2,078,099</u>	<u>2,817,872</u>
Cash flows from financing activities:			
Repayments of borrowings		(13,150)	(110,926)
Cash transferred on conversion		<u>116,963</u>	<u>-</u>
Net cash provided by/(used in) financing activities	22	<u>103,813</u>	<u>(110,926)</u>
Change in cash and cash equivalents in the Year		<u>551,680</u>	<u>2,746,065</u>
Cash and cash equivalents brought forward		<u>4,996,012</u>	<u>2,249,947</u>
Cash and cash equivalents carried forward	21	<u><u>5,547,692</u></u>	<u><u>4,996,012</u></u>

The notes on pages 33 to 58 form part of these financial statements.

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. 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, is set out below.

1.1 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 historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements represent the financial results and financial position of Invictus Education Trust ("the trust"), which comprised of the following member academies at the 31 August 2017:

The Crestwood School
Ellowes Hall Sports College
Kinver High School
Ounsdale High School
Leasowes High School

Leasowes High School converted to academy status on 1 December 2016 and all the operations and assets and liabilities were transferred to the trust from Dudley Metropolitan Borough Council. Further details can be found in note 22.

1.2 Company information

The trust is a company limited by guarantee and was incorporated in England and Wales (registered number 09284368). The address of the registered office is Ward House, Himley Park, Himley, West Midlands, DY3 4DF. The members of the company are named in the reference and administration pages. In the event of the trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the trust.

1.3 Fund accounting

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

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 with restrictions imposed by the funder and include grants from the Education and Skills Funding Agency.

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 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.

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 period is deducted from income and recognised as a liability.

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

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the trust appointed to charitable activities.

Expenditure is inclusive of irrecoverable VAT.

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.6 Going concern

The Directors 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 trust to continue as a going concern. The Directors 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold Property	- 50 years straight line
Leasehold Property	- 50-125 years straight line
Building Refurbishment	- 10 years straight line
Motor vehicles	- 4 years straight line
Furniture & Equipment	- 8 years straight line
ICT	- 3 years 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.

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.8 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Directors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Invictus Education Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.10 Taxation

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

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.13 Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 14 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.14 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the 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.

INVICTUS EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.15 Agency arrangements

The trust acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received 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. In some instances the trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

1.16 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 trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Budget surplus on conversion	116,963	-	-	116,963	-
Donated fixed assets	-	-	21,851,907	21,851,907	-
Defined benefit pension scheme deficit	-	(2,164,000)	-	(2,164,000)	-
Local Authority loans	-	-	-	-	(44,410)
Transfer on conversion	116,963	(2,164,000)	21,851,907	19,804,870	(44,410)
Other donations	3,780	-	-	3,780	31,367
Capital grants	-	-	9,292,733	9,292,733	5,699,279
Local authority donations	-	-	-	-	400,000
Other voluntary income	3,780	-	9,292,733	9,296,513	6,130,646
Total donations and capital grants	120,743	(2,164,000)	31,144,640	29,101,383	6,086,236
Total 2016	9,727	(22,770)	9,099,279	6,086,236	

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings income	270,076	270,076	161,101
Other generated income	322,155	322,155	293,082
Other income: self-generated	114,634	114,634	46,879
Coach income	114,773	114,773	83,899
	821,638	821,638	584,961
Total 2016	584,961	584,961	

INVICTUS EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General annual grant (GAG)	-	18,351,089	18,351,089	15,867,754
Start up grant	-	25,000	25,000	-
Other DfE/ESFA grants	-	1,117,841	1,117,841	922,888
	-	19,493,930	19,493,930	16,790,642
Other government grants				
Local Authority grants	-	241,857	241,857	110,124
	-	241,857	241,857	110,124
Other funding				
Catering Income	200,393	-	200,393	117,120
School Fund Income	655,156	-	655,156	572,969
	855,549	-	855,549	690,089
	855,549	19,735,787	20,591,336	17,590,855
Total 2016	690,089	16,900,766	17,590,855	

5. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	As restated Total 2016 £
Expenditure on fundraising trading	48,580	-	335,421	384,001	417,300
Funding for the Academy's operations:					
Direct costs	14,340,753	2,292,272	1,248,836	17,881,861	14,751,377
Support costs	4,042,951	2,891,592	1,572,121	8,506,664	7,073,596
	18,432,284	5,183,864	3,156,378	26,772,526	22,242,273
Total 2016	14,900,028	4,484,576	2,857,669	22,242,273	

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

6. SUPPORT COSTS

	Funding Academy's operations £	Total 2017 £	As restated Total 2016 £
Technology costs	186,447	186,447	180,917
School trip expenditure	681,884	681,884	644,704
Recruitment & support	58,315	58,315	46,528
Maintenance of premises & equipment	2,120,887	2,120,887	1,895,196
Cleaning	50,892	50,892	67,789
Rents & rates	146,222	146,222	161,174
Energy costs	373,554	373,554	331,576
Insurances and security	200,037	200,037	178,016
Bank interest & charges	7,155	7,155	3,818
Other support costs	443,982	443,982	339,298
Professional services	159,233	159,233	94,892
Governance costs	35,125	35,125	37,900
Wages and salaries	2,618,740	2,618,740	2,261,979
National insurance	171,713	171,713	128,160
Pension cost	1,252,498	1,252,498	721,649
	<u>8,506,664</u>	<u>8,506,664</u>	<u>7,073,596</u>
At 31 August 2016	<u>7,073,596</u>	<u>7,073,596</u>	

During the year the trust incurred governance costs in relation to statutory and other audit and professional fees.

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the trust	2,292,272	1,831,532
Fees payable to the trust's auditor (see note 8)	35,125	37,900
Other operating lease rentals	<u>157,749</u>	<u>42,974</u>

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

8. AUDITOR'S REMUNERATION

	2017	2016
	£	£
Fees payable to the trust's auditor for the audit of the annual accounts	22,000	19,350
Fees payable to the trust's auditor in respect of: All other non-audit services not included above	13,125	18,550

INVICTUS EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

9. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	13,714,886	11,347,411
Social security costs	1,306,296	934,209
Operating costs of defined benefit pension schemes	3,017,448	2,171,700
	<u>18,038,430</u>	<u>14,453,320</u>
Supply costs	322,543	416,348
Staff restructuring costs - severance payments	46,978	30,360
Apprenticeship levy	24,333	-
	<u>18,432,284</u>	<u>14,900,028</u>

Included in staff restructuring costs were two non-statutory/non-contractual severance payments totalling £14,887 (2016: £30,360), one for £10,350 and one for £4,537 (2016: one for £27,631 and one for £2,729).

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

	2017 No.	2016 No.
Management	30	30
Teachers	310	266
Support	349	281
	<u>689</u>	<u>567</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	2	3
In the band £90,001 - £100,000	1	0
In the band £120,001 - £130,000	1	1

The key management personnel of the trust comprise the senior management team, details of whom can be found within the reference and administrative pages. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy trust was £664,605 (2016: £587,307).

INVICTUS EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

10. DIRECTORS' REMUNERATION AND EXPENSES

One or more Directors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Directors. The value of Directors' remuneration and other benefits was as follows:

		2017 £	2016 £
Andrew Griffiths	Remuneration	120,000-125,000	120,000-125,000
	Pension contributions paid	20,000-25,000	20,000-25,000

During the year, no Directors received any reimbursement of expenses (2016 - £NIL).

