

Company registration number 07559256 (England and Wales)

VALLEY INVICTA ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

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VALLEY INVICTA ACADEMIES TRUST

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VALLEY INVICTA ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

C Daw (Chair - Pay Committee)
J Derrick (Accounting Officer) (Resigned 30 August 2023)
M Fletcher (Chair - Trustees - from 31 August 2023)
T Moore (Chair - Finance Committee)
J Moss (Chair - Standards and School Improvement Committee)
S Potipher (Vice Chair Trust Board Vice Chair Standards and School Improvement Committee Primary and Secondary)
B Roodt
N Ware (Chair) (Resigned 3 July 2023)
P Holland (Chair - Audit and Risk Committee)
J Batten
R Hayden (Appointed 31 August 2023)
H Bonser-Wilton (Appointed 7 June 2023)

Members

D Izatt
J Moss
C Stevens
N Ware (resigned 30 August 2023)
M Fletcher (appointed 31 August 2023)

Senior leadership teams

VIAT

CEO

J Derrick (Accounting Officer - resigned 30 August 2023)

CEO

R Hayden (Accounting Officer - appointed 31 August 2023)

COO / CFO

R Hayden (resigned 30 August 2023)

CFO

J Phipps (appointed 31 August 2023)

Director of Primary School Improvement

J Herbert

IT Director

J Phipps

Invicta Grammar School

Executive Headteacher

V Beales

Head of School

M Giles

School of Science and Technology Maidstone

Executive Headteacher

V Beales

Head of School

R Royston (appointed 1 January 2023)

Valley Park School

Headteacher

M Hutchinson

The Lenham School

Headteacher

C Foreman

Valley Invicta Primary Schools

Headteacher - Aylesford

B Harrington

Headteacher - East Borough

C Bacon

Headteacher - Holborough Lakes

L Vickers

Headteacher - Kings Hill

S Guthrie

Headteacher - Leybourne Chase

N Craig

VALLEY INVICTA ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Company secretary	Schofield Sweeney LLP
Company registration number	07559256 (England and Wales)
Registered office	Invicta Grammar School Hunstman Lane Maidstone Kent ME14 5DS United Kingdom
Independent auditor	Azets Audit Services Globe House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN United Kingdom
Bankers	HSBC 1/5 Week Street Maidstone Kent ME14 1QW United Kingdom
Solicitors	Schofield Sweeney LLP Wellington Street Leeds West Yorkshire LS1 2AY United Kingdom

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

During the year ended 31 August 2023, the Trust operated 9 academies in the Maidstone area; an 11-18 selective girls' school; three 11-18 mixed non-selective schools and 5 mixed primary schools. In September 2020, the Trust opened a new non-selective secondary school (School of Science and Technology, Maidstone) to 192 Year 7 students.

Published admission numbers are:

Primary Phase

Valley Invicta Primary School at Aylesford	60
Valley Invicta Primary School at East Borough	60
Valley Invicta Primary School at Holborough Lakes	30
Valley Invicta Primary School at Kings Hill	30
Valley Invicta Primary School at Leybourne Chase	30

Secondary Phase

Invicta Grammar School	240
School of Science and Technology Maidstone	180
The Lenham School	150
Valley Park School	240

In the October 2022, census student numbers were:

Primary Phase

	R to 6
Valley Invicta Primary School at Aylesford	383
Valley Invicta Primary School at East Borough	472
Valley Invicta Primary School at Holborough Lakes	229
Valley Invicta Primary School at Kings Hill	222
Valley Invicta Primary School at Leybourne Chase	226

Secondary Phase

	Years 7 to 11	Post 16
Invicta Grammar School	1,297	392
School of Science and Technology Maidstone	574	
The Lenham School	748	28
Valley Park School	1,345	329

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The charitable company is known as Valley Invicta Academies Trust.

The trustees of Valley Invicta Academies Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Members' liability

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

Trustees' indemnities

The Trustees have indemnity insurance of £5m.

Method of recruitment and appointment or election of trustees

The members of the company comprise:

- The signatories to the memorandum;
- One person appointed by the Secretary of State in the event that the Secretary of State appoints a person for this purpose;
- The chairman of the directors; and
- Any person appointed unanimously by the existing members.

The articles of the Trust allow for:

- The members to appoint;
- Up to 12 Trustees;
- Staff Directors through such process as they may determine provided that the total number of Trustees (including the Chief Executive Officer) who are employees of the Company does not exceed one third of the total number of Trustees;
- The Chief Executive Officer to be a Trustee for as long as they remain in office as such;
- A minimum of 2 Parent Trustees elected by the Parent members of the Local Governing Bodies;
- The Trustees may appoint Co-opted Trustees.

Each school in the Trust has its own school board with delegated powers reflected in their terms of reference. Each school board has 2 elected parent Governors.

Policies and procedures adopted for the induction and training of trustees

The Chair of the Trust ensures all new Trustees have a comprehensive induction and meets with relevant key personnel.

Organisational structure

The Board operates 4 sub-committees:

- Audit and Risk;
- Finance;
- Pay;
- Standards and School Improvement.

The Trust Chief Executive Officer (CEO) is the Accounting Officer. The Trust has its own Chief Operating Officer (COO) who is the Deputy to the CEO. The Chief Financial Officer operational duties fall under the remit of the COO who is supported by a team with the necessary financial qualifications.

During the year ended 31 August 2023, the Trust delegated financial decisions up to £5k at Invicta Grammar School, Valley Park School and The Lenham School to the respective Headteachers and at the Primary Schools, delegated financial decisions up to £2k to the respective Headteachers. Financial decisions above £5k and up to £50k are delegated to the same together with the CEO and COO. Financial decisions above £50k are at Trust level.

