

Victorious
Academies Trust

Success in education

www.victoriousacademies.org

Victorious Academies Trust
(a company limited by guarantee
and not having a share capital)

Annual Report and Financial
Statements

Company number 09323071

31 August 2019

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Reference and Administrative Details

Members
Ian MacKenzie (joined December 2017)
David Artingstall (joined December 2017)
John Bridge (joined December 2017)

Trustees
Ruth Dolan (appointed January 2018)
Garry White (appointed January 2018)
Dean McDonagh (appointed January 2018)
Vicki Hewitt Lee (appointed January 2018)
Leanne Berry (appointed May 2018)
Andy Hodgkinson (appointed March 2019)
Sally Berry (appointed March 2019)
Garry White (resigned February 2019)

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Company Secretary

Senior Management Team

Chief Executive Officer	Karen Burns
Chief Finance Officer	David Thompstone
Chief Operations Officer	Nicky Wise

Company Name	Victorious Academies Trust
Principal and Registered Office	c/o Inspire Academy Mossley Road Ashton under Lyne OL6 9RU

Company Registration Number 09323071 (England and Wales)

Academies Operated	Location	Principal / Headteacher
Inspire Academy	Ashton under Lyne	Executive Principal Karen Burns Associate Principal Louise Byrne
Discovery Academy	Hattersley, Hyde	Executive Principal Karen Burns Associate Principal Bev Oldham
Poplar Street Primary School	Audenshaw	Headteacher Iain Linsdell
Greenside Primary School	Droylsden	Headteacher Judith Reynolds
Yew Tree Primary School	Dukinfield	Headteacher Paula Tankard
Gamesley Primary School	Gamesley	Headteacher Deborah Meredith



Victorious Academies Trust

Success in education

Independent Auditor

Hallidays,
Riverside House,
Kings Reach Business Park,
Yew Street,
Stockport, Cheshire,
SK4 2HD

Bank

NatWest Bank
Nottingham Smith St Branch
16 South Parade
Nottingham
NG1 2JX

Solicitors

Taylor Culshaw Limited
60 High Street
Burnham on Sea
Somerset
TA8 1AG

Report of the Trustees

The Trustees, who act as directors for the purposes of company law, present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2019.

The financial statements have been prepared in accordance with:

- the accounting policies on pages 28 to 31 of this document;
- the Funding Agreement with the Secretary of State for Education and Skills;
- the charitable company's Memorandum and Articles of Association;
- the Companies Act 2006;
- the requirements of the Statements of Recommended Practice 'Accounting and Reporting by Charities' ('SORP 2016'); and
- the Academies Accounts Direction 2018 to 2019.

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates six academies for pupils aged 3 to 11 serving five catchment areas in Tameside and one catchment area in Derbyshire:

Structure, Governance and Management

Constitution

The academy trust (the Trust) is a company limited by guarantee and an exempt charity and is registered at Companies House under registration number 09323071. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

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.

Directors' Indemnities

The articles of association of the charitable company provide that every Trustee or other officer or governor or auditor of the Trust may be indemnified out of the assets of the Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust.

Principal Activities

The company was incorporated on 21 November 2014. The Trust's objective is to combine educational expertise with business and commercial understanding, supporting Academy staff to focus on core teaching and learning and less so on administration and estates management. The Trust will support children and young people to achieve educational success, offering direct access to the world of employment in order to inspire and motivate them to excel and strive for the highest goals in life.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed for a term of office for four years with the exception of the Chief Executive Officer who is appointed by virtue of their position. Trustees remaining eligible may be re-appointed or re-elected. The Trustees are appointed by the Members and are selected to ensure a broad range of skills and expertise across the Trust Board as noted by the DfE. The numbers of Trustees are increasing as the number of academies increases within the Trust.

Name (date appointed):	Role:	Expertise:
David Artingstall (Dec 2017)	M	Strategic support / legal / business / financial / contracts / HR / commercial.
John Bridge (Dec 2017)	M	Strategic planning / change management / finance / business / HR / governance.
Ian McKenzie (Dec 2017)	M	Strategic support / governance / legal / business / financial / HR / commercial.
Leanne Berry (May 2018)	T	Finance / governance / community knowledge.
Sally Berry (March 2019)	T	Organisational development, HR strategy and operations, strategic planning.
Karen Burns (Jan 2018 ex officio role as Chief Executive Officer)	T	Leadership / educational improvement / governance / finance / HR / data handling.
Ruth Dolan (Jan 2018)	T	Leadership / governance / national and local context / educational improvement.
Vicki Hewitt-Lee (Jan 2018)	T	Leadership / educational improvement / finance / HR and data handling.
Andy Hodgkinson (March 2019)	T	Executive leader, educator and researcher. System leadership, strategic planning, research, change management, leadership development, school improvement, system improvement, curriculum design, conference speaking, innovation, teaching, facilitation and coaching. Partnering and innovation.
Dean McDonagh (Jan 2018)	T	Data management and handling / governor training / educational improvement.

Trustees appoint Governors on the Local Governing Boards for the contributions that they can make to the running of the academies. The term of office for any Governor on the Local Governing Boards is also four years. The Headteacher / Principal of each Academy is appointed by virtue of their position.

A termly meeting is held with governors from across the schools, chaired by the Chair of Trustees with the Chairs of each Local Governing Bodies in attendance.