11. TANGIBLE FIXED ASSETS

	Long term leasehold Property £	Freehold Property £	Fixtures, fittings and motor vehicles £	Computer equipment £	Assets under construct'n £	Total £
Cost or valuation						
At 1 September 2016	63,500,000	23,571,000	333,886	197,279	-	87,602,134
Additions	32,370	-	49,760	17,895	1,419,562	1,519,587
Transferred in on conversion	-	21,815,000	7,250	29,657	-	21,851,907
At 31 August 2017	63,532,370	45,386,000	390,886	244,831	1,419,562	110,973,628
Depreciation						
At 1 September 2016	1,888,723	685,865	75,724	76,890	-	2,725,202
Charge for the Year	1,258,484	895,060	60,164	78,584	-	2,292,272
At 31 August 2017	3,148,187	1,580,925	135,888	155,474	-	5,017,474
Net book value						
At 31 August 2017	60,387,183	43,805,075	254,977	89,357	1,419,562	105,956,154
At 31 August 2016	61,613,277	22,885,135	258,131	120,389	-	84,876,932

Included in freehold property is freehold land amounting to £513,250 (2016: £513,250) which is not depreciated.

Long leasehold property includes property that has been gifted to the trust on 125 year leases upon conversion of constituent schools to an academy trust. The legal owners of the leasehold properties being Dudley Metropolitan Borough Council and South Staffordshire County Council.

INVICTUS EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

12. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £2,851 (2016 - £3,842).

13. DEBTORS

	2017 £	2016 £
Trade debtors	47,745	80,646
Other debtors	330,918	265,115
Accrued capital grants	6,552,633	2,897,132
Prepayments and accrued income	393,222	394,383
	<u>7,324,518</u>	<u>3,647,276</u>

14. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Other loans	10,285	15,326
Trade creditors	1,099,500	880,938
Other taxation and social security	374,530	268,317
Other creditors	343,672	2,191,352
Accruals and deferred income	373,656	386,288
	<u>2,201,643</u>	<u>3,542,221</u>

	2017 £	2016 £
Deferred Income		
Deferred income at 1 September 2016	91,281	166,045
Resources deferred during the year	84,028	91,281
Amounts released from previous years	(91,281)	(166,045)
Deferred Income at 31 August 2017	<u>84,028</u>	<u>91,281</u>

Included in deferred income are grants and other income received in advance of entitlement for the 17/18 academic year.

Included in other loans is a loan due to South Staffordshire County Council amounting to £15,947 (2016: £29,084), £10,285 of which is due within one year and £5,649 due after more than one year. The loan is interest free and fully repayable within 1 year. The loan was agreed before converting to a trust.

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

15. AGENCY ARRANGEMENTS

The trust distributes bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2017 the trust received £25,203 (2016: £26,722) and disbursed £4,852 (2016: £6,709) from the fund. An amount of £40,364 (2016: £20,013) is included in other creditors relating to undistributed funds.