Arrangements for setting pay and remuneration of key management personnel

The Trust has retained responsibility for setting the pay and remuneration of the CEO and COO. The Trust has delegated responsibility for setting the pay and remuneration of Headteachers and support staff to the CEO and COO. The Trust has delegated responsibility for recommending the pay and remuneration of other members of the senior leadership and membership teams to the respective Headteacher.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Engagement with employees

The Trust engages with its employees continuously and in a number of ways to suit their different working patterns. This includes regular Trust leadership, Headteacher and line manager briefings, staff training days each academic year, a termly staff newsletter and regular visits by the Trust Executive to each school. We are looking to introduce more employee engagement initiatives in 2023/24 and continue to invest in the professional development of colleagues through Valley Invicta Teacher Training (VITT). The Trust seeks to ensure that every employee, without exception, is treated equally and fairly and that all employees are aware of their obligations under the Equality Act 2010. Our policies and procedures fully support those with disabilities. We encourage and support a wide diversity of applicants at the recruitment stage and all successful candidates undergo a health screening process to objectively advise line managers on workplace adjustments. For those colleagues with existing disabilities or those who become disabled during their time with the Trust, the Trust works in partnership with the staff member to make reasonable adjustments to working practices and/or environment in order to keep the employee safe, and effective. This includes support and training to line managers and colleagues to better understand the needs of those with disabilities if required. We endeavour to ensure that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Engagement with suppliers, customers and others in a business relationship with the academy trust

The Trust recognises that as a public service educational provider it needs to engage with its external stakeholders, which include suppliers, service providers and most importantly its parents, children and wider communities, in strict accordance with the Seven Principles of Public Life.

Related parties and other connected charities and organisations

There are no related parties which either control or significantly influence the decisions and operations of Valley Invicta Academies Trust.

Objectives and activities

Objects and aims

The principal object of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Trust has a responsibility to establish and maintain schools.

Vision:

An exceptional cluster of primary and secondary schools at the heart of our local community.

Mission:

We aim to achieve our vision by bringing together a family of local schools - each with their own context, ethos, strengths and areas for development - to work together to enable every single child, and every member of our team, to 'be the very best they can be'.

Goals:

To have individuals who:

- Are lifelong learners of character;
- Are creative thinkers and innovators;
- Are collaborators and independent problem- solvers;
- Are responsible and active role models/citizens;
- Have a global outlook.

Core Values:

- Integrity;
- Collaboration;
- Excellence.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives, strategies and activities

2022/23 objectives:

Objectives Achievement

- To successfully deliver the Curriculum Recovery Plan (COVID-19) across the Trust with positive outcomes at all key stages;
- To ensure a 'Good' or above from Ofsted for Valley Invicta Primary School at Aylesford, Valley Invicta Primary School at East Borough and Invicta Grammar School;
- To deliver the agreed Financial Plan for 2022/23;
- To manage and deliver within budget the investment plan for 2022/23;
- To review and strengthen the Trust approach to risk management, business continuity and health & safety.
- To ensure the Trust Strategy supports organisational sustainability.

2023/24 objectives:

Objectives

- To further develop best practice and thereby ensure compliance with all aspects of safeguarding across the Trust;
- To ensure that all schools maintain Ofsted grades of 'Good or above' using the Trust priorities as a focus for continual school improvement;
- To review and implement a revised Recruitment and Retention Strategy to combat the national workforce challenges;
- To deliver the agreed Financial Plan for 2023/24;
- Execute a Succession Plan for critical posts to reflect the strategy and core values of VIAT.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Academy's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Details of the Academy's admission policy can be found at <http://www.viat.org.uk/144/our-admission-arrangements>.

Strategic report

Achievements and performance

The level of success shown above against the 2022/23 objectives demonstrates the success of the schools within the Trust during the year.

Key Performance Indicators:

The Trust holds its Schools to account through individual school performance agreements. The key indicators are:

- Quality of education;
- Behaviour and attitude;
- Personal development;
- Leadership and management;
- Effectiveness of sixth form / EYFS.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key performance indicators

Ofsted Inspection Outcome

Primary Phase

Valley Invicta Primary School at Aylesford	Good	2023
Valley Invicta Primary School at East Borough	Good	2021
Valley Invicta Primary School at Holborough Lakes	Good	2018
Valley Invicta Primary School at Kings Hill	Good	2018
Valley Invicta Primary School at Leybourne Chase	Good	2018

Secondary Phase

Invicta Grammar School	Outstanding	2012
School of Science and Technology Maidstone	Outstanding	2023
The Lenham School	Good	2019
Valley Park School	Good	2020

Student Recruitment

Numbers continue to be strong within the Primary Phase and Secondary Phase. Demand for the School of Science and Technology Maidstone continues to be very strong and there is a growing demand for the Lenham School.

Financial Performance

Growing student numbers are continuing to increase funding across the Trust and enable significant investment, as well as absorb the financial challenges that have arisen following the COVID-19 pandemic and challenges within the economy without requiring additional financial support from the Education and Skills Funding Agency (ESFA).

Going concern

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

Protecting the success of the academy trust

As directors of the charitable company, the Trustees have had considered the interests of the Trust and its stakeholders in decision making. Trustees are highly cognisant of their role and the role of the schools in their communities as agents of transformation. Where appropriate to do so, key stakeholders are consulted on specific policy decisions prior to their approval. The Trust Board is robust in its commitment to its own code of conduct and that of its staff. It is aware of the potential for conflicts of interest and puts in place mechanisms to counter these where they apply. The Trustees place a high premium on ethical practice, and making decisions that are right for the communities and children they serve. During the year, this included ensuring appropriate due diligence was conducted around any decisions on trust capacity, pay, investment in infrastructure, and the development of the Trust central team.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015). Such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the 2022/23 financial year, income was generated from the following sources:

- DfE/ESFA Grants of £35.5m (2021/22: £31.4m) including:
 - General Annual Grant funding of £32.0m (2021/22: £29.0m)
 - Pupil premium funding of £1.0m (2021/22: £870k)
 - UIFSM funding of £225k (2021/22: £212k)
 - Pay and Pension grants of £145k (2021/22: £200k)
 - Sports premium funding of £93k (2021/22: £92k)
 - Mainstream schools additional funding of £438k (2021/22: £Nil)
 - Exceptional Government funding of £335k (2021/22: £233k) including £131k of School Led Tutoring Funding and £204k of recovery funding.
- Capital funding of £1.7m (2021/22: £5.6m) was received including the following:
 - SCA funding of £1.4m (2021/22: £1.14m)
 - DFC funding of £131k (2021/22: £125k)
 - DfE Capital other capital grants of £61k (2021/22: £10k)
 - Local authority funding of £0k (2021/22: £4,355k)
 - PTA funding of £38k (2021/22: £0)

During the year ended 31 August 2023, total expenditure of £38,189k (2022: £36,371k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £3,224k (2022: £549k).