Potential Trustees and Governors are interviewed and checks are completed to ensure that they are suitable to join the Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees have a strong background and experience of governance, education and / or business. Following appointment new Trustees undertake an induction programme to familiarise themselves with the Trust and their responsibilities as Trustees relative to their previous experience. Trustees are invited to sessions run specifically for Governors and are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their specific roles. There are opportunities for networking and sharing of good practice between individuals in different areas of Trust governance. Trustees receive training as appropriate to their roles and responsibilities as Trustees. In addition to support their work all Trustees are provided with Gold membership of the National Governors Association.

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All Trustees and Governors are required to complete a register of interests, which is updated on an on-going basis.

All Trustees and Governors are required to sign a Code of Conduct linked to their work in the Trust on an annual basis.

Organisational Structure

The Trust has set out its structure and decision making processes in an Approach to Governance document, which includes terms of reference for the Members, the Trust Board, the Local Governing Boards and their committees and a full scheme of delegation. The Trustees keep the governance structure under review and adapt it in line with the development of the Trust.

The Trust consists of Members, Trustees and Governors across the six academies within the Trust. The Trust Board is responsible for the strategic direction of the Trust and has overall responsibility for the academic standards, financial management, assets and resources, along with appointment of senior staff. From September 2018 the Trust Board has been supported by two committees: Academic and Improvement and Finance and Business. The Chief Executive Officer of the Trust carries out the role alongside the Executive Principal role at Inspire and Discovery Academies. The Chief Executive also carries out the role of Chief Accounting Officer for the Trust.

The Terms of Reference of each committee are reviewed annually by the board.

From April 2018 Chief Executive Officer also acts as the Executive Headteacher over Pinfold and Arundale Primary Schools in Tameside. These are associate schools.

Staffing appointments are made at Local Governing Board level with the exception of senior staff (Headteachers / Principals) where the appointment involves Trust level support.

Senior leadership at the Academies includes Associate Principals / Headteacher, and where appropriate Deputy / Assistant Principals / Headteachers. Middle management at the academies includes phase / subject leaders, with TLR's where appropriate. These leaders have the delegated responsibility for the day-to-day operation of particular areas of the academies.

Systems, processes and procedures for financial management, HR and governance / administration are undertaken at Academy level but supported and overseen by the Trust Core Team comprising the Chief Executive, the Chief Finance Officer and the Chief Operations Officer.

The Trust has a Trade Union Recognition Agreement and Collective Agreement with the relevant trade union representatives in Tameside.

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The Trustees are always conscious of the charitable status of the multi academy trust and acknowledge that the funding the Trust receives comes under a funding agreement with the Secretary of State for Education and therefore ensures that the remuneration paid to senior management provides value for money to the Trust and does not exceed a reasonable level. The performance of senior management is reviewed on a regular basis to ensure continuing value for money.

Arrangements for setting pay and remuneration of key management personnel

Trustees are not paid by the Trust. Only staff Trustees (the Chief Executive Officer) are remunerated and this is only in respect of their duties under their contracts of employment and not in respect of their duties as Trustees.

The Chief Executive Officer of the Trust is paid in line with the Joint Advice on School Teachers Pay (STPCD) taking into account the nature of the post, the level of qualifications, skills and experience required, market conditions and the wider context of the Trust and wider education system. Pay progression or discretionary payments are determined by the Trust Board on the basis of a successful annual appraisal demonstrating a sustained and high quality of performance and in which objectives relating to the Trusts leadership and management have been addressed.

Academy Headteachers / Associate Principals along with school teachers working for the Trust are paid in line with the Joint Advice on School Teachers Pay (STPCD) – agreed with NEU, ATL, NAHT, ASCL, UCAC and Voice and in line with the Trust's Pay Policy. Teaching support staff and administrative support are paid in line with NJC pay and conditions.

The Chief Executive Officer carries out performance reviews on senior staff at the Academies on an annual basis and members of the senior leadership team manage the process with teaching, support and administrative staff. The Academies will present proposals for the pay progression of staff where appropriate.

Pay Review committees are held at each Academy to agree pay levels for staff on an annual basis.

Related Parties and other Connected Charities and Organisations

Since January 2018 there have been no related parties which control or significantly influence the decisions and operations of the Trust.

The Trust works in partnership with local authorities to develop collaborative ways of working and to enhance the opportunities for schools within the Trust and our associated schools.

Objectives and Activities

Objects and Aims

Victorious Academies Trust has the following objectives and aims:

- a) 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 schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education, unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"); and
- b) To promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The Trust has a vision for education that builds pathways for all, focusing on personal strengths, academic progress, character development and progress to employment. This is linked to lifelong learning, professional development and community involvement. The Trusts ambition is to remove barriers to achievement and to inspire individuals by setting their learning in the context of their future aspirations.

The Trust wishes to:

- Create a sustainable multi academy trust based initially in the north-west from Tameside.
- Create a cluster of schools based around the targeted basic needs new build academies where school to school collaboration is championed.
- Encourage 'Good' schools to join the Trust to establish a beacon of excellence and then to provide support to other schools to improve outcomes and opportunities for more pupils.

The Trust has the following values:

- Inspiring – Encouraging all to be as creative and motivating as possible;
- Discovering – Seeking opportunities to expand knowledge and experience;
- Caring – Providing support and guidance for the whole school community;
- Improving – Striving to better ourselves at all times; and
- Achieving – Teaching to attain aspirational targets.

Objectives, Strategies and Activities

Public Benefit

In setting the Victorious Academies Trust objectives and planning its activities, the directors have given careful consideration to and have complied with the Charities Act 2011 and the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education. The Trust aims to advance for the public benefit primary education. In particular, by establishing, maintaining, managing and developing academies, offering the national curriculum whilst recognising and supporting the individual character and community of each academy.