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

	2017 £	2016 £
Other loans	5,649	13,758

See note 14 for loan repayment details

INVICTUS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

17. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	164,228	1,025,811	(620,918)	47,220	-	616,341
School funds	125,443	655,156	(599,775)	-	-	180,824
LA budget surplus	704,853	116,963	(116,963)	(704,853)	-	-
	<u>994,524</u>	<u>1,797,930</u>	<u>(1,337,656)</u>	<u>(657,633)</u>	<u>-</u>	<u>797,165</u>
Restricted funds						
General annual grant	29,084	18,351,089	(21,006,900)	2,642,661	-	15,934
Start up grants	-	25,000	(25,000)	-	-	-
Other DfE/ESFA grants	-	1,117,841	(1,117,841)	-	-	-
LA grants	-	241,857	(241,857)	-	-	-
LA Loan	(29,084)	-	-	13,150	-	(15,934)
Pension reserve	(6,775,000)	(2,164,000)	(751,000)	-	1,473,000	(8,217,000)
	<u>(6,775,000)</u>	<u>17,571,787</u>	<u>(23,142,598)</u>	<u>2,655,811</u>	<u>1,473,000</u>	<u>(8,217,000)</u>
Restricted fixed asset funds						
Restricted fixed assets	84,876,932	-	(2,292,272)	23,371,494	-	105,956,154
ESFA Capital grants	4,092,785	8,859,474	-	(3,517,765)	-	9,434,494
Transfers on conversion	-	21,851,907	-	(21,851,907)	-	-
LA donated assets	-	433,259	-	-	-	433,259
	<u>88,969,717</u>	<u>31,144,640</u>	<u>(2,292,272)</u>	<u>(1,998,178)</u>	<u>-</u>	<u>115,823,907</u>
Total restricted funds	<u>82,194,717</u>	<u>48,716,427</u>	<u>(25,434,870)</u>	<u>657,633</u>	<u>1,473,000</u>	<u>107,608,907</u>
Total of funds	<u>83,189,241</u>	<u>50,514,357</u>	<u>(26,772,526)</u>	<u>-</u>	<u>1,473,000</u>	<u>108,404,072</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Unrestricted funds						
General Funds	121,751	711,808	(608,301)	(61,030)	-	164,228
School funds	193,185	572,969	(640,711)	-	-	125,443
LA budget surplus	704,853	-	-	-	-	704,853
	<u>1,019,789</u>	<u>1,284,777</u>	<u>(1,249,012)</u>	<u>(61,030)</u>	<u>-</u>	<u>994,524</u>
Restricted funds						
General annual grant	404,386	15,867,754	(17,768,077)	1,525,041	-	29,084
Other DfE/ESFA	-	922,888	(922,888)	-	-	-
LA Grants	-	110,124	(110,124)	-	-	-
LA Loan	(95,600)	(44,410)	-	110,926	-	(29,084)
Other restricted funds	-	21,840	(21,640)	-	-	-
Pension reserve	(4,102,000)	-	(339,000)	-	(2,334,000)	(6,775,000)
	<u>(3,793,234)</u>	<u>16,877,996</u>	<u>(19,161,729)</u>	<u>1,635,967</u>	<u>(2,334,000)</u>	<u>(6,775,000)</u>
Restricted fixed asset funds						
Restricted fixed assets	86,065,165	-	(1,831,532)	643,299	-	84,876,932
ESFA Capital grants	211,742	5,699,279	-	(1,818,236)	-	4,092,785
LA capital donations	-	400,000	-	(400,000)	-	-
	<u>86,276,907</u>	<u>6,099,279</u>	<u>(1,831,532)</u>	<u>(1,574,937)</u>	<u>-</u>	<u>88,969,717</u>
Total restricted funds	<u>82,483,673</u>	<u>22,977,275</u>	<u>(20,993,261)</u>	<u>61,030</u>	<u>(2,334,000)</u>	<u>82,194,717</u>
Total of funds	<u>83,503,462</u>	<u>24,262,052</u>	<u>(22,242,273)</u>	<u>-</u>	<u>(2,334,000)</u>	<u>83,189,241</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

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

Unrestricted funds

These funds represent those resources which may be used towards meeting any of the charitable objects of the charitable company at the discretion of the Directors.

Restricted funds

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education and the Local Authority(ies).

Restricted fixed asset funds

These funds represents the carrying value of fixed assets that have either been received upon conversion of constituent Academies into the Trust or have been purchased from grants received from the ESFA. It also includes fixed assets that have been funded by grants from the ESFA plus amounts received which have yet to be spent on future capital assets.

Transfers between funds

Transfers between funds represent capital items purchased from GAG offset by capital grants spent on revenue expenditure along with other expenditure transfers.

Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
Ellowes Hall Sports College	(67,162)	98,781
The Crestwood School	372,312	301,861
Kinver High School	191,935	126,891
Ounsdale High School	(13,912)	219,258
Central Services	321,920	247,733
Leasowes High School	(7,928)	-
Total before fixed asset fund and pension reserve	<u>797,165</u>	<u>994,524</u>
Restricted fixed asset fund	115,823,907	88,969,717
Pension reserve	(8,217,000)	(6,775,000)
Total	<u><u>108,404,072</u></u>	<u><u>83,189,241</u></u>

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17. STATEMENT OF FUNDS (continued)

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academy	Amount of deficit £
Ellowes Hall Sports College	(67,162)
Ounsdale High School	(13,912)
Leasowes High School	(7,928)

The trust is working on achieving a future balanced budget for each school. Deficits in these schools are subsidised by trust central services until such a time that all schools achieve a balanced budget position.