At 31 August 2023, the net book value of fixed assets was £82,400k (2021: £80,907k). Movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Trust has recognised that with funding based on lagged student numbers, it has to meet the cost of additional resources to meet the needs of the students an academic year in advance of receiving the increase in funding.

The Trust raises additional funds through lettings of facilities outside of school hours and obtaining additional grants (e.g. Artsworld Ltd, Institute of Physics and Sport England Grants).

The Trust Board reviewed and monitored the principal risks throughout the academic year as part of the Board Assurance Framework and Trust Risk Register. The principal risks to the organisation during the reporting period were staffing including succession planning for critical posts and growth in operating costs associated with the challenges with the economy. The Trust worked hard to minimise these financial challenges and, as a result, this contributed to an improved financial performance without impacting on the quality of education.

The Trust considers the reserves held at 31 August 2023 reasonable taking account of future budget and significant investment plans.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

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

- Are not above the maximum allowed at any time (unless committed for certain agreed large investment programmes);
- Are sufficient to allow the schools to operate with levels of resources considered appropriate for the delivery of outstanding education;
- Allow the school to deliver best value;
- Support any identified risks;
- Allow for planned development;
- The reserves should be of adequate size to ensure that they can cover identified risks and be ideally no less than £1m ('high risk' contingency) at anytime;
- Under normal circumstances reserves should be approximately no more than 20% of the GAG income for the Trust, excluding planned developments.

The Trustees review the reserves levels of the Trust regularly. This review encompasses the nature of the income and expenditure streams and the need to match income with commitments and the nature of reserves. In determining the appropriate level of free reserves, the Trustees consider the three-year forecast, long term investment plans and ongoing expenditure.

The financial statements show unrestricted general funds of £2,469k (2022: £1,742k) that have been built up through income generations and voluntary activities.

Investment policy

The Trust wishes to maximise the total return on investments whilst containing risk to an acceptable level and maintaining a suitable profile of investments with regard to the possible need to fund future developments. The Trust does not hold endowment funds. During 2022/23, all surplus funds were held in interest earning accounts with the Trust's bankers.

Principal risks and uncertainties

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

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, its finances, and post COVID-19 pandemic. The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operation areas (e.g. in relation to teaching, health and safety, estates management and school trips) and in relation to the control of finance. The Trustees have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains, the Trustees have ensured the Trust has adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on pages 12-15. The Trustees are satisfied that the major risks identified have been adequately mitigated where necessary through risk management. Trustees recognise that systems and risk management can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Policies for Premises Management and Health and Safety, dealing with operational compliance of the estate, are in place to reduce estate related risks and ensure appropriate management, particularly with respect to compliance with statutory or regulatory requirements. These policies inform development and review of the investment plan in order to deliver a safe, appropriate and cost effective estate across schools within the Trust.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

A particular financial risk is that public funding will not rise in line with the cost base, giving rise to potential unsustainable deficits within the Trust. This risk is mitigated by careful budget planning - overseen by the Finance and Audit Committees - and where possible securing additional resources to supplement government funding. A separate Risk and Audit Committee operates.

Streamlined energy and carbon reporting

	2023 kWh	2022 kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year		
- Gas combustion	2,587,239	3,147,057
- Fuel consumed for transport	37,714	22,462
- Electricity purchased	1,681,520	1,904,306
	<u>4,306,473</u>	<u>5,073,825</u>
	2023	2022
<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	472.33	574.46
- Fuel consumed for owned transport	4.62	19.83
	<u>476.95</u>	<u>594.29</u>
Scope 2 - indirect emissions		
- Electricity purchased	348.20	368.25
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	2.97	9.65
	<u>828.12</u>	<u>972.19</u>
Total gross emissions		
	<u>828.12</u>	<u>972.19</u>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.18	0.21
	<u>0.18</u>	<u>0.21</u>

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

Replacement LED lighting programme. Biomass heating system in one of the secondary schools. Replacement of aluminium and wooden windows. Solar panels at School of Science and Technology Maidstone. Increased use of video conferencing across the organisation to reduce travel.

Plans for future periods

The Trust has a vision to provide an exceptional cluster of schools at the heart of the local community. The aim is for all schools within the Trust to be judged as 'Good' or above by external agencies and, to enable all students to be the very best they can be. Targets have been set to measure the quality of education.

The Trust recognises that recruiting and retaining teachers of the highest quality is essential and continues to work to ensure high quality recruitment and retention plans are in place across the Trust.

VALLEY INVICTA ACADEMIES TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

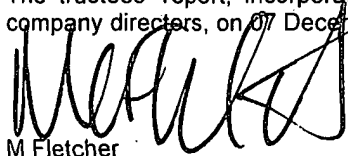
Auditor

In so far as the trustees are aware:

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

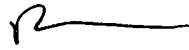
A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 07 December 2023 and signed on its behalf by:



M Fletcher

Chair - Trustees - from 31 August 2023



R Hayden

VALLEY INVICTA ACADEMIES TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Valley Invicta Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees divides its responsibilities into 4 main areas:

- Audit and Risk;
- Finance;
- Standards and School Improvement;
- Strategy.

The board has benefitted from the additional appointment of J Batten, who has provided the board with an estates and facilities management perspective, which stems from her extensive background in the public sector. The executive team has also been proactive in exploring trustee and governor appointments through a number of external partners. As a result, it is hoped that the board's capacity and skill set will be further enhanced for 2023 – 2024. We have also commissioned a review of safeguarding across all of the schools by an external auditor.