The Trust provides opportunities for children, their parents, their stakeholders and the local communities that are served by the academies through a range of extra-curricular activities and opportunities.

As a Trust our focus is on collaboration, developing mutual support across our academies, with our academies still forming part of their local cluster of schools and also within a wider local authority context.

The Trust has a three-year strategic plan.

Strategic Report

Progress achieved during the year against the three-year strategic plan priorities are set out below:

Strategic Aim 1 Leadership and Corporate Governance

To ensure high quality leadership and governance at Trust Board, LGB and Academy level.

To develop a Trust Board that has the full range of skills and experience required.

- New Trustees recruited with skills identified following a skills audit review.
- Trustee recruited with significant education and strategic skills appointed
- Trustee recruited with significant HR skills appointed.
- Skills Audit takes place at the start of each academic year and composition assessed in the context of the development of the Trust.

To develop and embed high quality governance at Local Governing Board (LGB) level with the right skills and focus and to develop and empower academy leaders.

- Reviews of LGB's take place as the schools join the Trust.
- LGB's carry out Skills Audits at the start of each academic year.
- Chair of Trustees and NGA meeting with Chairs of the LGB's on a termly basis.
- Minutes of Trust meetings shared with Governors and minutes of LGB meetings shared with Trustees.
- CFO attends finance meetings where appropriate to discuss and confirm the finance position at the schools.
- NGA provides support to the LGA's to upskill and develop.
- Trustee support pre and at Ofsted inspections.

To ensure that the prime focus of Trustees, Governors and leaders is on achieving outstanding outcomes for pupils.

- Termly data meetings taking place with CEO, external School Improvement Advisor and Headteachers / Senior Leaders.
- Data drops taking place termly and information shared with Governors and Trustees (at their Achievement and Improvement termly meetings and at Trust Board meetings).
- External School Improvement Advisor reports shared with Trust Board.
- Deep dives take place across the schools with outcomes reported to Governors and Trustees.
- Cloud based MIS being procured for the Trust and all schools so that data is easily available and appropriate action can be discussed.

To develop systems and procedures to ensure effective and efficient decision making

- Finance and HR Procedures Manuals developed for use at Trust and academy level.
- Clear segregation of duties and delegation levels set for decision making.
- Focussed training developed for Governors.

Strategic Aim 2 Business and Sustainability

To establish the Trust, embedding new academies to ensure sustainability.

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To strengthen the Trust quickly initially by incorporating new academies that are at least 'Good' which will help to support essential Trust level costs.

- Two additional Good schools joined the Trust in November 2018.
- One school Requiring Improvement joined the Trust in December 2019.
- Discovery Academy Ofsted outcome as Good in summer 2019.
- Discussions taking place with additional Good schools.
- Robust due diligence approach established and followed.

To develop the structure of the Trust to increase capacity to ensure measured and systematic growth.

- Additional CEO's role of SPSO for Tameside MBC Primary Schools reduced during 2018 / 2019.
- Trust Finance Officer appointed to support the Chief Finance Officer and the School Business Managers / finance staff across the schools.
- Additional support being provided by office staff from across the schools to support the Trust activities.
- Additional support being provided by external HR and legal advisors.

To develop and deliver a strong financial basis for the Trust and each individual academy

- Reserve policy in place for the Trust and all academies.
- Chief Finance Officer meeting termly with all Headteachers / Principals at the academies.
- Cloud based budgeting / accounting system in place for all schools.
- Monthly meetings between CFO and CEO / COO to ensure high focus on finances.

To ensure that we deliver a value for money provision and services for staff and pupils across the academies.

- Review of all services and contracts in progress in summer 2019.
- Re-procurement of contracts involves core team staff and the CFO where appropriate.
- Core services developed to support academies along with external support.

To ensure the continued growth and development of the newly established targeted basic need academies.

- Continued marketing / promotion and recruitment for the new academies.
- Open days / events held to ensure maximum uptake of places into Nursery and Reception classes.
- Outcome of the promotion is that for September 2019 Inspire Academy had 60 pupils across two Reception classes and a waiting list for places.
- Outcome of the promotion is that for September 2019 Discovery Academy had 30 pupils in the one Reception class.

To improve financial operations/processes across the Trust and our academies, including making better use of software.

- Cloud based purchasing / invoicing software in place across all six academies.

- Cloud based budgeting / accounting system in place across all schools.
- Trust and Academy level financial handbooks in place and utilised at all schools.
- Standard processes and procedures, with associated documentation in place at all schools.
- Weekly Trust Finance Officer visits to all academies to support, improve and encourage better use of software.

Place greater emphasis on the three-year budget planning cycle and reflecting expected changes in expenditure and income earlier.

- Cloud based budgeting system now in place for the Trust and all schools.
- CFO works with the school's leadership teams to set and monitor the three-year cycle.

To continue to develop and grow local relationships and networks initially within Tameside and then into surrounding north western areas.

- Good relationships with our Associate Schools.
- Continued good relationships with senior officers at Tameside MBC.
- Developing wider links through the support of NPQEL and NPQH.
- Support to Best Practice Regional events.
- Support to national education summits.

Strategic Aim 3 Outcomes and Effectiveness

All Academies enabled and supported to become Good or better

To improve standards so that each academic year national averages are hit in terms of headline data and pupils make good levels of progress relative to their starting points.