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depr'n £	Total 2017 £	Total 2016 £
Ellowes Hall Sports College	3,994,609	926,652	151,101	1,247,583	6,319,945	6,105,660
Kinver High School	2,034,408	414,712	18,130	564,851	3,033,101	3,335,487
Ounsdale High School	3,159,202	751,939	29,745	767,468	4,708,354	4,800,611
Crestwood School	2,721,467	742,035	98,314	2,167,204	5,729,020	5,462,339
Leasowes High School	2,229,532	735,921	24,120	600,224	3,489,797	-
Central services	201,535	520,272	38,969	439,261	1,200,037	706,644
	<u>14,340,753</u>	<u>4,091,531</u>	<u>381,379</u>	<u>5,686,591</u>	<u>24,480,254</u>	<u>20,410,741</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. CENTRAL SERVICES

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

- Management services
- Legal services
- Education support services
- Maintenance and admin support services

The charitable company charges for these services based on a percentage of grant income received for each constituent academy. Any surplus generated is held as contingency reserve for use in future periods.

The actual amounts charged during the year were as follows:

	2017 £	2016 £
The Crestwood School	184,353	142,178
Kinver High School	79,966	94,472
Ellowes Hall Sports College	264,368	215,687
Ounsdale High School	200,499	172,266
Leasowes High School	136,581	-
	<u>865,767</u>	<u>624,603</u>
Total		

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	105,958,154	105,958,154
Current assets	797,165	2,207,292	9,867,753	12,872,210
Creditors due within one year	-	(2,201,843)	-	(2,201,843)
Creditors due in more than one year	-	(5,849)	-	(5,649)
Provisions for liabilities and charges	-	(8,217,000)	-	(8,217,000)
	<u>797,165</u>	<u>(8,217,000)</u>	<u>115,823,907</u>	<u>108,404,072</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	2016	2016	2016	2016
	£	£	£	£
Tangible fixed assets	-	-	84,876,932	84,876,932
Current assets	994,524	3,555,979	4,092,785	8,643,288
Creditors due within one year	-	(3,542,221)	-	(3,542,221)
Creditors due in more than one year	-	(13,758)	-	(13,758)
Provisions for liabilities and charges	-	(6,775,000)	-	(6,775,000)
	<u>994,524</u>	<u>(6,775,000)</u>	<u>88,969,717</u>	<u>83,189,241</u>

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	23,741,831	2,019,779
Adjustment for:		
Depreciation charges	2,292,272	1,831,532
Local authority loan inherited on conversion	-	44,410
Capital grants receivable from ESFA and other sources	(7,294,555)	(6,099,279)
Decrease in debtors	23,219	64,431
Increase/ (decrease) in creditors	(1,339,129)	1,839,246
Fixed assets transferred on conversion	(21,851,907)	-
LGPS pension scheme adjustments	751,000	339,000
Pension liability transferred on conversion	2,164,000	-
Surplus transferred on conversion	(118,963)	-
Net cash (used in)/provided by operating activities	<u>(1,630,232)</u>	<u>39,119</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	5,547,692	4,996,012
Total	<u>5,547,692</u>	<u>4,996,012</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. CONVERSION TO AN ACADEMY TRUST

On 1 December 2016 Leasowes High School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Invictus Education Trust from South Staffordshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities incorporating income and expenditure account as Donations - transfer from local authority on conversion

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Freehold land and buildings	-	-	21,815,000	21,815,000
- Other tangible fixed assets	-	-	36,907	36,907
Budget surplus on LA funds	116,963	-	-	116,963
LGPS pension deficit	-	(2,164,000)	-	(2,164,000)
Net assets/(liabilities)	116,963	(2,164,000)	21,851,907	19,804,870

The above net assets include £116,963 that were transferred as cash.