The Board of Trustees has formally met six times during the year, as well as participating in additional 'Keeping-in-Touch' Trust Board meetings. Attendance during the year at formal meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
C Daw (Chair - Pay Committee)	5	6
J Derrick (Accounting Officer) (Resigned 30 August 2023)	6	6
M Fletcher (Chair - Trustees - from 31 August 2023)	3	6
T Moore (Chair - Finance Committee)	3	6
J Moss (Chair - Standards and School Improvement Committee)	5	6
S Potipther (Vice Chair Trust Board Vice Chair Standards and School Improvement Committee Primary and Secondary)	6	6
B Roodt	5	6
N Ware (Chair) (Resigned 3 July 2023)	6	6
P Holland (Chair - Audit and Risk Committee)	5	6
J Batten	4	6
R Hayden (Appointed 31 August 2023)	0	0
H Bonser-Wilton (Appointed 7 June 2023)	1	1

A main focus for the Trust Board was oversight of the extensive investment programme, recruitment and retention as well as leadership development. The investment programme required strategic, financial and quality assurance focus from the Trust Board to ensure that the plans were fit for purpose and in line with the growth strategy for the Trust. Recruitment, retention and leadership development were regularly analysed as part of the Trust Board Assurance Framework

Conflicts of interest

Business interest declarations are completed by all governors annually and business interests are an agenda item at all governor meetings. A Business Interest Register is published on the Trust's website.

VALLEY INVICTA ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Governance reviews

Finance Committee and Audit & Risk are Committees of the main Board of Trustees. The Finance Committee has delegated responsibility from the Trust Board for financial scrutiny and oversight in line with the Academies Financial Handbook, furthermore, for making financial decisions in line with remits laid down in the Trust's Procurement and Tendering Policy. Its purpose is to monitor budgets and challenge variances and make recommendations for budget approval to the Board of Trustees based on information received. The Committee also reviews the reports produced by the Internal Auditor and ensures all issues raised are addressed. This Committee formally met 6 times during the period.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Derrick (Accounting Officer) (Resigned 30 August 2023)	5	6
M Fletcher (Chair - Trustees - from 31 August 2023)	4	6
T Moore (Chair - Finance Committee)	5	6
J Moss (Chair - Standards and School Improvement Committee)	6	6
N Ware (Chair) (Resigned 3 July 2023)	6	6

The Audit Committee is a sub-committee of the main board of trustees. Its purpose is to cover:

- Compliance, whistleblowing and fraud
- External Audit and statutory financial reporting
- Internal Audit
- Internal controls and risk management
- Policy review

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Derrick (Accounting Officer) (Resigned 30 August 2023)	3	3
M Fletcher (Chair - Trustees - from 31 August 2023)	3	3
J Moss (Chair - Standards and School Improvement Committee)	3	3
S Potipher (Vice Chair Trust Board Vice Chair Standards and School Improvement Committee Primary and Secondary)	3	3
N Ware (Chair) (Resigned 3 July 2023)	2	3
P Holland (Chair - Audit and Risk Committee)	3	3
J Batten		

VALLEY INVICTA ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Educational outcomes
- Ensuring the needs of all pupils are identified and results in effective allocation of resources
- On-going review of staffing structures to ensure consistent with needs of the curriculum

- Maximising income
- Ensuring popularity of the schools continues to grow to maximise pupil numbers and subsequent funding
- Ensuring all available funding is secured
- Maximising the generation of income through trading activities

- Improvements in spending
- Effective procedures for review of staff performance and reward
- Procurement at Trust level to ensure best pricing, in particular this year demonstrated in IT resources as well as estates works, maintenance and management contracts
- Sharing best practice across the schools within the Trust

- Benchmarking
- Reviewing key benchmarking data against schools within the Trust

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Valley Invicta Academies Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

VALLEY INVICTA ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee 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 trustees has considered the need for a specific internal audit function, separate from the external auditors, and appointed two additional external providers to perform internal audit checks.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the board of trustees financial systems. The following internal audits and testing was commissioned in 2022/23:

- Finance Process and Procedures
- Payroll and Human Resources
- Trust Governance
- Executive Pay (reported to the Trust Pay Committee)
- Safeguarding

The reports from the above commissioned audits are presented directly to the Audit Committee.

The trustees confirm that the internal auditor has delivered their schedule of work as planned, and no material control issues arose as a result of the internal auditor's work.

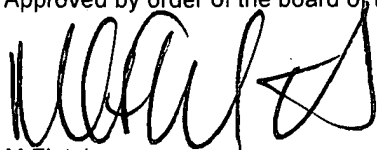
Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the Chief Financial Officer who has responsibility for the development and maintenance of the internal control framework.

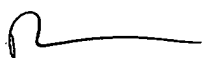
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Trust Board and there are not weaknesses to address.

Approved by order of the board of trustees on 07 December 2023 and signed on its behalf by:



M Fletcher

Chair - Trustees - from 31 August 2023



R Hayden

VALLEY INVICTA ACADEMIES TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Valley Invicta Academies Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts 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 trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 07 December 2023 and signed on its behalf by:


M Fletcher

Chair - Trustees - from 31 August 2023


R Hayden

VALLEY INVICTA ACADEMIES TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

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

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Trust Handbook 2022.

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



R Hayden
Accounting Officer

07 December 2023

VALLEY INVICTA ACADEMIES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALLEY INVICTA ACADEMIES TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Valley Invicta Academies Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 Issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

VALLEY INVICTA ACADEMIES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALLEY INVICTA ACADEMIES TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

VALLEY INVICTA ACADEMIES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALLEY INVICTA ACADEMIES TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

VALLEY INVICTA ACADEMIES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALLEY INVICTA ACADEMIES TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

Use of our report

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

Azets Audit Services Limited

Michelle Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

13 December 2023

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Chartered Accountants
Statutory Auditor

Globe House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
United Kingdom
ME14 3EN

VALLEY INVICTA ACADEMIES TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 26 June 2023 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Valley Invicta Academies Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Valley Invicta Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Valley Invicta Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Valley Invicta Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Valley Invicta Academies Trust's funding agreement with the Secretary of State for Education dated 31 August 2012 and the Academies Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

VALLEY INVICTA ACADEMIES TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Azets Audit Services Limited

Reporting Accountant

Azets Audit Services

Globe House

Eclipse Park

Sittingbourne Road

Maidstone

Kent

ME14 3EN

United Kingdom

13 December 2023

Dated:

VALLEY INVICTA ACADEMIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from:						
Donations and capital grants	3	-	1,252	1,699	2,951	6,541
Charitable activities:						
- Funding for educational operations	4	-	37,082	-	37,082	33,232
Other trading activities	5	545	-	-	545	431
Investments	6	200	-	-	200	52
Total		745	38,334	1,699	40,778	40,256
Expenditure on:						
Raising funds	8	18	-	-	18	11
Charitable activities:						
- Educational operations	9	-	35,837	2,334	38,171	36,360
Total	8	18	35,837	2,334	38,189	36,371
Net income/(expenditure)		727	2,497	(635)	2,589	3,885
Transfers between funds	18	-	(1,733)	1,733	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	20	-	1,678	-	1,678	14,754
Net movement in funds		727	2,442	1,098	4,267	18,639
Reconciliation of funds						
Total funds brought forward		1,742	4,165	84,942	90,849	72,210
Total funds carried forward		2,469	6,607	86,040	95,116	90,849

VALLEY INVICTA ACADEMIES TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
	Notes	£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	-	914	5,627	6,541
Charitable activities:					
- Funding for educational operations	4	-	33,232	-	33,232
Other trading activities	5	431	-	-	431
Investments	6	52	-	-	52
Total		<u>483</u>	<u>34,146</u>	<u>5,627</u>	<u>40,256</u>
Expenditure on:					
Raising funds	8	11	-	-	11
Charitable activities:					
- Educational operations	9	-	34,069	2,291	36,360
Total	8	<u>11</u>	<u>34,069</u>	<u>2,291</u>	<u>36,371</u>
Net income		472	77	3,336	3,885
Transfers between funds	18	-	(534)	534	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	14,754	-	14,754
Net movement in funds		472	14,297	3,870	18,639
Reconciliation of funds					
Total funds brought forward		1,270	(10,132)	81,072	72,210
Total funds carried forward		<u>1,742</u>	<u>4,165</u>	<u>84,942</u>	<u>90,849</u>

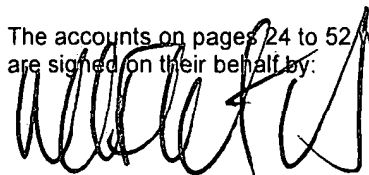
VALLEY INVICTA ACADEMIES TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023	2022
	Notes	£'000	£'000
Fixed assets			
Tangible assets	13	82,400	80,907
Current assets			
Debtors	14	1,764	1,099
Cash at bank and in hand		15,310	13,151
		17,074	14,250
Current liabilities			
Creditors: amounts falling due within one year	15	(4,252)	(2,677)
Net current assets		12,822	11,573
Total assets less current liabilities		95,222	92,480
Creditors: amounts falling due after more than one year	16	(106)	(161)
Net assets excluding pension liability		95,116	92,319
Defined benefit pension scheme liability	20	-	(1,470)
Total net assets		95,116	90,849
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		86,040	84,942
- Restricted income funds		6,607	5,635
- Pension reserve		-	(1,470)
Total restricted funds		92,647	89,107
Unrestricted income funds	18	2,469	1,742
Total funds		95,116	90,849

The accounts on pages 24 to 52 were approved by the trustees and authorised for issue on 07 December 2023 and are signed on their behalf by:



M Fletcher

Chair - Trustees - from 31 August 2023



R Hayden

Company registration number 07559256 (England and Wales)

VALLEY INVICTA ACADEMIES TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities			
Net cash provided by operating activities	21	4,142	2,606
Cash flows from investing activities			
Dividends, interest and rents from investments		200	52
Capital funding received from sponsors and others		1,699	5,716
Purchase of tangible fixed assets		(3,827)	(3,271)
Net cash (used in)/provided by investing activities		(1,928)	2,497
Cash flows from financing activities			
Repayment of other loan		(55)	(57)
Net cash used in financing activities		(55)	(57)
Net increase in cash and cash equivalents in the reporting period		2,159	5,046
Cash and cash equivalents at beginning of the year		13,151	8,105
Cash and cash equivalents at end of the year		15,310	13,151

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the Valley Invicta Academies Trust (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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

These financial statements are presented in pound sterling and are rounded to the nearest £1,000, unless otherwise stated.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

1.4 Expenditure

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

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

Non statutory/non-contractual staff severance payments are recognised immediately once they become payable.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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.

The freehold and leasehold properties have been included at donated value as provided by the Local Authority when completing their desktop valuation. In the absence of a Local Authority valuation donated assets have been valued at cost.

The academy has use of the leasehold properties under a 125 year lease from conversion from Kent County Council. No rent is payable for use of these leased premises.

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

Land and buildings	2% on cost
Leasehold land and buildings	buildings - 2% on cost; land - over lease lifetime
Assets under construction	None until asset in use
Computer equipment	33% on cost
Fixtures, fittings & equipment	20% on cost
Motor vehicles	10% on cost

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Financial liabilities

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

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

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure 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.

1.11 Fund accounting

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

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

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

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.12 Agency agreements

The academy trust acts as an agent distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The Trust did not use any of the allocation towards its own administration costs. The funds received and paid and any balances held are disclosed in note 27.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The pension value also includes an asset ceiling adjustment and the assumptions used to calculate this are:

- The scheme is open to new entrants;
- There is a minimum funding requirement in relation to the LGPS;
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period;
- The present value in the above calculations are calculated using an annuity representing participation into perpetuity.

Critical areas of judgement

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Capital grants	-	1,699	1,699	5,627
Other donations	-	1,252	1,252	914
	-	2,951	2,951	6,541

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	31,942	31,942	28,987
Other DfE/ESFA grants:				
UIFSM	-	225	225	212
Pupil premium	-	1,002	1,002	870
PE & Sports Grant	-	93	93	92
Rates Reclaim	-	193	193	198
Teachers pension grants	-	144	144	148
Teachers pay grant	-	1	1	52
Supplementary grant	-	847	847	346
School led tutoring	-	131	131	106
Recovery premium	-	204	204	109
Bursary funding	-	28	28	2
Post opening grant	-	90	90	184
Mainstream schools additional grant	-	438	438	-
Early careers grant	-	89	89	-
ITT bursary	-	59	59	-
Others	-	64	64	115
	-	35,550	35,550	31,421
Other government grants				
Local authority grants	-	1,459	1,459	1,422
Special educational projects	-	32	32	257
	-	1,491	1,491	1,679
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	-	-	18
Other incoming resources	-	41	41	114
Total funding	-	37,082	37,082	33,232

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's educational operations

(Continued)

The academy trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "Exceptional government funding".