- Termly data meetings taking place with CEO, external School Improvement Advisor and Headteachers / Senior Leaders.
- Data drops taking place termly and information shared with Governors and Trustees (at their Achievement and Improvement termly meetings and at Trust Board meetings).
- External School Improvement Advisor reports shared with Trust Board.
- Deep dives take place across the schools and outcomes reported to Governors and Trustees.
- Cloud based MIS being procured for the Trust and all schools so that data is easily available and appropriate action can be discussed.

To ensure that we have the capacity to accelerate progress across all groups of pupils regardless of their starting points.

- Termly data meetings take place with CEO, external School Improvement Advisor and Headteachers / Senior Leaders focussing on acceleration of progress.
- Data drops taking place termly and information shared with Governors and Trustees (at their Achievement and Improvement termly meetings and at Trust Board meetings).
- Skills mapping exercise undertaken of staff across all schools – focus on good and best practice.

To secure high quality teaching and learning across all academies within the Trust.

- Termly meetings held with Headteachers / Principals / Senior Leaders with a focus on the quality of teaching and learning.
- Data reviews timetabled termly and shared with CEO, School Improvement Advisor, Governors and Trustees.
- Informal and formal networks across all levels being established and developing.

- Trust ambition to be reinforced at whole staff Inset Day in September 2019.

To ensure that pupils in specific groups at risk of underachieving are provided with the appropriate support.

- This is monitored through the new MIS system where the CEO and SIP have access to up to date access to data for all groups.
- CEO / SIP have attended pupil progress meetings and have reviewed the format of these meetings to ensure that these cover pupils in specific groups.
- Data and progress linked to specific groups is covered at CEO termly catch up meetings with Headteachers / Principals.
- Approaches for following up on specific groups are discussed at Trust SLT and where appropriate followed up with senior leaders and approaches shared across schools.

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To ensure leadership is strong and effective in all academies.

- Half termly meetings held with Headteachers / Principals / Senior Leaders to discuss leadership and progress.
- Leadership is considered as part of the deep dive visits.

To develop and embed an accurate and robust self-evaluation process.

- Termly meetings held with Headteachers / Principals / Senior Leaders discussing the school development plans and school self-evaluation.
- Schools self-evaluation process considered as part of external deep dives and half termly CEO visits.

To develop school-to-school support.

- Termly meetings held with Headteachers / Principals / Senior Leaders developing strong links and collaboration opportunities.
- Informal and formal networks across all levels across all academies being established and developing.

To develop a highly skilled, innovative workforce, to retain people of talent and integrity who support the values and principles of the Trust.

- Opportunities encouraged and provided for development of staff at all levels across the schools.
- Inset day planned for September 2019 to provide training for staff from all schools relevant to specific staff roles.

To develop particular expertise of leadership in key areas such as SEND, Assessment, Pastoral Support, Mental Health, etc.

- Skills mapping exercise undertaken of staff across all schools.
- Key leaders established across the schools.
- Key area networks being established for 2019 2020 to lead across the schools.

To develop a whole school understanding of assessment data in all academies to ensure all pupils are tracked and supported to achieve their very best.

- Termly data meetings taking place with CEO, external School Improvement Advisor and Headteachers / Senior Leaders.

- Data drops taking place termly and information shared with Governors and Trustees (at their Achievement and Improvement termly meetings and at Trust Board meetings).
- External School Improvement Advisor reports shared with Trust Board.
- Deep dives take place across the schools and outcomes reported to Governors and Trustees.
- Cloud based MIS being procured for the Trust and all schools so that data is easily available and appropriate action can be discussed.

Key Performance Indicators

Trustees, the Chief Executive Officer and the Local Governing Boards undertake a review of performance against assessment targets for each academy at their termly meetings and this is reported to the Trust Board alongside regular summaries of the financial status of each academy.

In addition to this, key performance indicators relate to the achievements of the Trust strategic aims and the achievements of the individual pupils at the academies.

The Board considers that the following are key performance indicators for the Trust:

- Pupils numbers (leading directly to the Education and Skills Funding Agency (ESFA) funding levels);
- General financial stability;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Capital expenditure;
- Pupil attendance;
- Annual Trust evaluation of effectiveness;
- Outcomes for pupils.

The Board receives updates against the above indicators through the various reporting mechanisms during the year and considers that all key performance indicators listed have been successfully met.

Pre 2018 2019 particular attention was focussed on the two targeted basic needs primary academies which continue to grow incrementally with each academic year. The main funding stream for the Trust is based on the General Annual Grant received for each academy based on the pupil numbers.

The Trust started the academic year in September 2018 with 3 schools, 690 pupils and 98 members of staff. By August 2019 the Trust comprised 6 schools 1,960 pupils and 305 members of staff.

Going Concern

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

Financial Review

The majority of the Trust's income this financial year has been received from the ESFA, Tameside Metropolitan Borough Council, and Derbyshire County Council all of which are non-recurrent grants. All income is detailed within the financial statements.

There were four main sources of income across the Trust and its Academies during the year:

- £8,211,459 in grant income from the ESFA in the form of General Annual, Business Rates, Pupil Premium, P.E. and Sports and Universal Infant Free School Meal grants;
- £966,261 from Tameside Metropolitan Borough Council and Derbyshire County Council in the form of early years, high needs and dis-economies grant funding;
- £295,203 in relation to income received from parents in relation to extended Schools services and school trips;
- £107,212 in lettings and income from education support provided primarily to Tameside Metropolitan Borough Council based Schools and other public sector organisations

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During the period ended 31 August 2019 expenditure amounting to £10,752,766 was incurred or accrued. The Trust achieved an overall net increase in funds of £4,582,029 which primarily related to the Greenside, Yew Tree and Gamesley Primary School land and buildings being added to the donated fixed asset funds at the start of the accounting period at a combined value of £6,318,000. The restricted non fixed asset revenue funds were increased at individual School level by £724,858, but this was offset primarily by a £3,655,000 increase in the overall LGPS pension deficit resulting from actuarial projections and the pension deficits inherited upon the three new Schools joining the Trust.