23. CAPITAL COMMITMENTS

At 31 August 2017 the academy had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	4,651,418	-

24. PENSION COMMITMENTS

The trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for 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 and Staffordshire Pension Fund. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £295,000 were payable to the schemes at 31 August 2017 (2016 - 220,000) and are included within creditors.

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24. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. 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 (previously 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the year amounted to £1,590,000 (2016 - £1,321,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, 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.

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24. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £939,000 (2016 - £650,000), of which employer's contributions totalled £702,000 (2016 - £501,000) and employees' contributions totalled £237,000 (2016 - £149,000). The agreed contribution rates for future years are between 18.3% and 23.2% for employers and between 5.5% and 12.5% for employees.

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

The trust has entered into an agreement to make contributions in addition to normal funding levels due to the scheme being in deficit. It is anticipated that the additional contributions will be paid over the following years as follows:

2017/18: £141,760
2018/19: £147,360
2019/20: £153,060
2020/21: £158,860

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.53 %	2.15 %
Rate of increase in salaries	3.27 %	3.13 %
Pension Increases	2.60 %	2.05 %

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

	2017	2016
Retiring today		
Males	22.00	22.60
Females	24.37	22.05
Retiring in 20 years		
Males	23.77	24.80
Females	26.20	27.35

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24. PENSION COMMITMENTS (continued)

The trust's share of the assets in the scheme was:

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	3,851,000	2,561,000
Bonds	493,000	336,000
Other bonds	165,000	193,000
Property	434,000	311,000
Cash/liquidity	274,000	242,000
Other	570,000	244,000
Total market value of assets	5,787,000	3,887,000

The actual return on scheme assets was £437,000 (2016 - £585,000).

The amounts recognised in the Statement of financial activities are as follows:

	2017 £	2016 £
Current service cost	1,275,000	684,000
Net interest on defined liability	177,000	155,000
Admin expenses	1,000	1,000
Total	1,453,000	840,000

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

	2017 £	2016 £
Opening defined benefit obligation	10,662,000	6,760,000
Current service cost	1,275,000	684,000
Interest cost	280,000	272,000
Employee contributions	237,000	149,000
Actuarial (gains)/losses	(1,139,000)	2,802,000
Benefits paid	(84,000)	(5,000)
Transfers on conversion	2,773,000	-
Closing defined benefit obligation	14,004,000	10,662,000

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24. PENSION COMMITMENTS (continued)

Movements in the fair value of the trust's share of scheme assets:

	2017 £	2016 £
Opening fair value of scheme assets	3,887,000	2,658,000
Interest income	103,000	117,000
Actuarial gains and (losses)	334,000	468,000
Employer contributions	702,000	501,000
Employee contributions	237,000	149,000
Benefits paid	(84,000)	(5,000)
Admin expenses	(1,000)	(1,000)
Transfers on conversion	608,000	-
Closing fair value of scheme assets	<u>5,787,000</u>	<u>3,887,000</u>

25. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	119,220	56,235
Between 1 and 5 years	79,078	90,187
After more than 5 years	73,841	13,182
Total	<u>272,239</u>	<u>159,604</u>

26. RELATED PARTY TRANSACTIONS

Owing to the nature of the trust's operations and the composition of the board of directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures.

The following related party transaction took place in the period of account.

Ruth Griffiths – the daughter of Andrew Griffiths (Executive Headteacher of the Trust):

- The trust paid press release fees totalling £325 (2016: £350) and consultancy fees of £400 (2016: £nil) during the period. There were no amounts outstanding at 31 August 2017 (2016: £nil).
- In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook 2016.

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NOTES TO THE FINANCIAL STATEMENTS
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27. MEMBERS' LIABILITY

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