- Other Coronavirus funding also includes £Nil (2022: £18k) support for mass testing and vaccination funding spent on the staffing and infrastructure to deliver the tests on site.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Hire of facilities	271	-	271	207
Other income	274	-	274	224
	<u>545</u>	<u>-</u>	<u>545</u>	<u>431</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Short term deposits	200	-	200	52
	<u>200</u>	<u>-</u>	<u>200</u>	<u>52</u>

7 Central services

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

- human resources
- payroll
- ICT
- communications
- marketing
- leadership & management
- premises maintenance
- management of capital works

The academy trust charges for these services on a percentage of GAG spend - 5.91%.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Central services

(Continued)

The amounts charged during the year were as follows:

	2023 £'000	2022 £'000
Invicta Grammar School	520	489
Valley Park School	535	525
Aylesford Primary School	97	84
VIPS at Holborough Lakes	55	51
VIPS at Kings Hill	55	48
VIPS at Leybourne Chase	55	50
The Lenham School	248	210
VIPS at East Borough	117	113
School of Science and Technology, Maidstone	177	115
Central Services	-	-
	<u>1,859</u>	<u>1,685</u>

8 Expenditure

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2023 £'000	Total 2022 £'000
Expenditure on raising funds					
- Direct costs	-	-	18	18	11
Academy's educational operations					
- Direct costs	23,619	1,705	3,928	29,252	25,958
- Allocated support costs	3,996	3,451	1,472	8,919	10,402
	<u>27,615</u>	<u>5,156</u>	<u>5,418</u>	<u>38,189</u>	<u>36,371</u>

Net income/(expenditure) for the year includes:

	2023 £'000	2022 £'000
Fees payable to auditor for:		
- Audit	23	22
- Other services	5	4
Operating lease rentals	427	337
Depreciation of tangible fixed assets	2,334	2,291
Net interest on defined benefit pension liability	35	223
	<u></u>	<u></u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Charitable activities

	2023	2022
	£'000	£'000
All from restricted funds:		
Direct costs		
Educational operations	29,252	25,958
Support costs		
Educational operations	8,919	10,402
	<u>38,171</u>	<u>36,360</u>
 Analysis of costs	 2023	 2022
	£'000	£'000
Direct costs		
Teaching and educational support staff costs	23,619	21,188
Depreciation	1,705	1,716
Educational supplies and services	3,928	3,054
	<u>29,252</u>	<u>25,958</u>
 Support costs		
Support staff costs	3,996	5,273
Depreciation	629	575
Technology costs	227	242
Maintenance of premises and equipment	2,822	2,759
Catering	7	-
Finance costs	35	223
Other support costs	1,174	1,295
Governance costs	29	35
	<u>8,919</u>	<u>10,402</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff

Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	20,454	18,323
Social security costs	2,019	1,845
Pension costs	4,781	6,013
Staff costs - employees	27,254	26,181
Agency staff costs	289	243
Staff restructuring costs	72	37
Total staff expenditure	27,615	26,461

Staff restructuring costs comprise:

Severance payments	72	37
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Severance payments

The academy trust paid 3 severance payments in the year, disclosed in the following bands:

£0 - £25,000	1
£25,001 - £50,000	2

Special staff severance payments

Special staff severance payments are amounts paid to employees outside of statutory and contractual requirements. Included in staff restructuring costs are special severance payments totalling £72k (2022: £37k). Individually, the payments were: £35k ; £25k and £12k.

Staff numbers

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

	2023 Number	2022 Number
Teachers	341	324
Administration and support	328	308
Management	15	14
	684	646

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff

(Continued)

Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	20	9
£70,001 - £80,000	5	5
£80,001 - £90,000	2	-
£90,001 - £100,000	-	3
£100,001 - £110,000	2	2
£110,001 - £120,000	2	1
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	2	-
£200,001 - £210,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the academy trust was £2,048k (2022: £1,805k).

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The CEO only receives remuneration in respect of services she provides undertaking the roles of staff member under her contract of employment, and not in respect of her services as a trustee.

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

J Derrick (Trustee and CEO - resigned 30 August 2023)

- Remuneration £200k - £205k (2022: £205k - £210k)
- Employer's pension contributions paid £45k - £50k (2022: £45k - £50k)

During the year no expenses were reimbursed or paid directly to the trustees in respect of travel and other costs incurred (2022: £438).

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

12 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Land and buildings	Leasehold land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 September 2022	63,089	27,051	903	1,919	1,919	8	94,889
Reclassification	(2,501)	3,140	(639)	-	-	-	-
Additions	501	693	2,237	190	175	31	3,827
At 31 August 2023	61,089	30,884	2,501	2,109	2,094	39	98,716
Depreciation							
At 1 September 2022	7,878	3,210	-	1,502	1,391	1	13,982
Reclassification	364	(364)	-	-	-	-	-
Charge for the year	1,173	531	-	423	203	4	2,334
At 31 August 2023	9,415	3,377	-	1,925	1,594	5	16,316
Net book value							
At 31 August 2023	51,674	27,507	2,501	184	500	34	82,400
At 31 August 2022	55,211	23,841	903	417	528	7	80,907

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

(Continued)

Additions to land and buildings comprise work done to existing school buildings and facilities such as science lab improvements, classroom extensions, toilet renovations and phase 2 of the Sports Hall construction.

Reclassifications relate to the transfer of assets under construction as well as a reclassification of certain assets to the appropriate heading.

Included in leasehold property is land of £7,171k which is depreciated over the lease lifetime of 125 years.

14 Debtors

	2023 £'000	2022 £'000
Trade debtors	46	99
VAT recoverable	491	217
Other debtors	376	247
Prepayments and accrued income	851	536
	<u>1,764</u>	<u>1,099</u>

15 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Other loans	56	56
Trade creditors	1,274	558
Other taxation and social security	523	468
Other creditors	562	517
Accruals and deferred income	1,837	1,078
	<u>4,252</u>	<u>2,677</u>

16 Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Other loans	<u>106</u>	<u>161</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

16 Creditors: amounts falling due after more than one year (Continued)

	2023 £'000	2022 £'000
Analysis of loans		
Wholly repayable within five years	162	217
Less: included in current liabilities	(56)	(56)
Amounts included above	<u>106</u>	<u>161</u>
Loan maturity		
Debt due in one year or less	56	56
Due in more than one year but not more than two years	58	57
Due in more than two years but not more than five years	48	104
	<u>162</u>	<u>217</u>

Included within other loans are loans of £23k and £140k from Kent County Council which are to be repaid over a remaining 2 and 3 years respectively.