Financial and Risk Management Objectives and Policies

Cash flow statements are reported to the Trust Board and Finance and Business Advisory Group as part of the monthly management accounts.

Employees are able to belong to one of two defined benefit pension schemes – the Teachers' Pension Scheme (TPS) or the Local Government Pension Scheme (LGPS). The assets of the LGPS are held in two separate Trustee administered funds (Greater Manchester Pension Fund and Derbyshire County Council). The Trust's share of the assets and liabilities of the combined LGPS as at 31 August 2018 was £364,000, which increased to £4,019,000 by 31 August 2019, primarily due to the transfer of the deficits from each of Greenside Primary, Yew Tree Primary and Gamesley Primary during 2018/19.

Reserves Policy

The Trust held a fund balance of £20,525,721 comprising no unrestricted reserves and £23,642,124 restricted fixed asset funds. The restricted general funds balance of a deficit of £3,116,403 was comprised of a £902,597 surplus being offset by the £4,019,000 pension LGPS pension deficit reserve. The pension deficit will effectively be addressed as part of the GMPF actuarial review that is scheduled to be concluded by March 2020. That review is expected to result in an increased employer's contribution rate which will offset the current deficit through increased future contributions.

All restricted general funds come via grants received from the DfE/EFA and the Local Authority. The unrestricted funds incorporate other income including interest receivable on the bank deposit account, sponsor grants, uniform receipts, trips, lettings, breakfast club takings and other facility income. The Trustees would like to build up a prudent level of reserves over a period of time in accordance with the Investment and Reserves Policy which is reviewed annually.

The target level of non-fixed asset fund reserves is considered as part of the review of the Investment and Reserves Policy. The target was revised during 2018/19 for individual Academies to be 5% of annual income for each School by 31/08/20. The balance at 31/08/2019 was in excess of that target and the projections for future years indicate that whilst there is likely to be an in year deficit during the period 2019/20 to 2020/21, the overall Trust target will be achieved at 31/08/2020.

Investment Policy

The Board of Trustees has approved an Investment and Reserves Policy in relation to the investment of surplus funds and this is reviewed on an annual basis.

The aim of this policy is to ensure that funds, which the Trust and its Academies does not immediately need to cover anticipated expenditure, are invested in such a way as to maximise income but without risk.

The purpose of the Investment and Reserves Policy is to:

- To ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements
- To ensure there is no risk of loss in capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimise returns on invested funds
- To ensure value for money
- To exercise care and skill in investment decisions, taking advice as appropriate from a professional advisor
- To ensure that security takes precedence over revenue maximisation
- Ensure that all investment decisions are in the best interest of the Trust and command broad public support.

Monthly cash flow reports are prepared and monitored to ensure there are adequate funds to meet all payroll related commitments and outstanding creditors that are due for payment.

It is intended that when balances are large enough then a high interest deposit account is opened for surplus balance investments. The aim is to reach an appropriate level of reserve to allow the Trust Management and the Finance, Business and Audit Committee to explore alternative investment possibilities.

Principal Risks and Uncertainties

Risk Management:

The Trust's approach to risk management is reviewed annually by the Trustees.

The Trust has a system of internal control which incorporates risk management, together with a number of elements designed to create an effective and efficient operating environment, enabling the Trust to respond to operational, financial, commercial and educational risks. These elements include:

- Policies and procedures; attached to significant risks are a series of policies and procedures that underpin the control process. The policies are set by the Trustees and implemented across the Trust;
- Strategic planning and budgeting; the strategic planning and budgeting process is used to set objectives, agree action plans and allocate resources. Progress with such plans is monitored regularly by the Trust board and the Local Governing Body; and

- Risk Management Plan; detailed risk management plans form part of the risk register at a Trust and Academy level.

Plans for Future Periods

In order to support the sustainability of the Trust the numbers of academies within the Trust needs to continue to increase. The work of the Trust from 2015 to August 2019 has been to establish and secure the Trust. The pupil numbers are increasing annually at the targeted basic needs academies but in order to support the development of these and the recently converted academies the Trust needs to continue to develop and increase in size, particularly with the schools who already work closely with the Trust

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The Trust will continue to deliver on the three key strategic aims:

- Strategic Aim 1 Leadership and Corporate Governance - To ensure high quality leadership and governance at Trust Board, LGB and Academy level.
- Strategic Aim 2 Business and Sustainability - To establish the Trust, embedding new academies to ensure sustainability.
- Strategic Aim 3 Outcomes and Effectiveness - All Academies enabled and supported to become Good or better.

Delivery against the three aims will be planned for 2019 2020 taking into account the speed of growth in 2018 2019 and ensuring that the processes and procedures needed to ensure the success of the Trust are embedded across all six schools.

Alongside growth the Trust will continue to develop the two existing academies, with annual marketing to secure sufficient pupils and recruitment to ensure the appropriate levels of staffing. At the new and existing academies, the Trust will continue to focus on ensuring that the highest possible outcomes are achieved for all pupils. The curriculum and extra-curricular offer will continue to be extended and expanded to ensure that the local communities are provided with a high quality provision at the academies.