17 Deferred income	2023 £'000	2022 £'000
Deferred income is included within:		
Creditors due within one year	<u>1,051</u>	<u>649</u>
Deferred income at 1 September 2022	649	666
Released from previous years	(649)	(666)
Resources deferred in the year	<u>1,051</u>	<u>649</u>
Deferred income at 31 August 2023	<u>1,051</u>	<u>649</u>

At the balance sheet date the academy was holding funds received in advance for trips, laptop schemes, 16+ travel, bursary, catering, universal free school meals, reorganisation income and other donations.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
Restricted general funds					
General Annual Grant (GAG)	5,635	31,942	(29,237)	(1,733)	6,607
UIFSM	-	225	(225)	-	-
Pupil premium	-	1,002	(1,002)	-	-
Other DfE/ESFA grants	-	2,381	(2,381)	-	-
Other government grants	-	1,491	(1,491)	-	-
Other restricted funds	-	1,293	(1,293)	-	-
	<u>5,635</u>	<u>38,334</u>	<u>(35,629)</u>	<u>(1,733)</u>	<u>6,607</u>
Funds excluding pensions	(1,470)	-	(208)	1,678	-
	<u>4,165</u>	<u>38,334</u>	<u>(35,837)</u>	<u>(55)</u>	<u>6,607</u>
Restricted fixed asset funds					
Fixed asset fund	80,907	-	(2,334)	3,827	82,400
ESFA / DfE capital grants	61	-	-	(61)	-
Local Authority grants	3,724	8	-	(824)	2,908
DfE capital grant	467	1,662	-	(1,235)	894
Other capital grants	-	29	-	(29)	-
Liability adopted on conversion	(217)	-	-	55	(162)
	<u>84,942</u>	<u>1,699</u>	<u>(2,334)</u>	<u>1,733</u>	<u>86,040</u>
Total restricted funds	<u>89,107</u>	<u>40,033</u>	<u>(38,171)</u>	<u>1,678</u>	<u>92,647</u>
Unrestricted funds					
General funds	<u>1,742</u>	<u>745</u>	<u>(18)</u>	<u>-</u>	<u>2,469</u>
Total funds	<u>90,849</u>	<u>40,778</u>	<u>(38,189)</u>	<u>1,678</u>	<u>95,116</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

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

The restricted general funds relate to income received to cover the annual running costs of the Academy. The restricted fixed asset funds relate to income received to fund capital projects.

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Other DFE/ESFA grants: This includes Universal free school meals, pupil premium, teachers pay grant, teachers pension grant, rates, supplementary grant, recovery premium, PE and Sports premium, mainstream schools additional grant and post opening grants.

Other government grants: This includes High Needs Funding, Specialist Resource Provision, Budget Share Protection and Pupil Referral.

The transfer of funds relates to the purchase of fixed assets during the period and to cover the additional costs spent out of GAG funding.

DFE capital grants include Devolved Formula Capital allocations, School Condition allocations and ICT grants.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	3,948	28,987	(26,766)	(534)	5,635
UIFSM	-	212	(212)	-	-
Pupil premium	-	870	(870)	-	-
Other DfE/ESFA grants	-	299	(299)	-	-
Other government grants	-	1,679	(1,679)	-	-
COVID funding	-	18	(18)	-	-
Bursary	-	2	(2)	-	-
Teachers pay grant	-	52	(52)	-	-
Teachers pension grant	-	148	(148)	-	-
PE and sports premium	-	92	(92)	-	-
Rates	-	198	(198)	-	-
Supplementary grant	-	346	(346)	-	-
Recovery premium	-	109	(109)	-	-
School led funding	-	106	(106)	-	-
Other restricted funds	-	1,028	(1,028)	-	-
	<u>3,948</u>	<u>34,146</u>	<u>(31,925)</u>	<u>(534)</u>	<u>5,635</u>
Funds excluding pensions	3,948	34,146	(31,925)	(534)	5,635
Pension reserve	(14,080)	-	(2,144)	14,754	(1,470)
	<u>(10,132)</u>	<u>34,146</u>	<u>(34,069)</u>	<u>14,220</u>	<u>4,165</u>
Restricted fixed asset funds					
DfE group capital grants	79,887	-	(2,291)	3,311	80,907
ESFA / DfE capital grants	-	136	-	(75)	61
Local Authority grants	-	4,355	-	(631)	3,724
DfE capital grant	1,452	1,136	-	(2,121)	467
Other capital grants	7	-	-	(7)	-
Liability adopted on conversion	(274)	-	-	57	(217)
	<u>81,072</u>	<u>5,627</u>	<u>(2,291)</u>	<u>534</u>	<u>84,942</u>
Total restricted funds	<u>70,940</u>	<u>39,773</u>	<u>(36,360)</u>	<u>14,754</u>	<u>89,107</u>
Unrestricted funds					
General funds	1,270	483	(11)	-	1,742
	<u>1,270</u>	<u>483</u>	<u>(11)</u>	<u>-</u>	<u>1,742</u>
Total funds	<u>72,210</u>	<u>40,256</u>	<u>(36,371)</u>	<u>14,754</u>	<u>90,849</u>

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

Total funds analysis by academy

	2023 £'000	2022 £'000
Fund balances at 31 August 2023 were allocated as follows:		
Invicta Grammar School	50	50
Valley Park School	50	50
Aylesford Primary School	25	25
VIPS at Holborough Lakes	25	25
VIPS at Kings Hill	25	25
VIPS at Leybourne Chase	25	25
The Lenham School	50	50
VIPS at East Borough	25	25
School of Science and Technology, Maidstone	50	50
Central Services	8,751	7,052
Total before fixed assets fund and pension reserve	9,076	7,377
Restricted fixed asset fund	86,040	84,942
Pension reserve	-	(1,470)
Total funds	95,116	90,849