The Trust will continue to encourage schools to voluntarily convert to join the Trust and when appropriate will also seek to sponsor additional schools.

The Trust objectives for the fifth year of operation (2019 / 2020) broadly include:

- To recruit additional Trustees to support the growth and development of the Trust Board.
- To continue to recruit excellent staff to increase the capacity at Inspire and Discovery Academies to support the continued development of these two academies.
- To continue to develop the Local Governing Bodies for Inspire and Discovery Academies.
- To continue to attract appropriate levels of Nursery and Reception pupils to all schools to support their financial stability.
- To ensure good level of progress for all pupils at all academies across the Trust.
- To continue to develop and enhance the reputation of the Trust in the school communities and beyond.
- To support Poplar Street Primary School in preparation for their anticipated Ofsted Inspection in the academic year 2019 / 2020.
- To embed the collaboration and networks developed across the academies during 2018 / 2019.
- To procure and embed a new MIS for the academies across the Trust to enable robust cross Trust reporting and monitoring.
- To continue to develop and upskill the middle and senior leaders across the Trust.

- To continue to develop the cross Trust approach to assessment.
- Where possible to bid to the DfE / ESFA for funding to support the development of the Trust into 2019 / 2020 and beyond.
- To continue to develop the Trust core team with additional support dedicated to the academies.
- To address the planned admission numbers at newly converted schools to ensure their on-going sustainability.
- To address where appropriate, the staffing structures at newly converted schools to ensure their on-going viability.
- To continue to develop and expand the Trust by attracting at least two existing schools to convert to join the Trust during 2019 / 2020.
- To continue to develop the Trust further by attracting schools to sponsor to create hubs of academies. This will include approaching good / outstanding schools to continue to increase the capacity of the Trust to offer school improvement and therefore the Trusts ability to sponsor low performing schools.

Funds Held as Custodian Trustee on Behalf of Others

The Trust and its Trustees do not act as Custodian Trustees of any other Charity.

Disclosure of Information to auditor

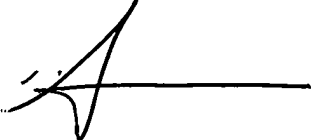
Insofar as the Trustees are aware:

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

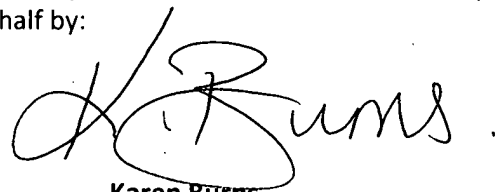
Auditor

Hallidays were appointed in 2017/2018 as the external auditors to the Trust. Hallidays provided the external auditor function for the Trust for the 2017/2018 and 2018/19 academic years. Upon relaunch the Members of Victorious Academies Trust appointed Hallidays as external auditors to the Trust.

The Trustees' report, incorporating a strategic report, was approved by order of the Trustees, as the company directors, on 16th December 2019 and signed on the board's behalf by:



Dr Andy Hodgkinson
Chair of Trustees
16th December 2019



Karen Burns
CEO and Accounting Officer
16th December 2019

Governance Statement

For the year ended 31st August 2019

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Victorious 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. Page 19

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 Victorious Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met six times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee:	Meetings attended:	Out of a possible:
Victorious Academies Trust (August 2018 – August 2019)		
Leanne Berry	6	6
Sally Berry	0	2
Karen Burns	6	6
Ruth Dolan	6	6
Vicki Hewitt-Lee	6	6
Andy Hodgkinson (Chair)	2	2
Dean McDonagh	6	6

The Chair of Trustees was appointed in March 2019.

The changes to the Trust Board during the course of the 2018 – 2019 academic year were:

- the resignation of – Garry White and Tracey Summerlin; and
- the appointment of – Andy Hodgkinson and Sally Berry.

As the Trust has grown during 2018 / 2019 the pupil numbers, staff numbers and data linked to the schools has increased. The range, quantity and quality of information has increased and the need for Trustees to be provided with appropriate and rigorous information has developed.

The Board of Trustees consider that their main challenges during the period to 31st August 2019 have included:

- The recruitment of new Trustees.
- The continuing uncertainty around funding levels, particularly focused around agreeing pre and post opening costs for targeted basic need schools.
- Uncertainty around pupil numbers for newly converted and the targeted basic need schools.
- Performance outcomes for pupils.
- Governance at Academy and Trust level.
- Ofsted inspection at Discovery Academy.
- The conversion of Greenside, Yew Tree and Gamesley Primary Schools into the Trust.
- Uncertainty around funding levels and the final budget levels on joining the Trust of Greenside, Yew Tree and Gamesley Primary Schools.
- Resources and capacity of the Trust Core team.

These challenges have been managed through the continuing good relationships with the DfE, ESFA and the RSC alongside careful financial modelling and maintaining constant dialogue with Tameside MBC and Derbyshire CC.

The Financial Management and Governance Statement was reviewed and updated to reflect the developing processes and procedures within the Trust.

Governance reviews:

The Trust managed two Targeted Basic Needs primary academies (Inspire and Discovery Academies) and Poplar Street Primary School, Greenside Primary School, Yew Tree Primary School and Gamesley Primary School during the period 31 August 2018 to 31 August 2019 with pupils across all year groups.

A constant review of governance has taken place during the course of the year considering the impact and the effectiveness of the Local Governing Boards and the board of Trustees.

An external review of governance was carried out in June 2017 of the Trust and the first two academies. The findings of the review were acted upon and changes incorporated into the re structure of the Trust in January 2018.