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2023 £'000	Total 2022 £'000
Invicta Grammar School	5,905	809	1,047	834	8,595	7,985
Valley Park School	6,288	930	1,022	1,120	9,360	8,941
Aylesford Primary School	1,156	123	158	173	1,610	1,518
VIPS at Holborough Lakes	963	100	138	115	1,316	1,178
VIPS at Kings Hill	920	81	113	135	1,249	1,115
VIPS at Leybourne Chase	948	60	144	164	1,316	1,113
The Lenham School	2,730	345	678	598	4,351	3,747
VIPS at East Borough	1,924	282	200	186	2,592	2,395
School of Science and Technology, Maidstone	2,087	346	313	417	3,163	2,047
Central Services	698	920	131	569	2,318	4,041
	23,619	3,996	3,944	4,311	35,870	34,080

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	82,400	82,400
Current assets	2,469	10,803	3,802	17,074
Current liabilities	-	(4,196)	(56)	(4,252)
Non-current liabilities	-	-	(106)	(106)
Total net assets	2,469	6,607	86,040	95,116
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	80,907	80,907
Current assets	2,142	7,856	4,252	14,250
Current liabilities	(400)	(2,221)	(56)	(2,677)
Non-current liabilities	-	-	(161)	(161)
Pension scheme liability	-	(1,470)	-	(1,470)
Total net assets	1,742	4,165	84,942	90,849

20 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £527k were payable to the schemes at 31 August 2023 (2022: £473k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £3,307k (2022: £2,596k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.5% for employers and 5.5 to 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	1,309	1,108
Employees' contributions	360	320
Total contributions	1,669	1,428

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.9	3.9
Rate of increase for pensions in payment/inflation	2.9	2.9
Discount rate for scheme liabilities	5.3	4.25
Inflation assumption (CPI)	2.9	2.9

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

	2023 Years	2022 Years
Retiring today		
- Males	20.7	21.0
- Females	23.2	23.5
Retiring in 20 years		
- Males	22.0	22.3
- Females	24.6	24.9

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

	2023 £'000	2022 £'000
Discount rate + 0.1%	-317	-405
Discount rate - 0.1%	+326	416
Mortality assumption + 1 year	+429	453
Mortality assumption - 1 year	-418	-440
CPI rate + 0.1%	+312	
CPI rate - 0.1%	-303	
Long term salary increase + 0.1%	+22	35
Long term salary increase - 0.1%	-21	-35

Defined benefit pension scheme net asset/(liability)	2023 £'000	2022 £'000
Scheme assets	15,750	14,507
Scheme obligations	(15,750)	(15,977)
Net asset/(liability)	-	(1,470)

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme

	2023 Fair value £'000	2022 Fair value £'000
Equities	10,440	9,508
Government bonds	96	84
Other bonds	2,272	1,919
Absolute return fund	1,802	1,044
Property	1,658	1,706
Other assets	173	246
Asset ceiling adjustment	(691)	-
Total market value of assets	15,750	14,507

The actual return on scheme assets was £(301,000) (2022: £(178,000)).

Amount recognised in the statement of financial activities

	2023 £'000	2022 £'000
Current service cost	1,473	3,021
Interest income	(649)	(233)
Interest cost	684	456
Benefit changes, curtailments and settlements gains or losses	-	8
Administration expenses	9	-
Total operating charge	1,517	3,252

Changes in the present value of defined benefit obligations

	2023 £'000	2022 £'000
At 1 September 2022	15,977	27,589
Current service cost	1,473	3,021
Interest cost	684	456
Employee contributions	360	320
Actuarial gain	(2,628)	(15,165)
Benefits paid	(116)	(244)
At 31 August 2023	15,750	15,977

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2023 £'000	2022 £'000
At 1 September 2022	14,507	13,509
Interest income	649	233
Actuarial loss	(259)	(411)
Employer contributions	1,309	1,108
Employee contributions	360	320
Benefits paid	(116)	(244)
Effect of non-routine settlements and administration expenses	(9)	(8)
Asset ceiling adjustment	(691)	-
At 31 August 2023	15,750	14,507

Included within the pension assets above is an "asset ceiling adjustment". The asset ceiling is the present value of the economic benefits that the employer can recover from the plan, such as reduced contributions or cash refunds. It is deemed for the Trust that the future costs expected for the employers contributions will outweigh the future service costs and therefore there is no economic benefit to the Trust and therefore the asset value is reduced to zero.

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

	2023 £'000	2022 £'000
Net income for the reporting period (as per the statement of financial activities)	2,589	3,885
Adjusted for:		
Capital grants from DfE and other capital income	(1,699)	(5,627)
Investment income receivable	(200)	(52)
Defined benefit pension costs less contributions payable	173	1,921
Defined benefit pension scheme finance cost	35	223
Depreciation of tangible fixed assets	2,334	2,291
(Increase)/decrease in debtors	(665)	470
Increase/(decrease) in creditors	1,575	(505)
Net cash provided by operating activities	4,142	2,606

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 Analysis of changes in net funds

	1 September 2022 £'000	Cash flows £'000	31 August 2023 £'000
Cash	13,151	2,159	15,310
Loans falling due within one year	(56)	-	(56)
Loans falling due after more than one year	(161)	55	(106)
	<u>12,934</u>	<u>2,214</u>	<u>15,148</u>

23 Capital commitments

	2023 £'000	2022 £'000
Expenditure contracted for but not provided in the accounts	<u>5,824</u>	<u>3,542</u>

Capital commitments comprise work on the sports hall £2,538k, work on a classroom block £3,184k and work on Trim trails £102k. The work will be funded from reserves.

24 Long-term commitments

Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £'000	2022 £'000
Amounts due within one year	309	211
Amounts due in two and five years	<u>240</u>	<u>91</u>
	<u>549</u>	<u>302</u>

25 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the board of trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

The daughter of J Derrick was employed by the trust as a head of mathematics. She was paid within the normal salary scales for her role and received no special treatment as a result of being related to a director.

VALLEY INVICTA ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

26 Members' liability

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

27 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period 31 August 2023 the trust received £81k (2022: £55k) and distributed £31k (2022: £101k) from the funds respectively. Creditors include £131k (2022: £101k) in respect of these arrangements.