A review of Governance was carried out by the Trust as part of the due diligence process of the conversion of Poplar Street Primary School.

A review of governance across the Trust is planned for spring 2020.

Review of Value for Money

As Accounting Officer the Chief Executive has responsibility for ensuring that the academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Carrying out a Trust wide audit of all finance income and expenditure;
- Ensuring that where possible Trust staff are used for upskilling and training staff;

- Carrying out a review of all utility and other service providers to provide better value;
- Carrying out a review of all funding received by the ESFA to the academies to ensure that all funding that can be applied for is received;
- Carrying out a review of all the funding received from Tameside MBC to the academies to ensure that no funding is unclaimed.
- Carrying out a review of all the funding received from Derbyshire CC to the academies to ensure that no funding is unclaimed.
- Carrying out a review of the HR contract and level of service to ensure that the appropriate level of service is provided to the Trust; and
- Taking cost free opportunities wherever possible.

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 Victorious Academies Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of Trustees has reviewed the key risks to which the academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy Trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The Risk and Control Framework

The Trust's system of internal financial control is based on a framework of regular management information and administration procedures including as far as possible segregation of duties and a system of delegation and accountability. This includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustees;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing guidelines;
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The board of Trustees has appointed Halliday's GROUP Ltd to carry out the internal audit function as the Trust grows through the 2019 / 2020 academic year.

Halliday's GROUP Ltd have been appointed to carry out the external audit for the 2018 / 2019 academic year and consideration will be made by the new Trustees on how frequently they report to Trustees on the discharge of their financial responsibilities.



Victorious
Academies Trust

Success in education

Review of Effectiveness

As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the period to 31 August 2019 the review was informed by:

- the work of the new Trustees at Trust Board level;
- the work of the Trust Core Team;
- the work of the external auditor; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Members of the Board of Trustees on **16th December 2019** and signed on its behalf by:

Andy Hodgkinson
Chair of Trustees

Karen Burns
CEO and Accounting Officer



Statement on Regularity, Propriety and Compliance

For the year ended 31st August 2019

As Accounting Officer of Victorious Academies Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018. Page 23

I confirm that I and the Academy Trust board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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.

Signed

Karen Burns
Accounting Officer
16th December 2019

Statement of Trustees' Responsibilities in respect of the Trustees'

Annual Report and Financial Statements

The Trustees (who act as governors of Victorious Academies Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency. Page 24

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with U.K. standards and applicable law, (U.K. general), accepted accounting practice including FRS102, the financial reporting standard applicable in the U.K and Republic of Ireland. The Academies Accounts Direction further requires the financial statements to be prepared in accordance with the Charities SORP. (FRS102). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the charitable company's incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102) and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern disclosing as applicable, matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control as they determine as necessary to ensure the preparation of financial statements that are free from material misstatement, whether due to fraud or error and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud.

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

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



Victorious Academies Trust

Success in education

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Andy Hodgkinson
Chair of Trustees

Karen Burns
CEO and Accounting Officer

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16th December 2019

Independent Auditor's Report on the Financial Statements to the Members of Victorious Academies Trust

Qualified Opinion

We have audited the financial statements of Victorious Academies Trust (the 'Academy') for the period from 1 September 2018 to 31 August 2019, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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Basis for qualified opinion on financial statements

As detailed in note 14 the land and buildings of Greenside Primary School, Yew Tree Primary School and Gamesley Primary School transferred on conversion have been included in the financial statements at a buildings insurance replacement cost and depreciation of these assets has been determined based on this valuation method. The Trustees have contracted for desktop valuations to be provided in line with the recommendations of the academies accounts direction, but these are not be available until March 2020. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the land and buildings transferred on conversion and the associated depreciation charge.

During the financial period to 31st August 2018 £100,000 which has previously been treated as a loan was re-categorised as a donation. We were unable to obtain sufficient appropriate audit evidence for this accounting treatment.

Consequently, we are unable to determine whether any adjustments to this amount was necessary.

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 qualified opinion.

Qualified opinion on the financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its results for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- Have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Independent Auditor's Report on the Financial Statements to the Members of Victorious Academies Trust (continued)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where: Page 27

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

Independent Auditor's Report on the Financial Statements to the Members of Victorious Academies Trust (continued)

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

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

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Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 23], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.

Independent Reporting Accountant's Assurance Report on Regularity to Victorious Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 June 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Victorious Academies Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them. Page 30

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 26 March 2015 and the Academies Financial Handbook extant from 1 September 2018, 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 2018 to 2019. 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 from 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.

Independent Auditor's Report on the Financial Statements to the Members of Victorious Academies Trust (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Anna Bennett (Senior Statutory Auditor)
For and on behalf of Halliday's, Statutory Auditor

Riverside House
King's Reach Business Park
Yew Street
Stockport
SK4 2HD
Date: 16-12-18

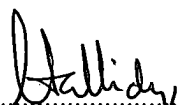
Independent Reporting Accountant's Assurance Report on Regularity to Victorious Academies Trust and the Education and Skills Funding Agency (continued)

- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the trust's charitable objects.

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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 from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Halliday's
Chartered Accountants
and
Registered Auditors

Riverside House
King's Reach Business Park
Yew Street
Stockport
SK4 2HD
Date: 16-12-19

Statement of Financial Activities



Victorious Academies Trust

Success in education

**(incorporating Income and Expenditure account)
for the year ended 31 August 2019**

	Note	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total 2019	Total 2018
		£	£	£	£	£
Incoming resources						
Income and endowments from:						
Donations and capital grants	3	69,217	-	772,370	841,587	149,912
Transfers from local authority on conversion	29	-	(927,956)	6,342,095	5,414,139	1,860,460
Charitable activities:						
Funding for the Academy Trust's educational operations	4	78,187	9,177,720	-	9,255,907	2,477,794
Other trading activities	5	324,227	-	-	324,227	102,707
Investments	6	-	-	-	-	-
Total		471,631	8,249,764	7,114,565	15,835,960	4,590,873
Expenditure on						
Charitable activities:						
Academy Trust educational operations	7	(471,631)	(9,330,907)	(950,228)	(10,752,766)	(2,907,841)
Total		(471,631)	(9,330,907)	(950,228)	(10,752,766)	(2,907,841)
Net income/(expenditure)		-	(1,081,143)	6,164,337	5,083,194	1,683,032
Transfers between fund	18	-	-	-	-	-
Other recognised gains and losses						
Actuarial (losses)/gain on deferred benefit pensionschemes	18/29	-	(1,849,000)	-	(1,849,000)	264,000
Revaluation gains on fixed assets	14	-	-	1,347,835	1,347,835	-
Net movement in funds		-	(2,930,143)	7,512,172	4,582,029	1,947,032



Victorious Academies Trust

Success in education

Reconciliation of funds

Funds brought forward at
1 September 2018

-	(186,260)	16,129,952	15,943,692	13,996,660
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Funds carried forward at
31 August 2019

-	(3,116,403)	23,642,124	20,525,721	15,943,692
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Statement of Financial Activities
(incorporating Income and Expenditure account)
for the year ended 31 August 2018

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	Note	Unrestricted funds	Restricted non fixed asset funds	Restricted fixed asset funds	Total
		£	£	£	2018 £
Incoming resources					
Income and endowments from:	3				
Donations and capital grants		131,378	-	18,534	149,912
Transfers from local authority on 29 conversion		-	(351,705)	2,212,165	1,860,460
Charitable activities:					
Funding for the Academy Trust's educational operations	4	60,874	2,416,920	-	2,477,794
Other trading activities	5	102,707	-	-	102,707
Investments	6	-	-	-	-
Total		294,959	2,065,215	2,230,699	4,590,873
Expenditure on					
Charitable activities:					
Academy Trust educational operations	7	(473,351)	(2,213,137)	(221,353)	(2,907,841)
Total		(473,351)	(2,213,137)	(221,353)	(2,907,841)
Net income/(expenditure)		(178,392)	(147,922)	2,009,346	1,683,032
Transfers between fund	18	-	(302,338)	302,338	-
Other recognised gains and losses					
Actuarial (losses)/gain on deferred benefit pension schemes	18/27	-	264,000	-	264,000



Victorious Academies Trust

Success in education

Net movement in funds	(178,392)	(186,260)	2,311,684	1,947,032
Reconciliation of funds				
Funds brought forward at 1 September 2017	178,392	-	13,818,268	13,996,660
Funds carried forward at 31 August 2018	-	(186,260)	16,129,952	15,943,692

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Victorious Academies Trust

Success in education

Balance Sheet at 31 August 2019

	Note	2019 £	2018 £	£
Fixed assets				
Tangible assets	14	23,364,849	16,129,952	
		23,364,849	16,129,952	
Current assets				
Debtors	15	1,134,976	161,176	
Cash at bank and in hand	25	972,420	415,414	
		2,107,396	576,590	
Creditors: amounts falling due within one year	16	(878,875)	(398,850)	
Net current assets		1,228,521	177,740	
Total assets less current liabilities		24,593,370	16,307,692	
Creditors: amounts falling due after more than one year	17	(48,649)	-	
Net Assets excluding pension liability		24,544,721	16,307,692	
Defined benefit pension scheme liability	27	(4,019,000)	(364,000)	
Net Assets including pension liability		20,525,721	15,943,692	
Funds of the Academy: Restricted Funds:				
Restricted fixed asset fund	18	23,642,124	16,129,952	
Restricted non fixed asset income fund	18	902,597	177,740	
Pension Reserve	18	(4,019,000)	(364,000)	
Total Restricted Funds		20,525,721	15,943,692	
Unrestricted Funds	18	-	-	
Total Funds		20,525,721	15,943,692	

The financial statements on pages 32 to 64 were approved by the Trustees, and authorised for issue on 16th December 2019 and were signed on their behalf by:

Victorious Academies Trust | Mossley Road | Ashton under Lyne | OL6 9RU
E-mail: info@victoriousacademies.org



Victorious
Academies Trust

Success in education

Andy Hodgkinson
Chair of Trustees

Karen Burns
CEO and Accounting Officer

Statement of Cash Flows
for the year ended 31 August 2019

	<i>Note</i>	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	22	231,082	283,272
Cash flows from investing activities	24	277,275	(118,660)
Cash flows from financing activities	23	48,649	-
Change in cash and cash equivalents in the reporting period		557,006	164,612
Cash and cash equivalents at 1 September 2016		415,414	250,802
Cash and cash equivalents at 31 August 2017	25	972,420	415,414

Notes to the financial statements for the year ended 31 August 2019

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.

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1.1 Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Incoming resources

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

1.4 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

- **Donations** - Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other Income** - Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.
- **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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.
- **Transfer on conversion** - Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.
- **Donated fixed assets (excluding Transfers on conversion/into trust)** - Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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.

The Inspire, Discovery, Poplar Street, Greenside, Yew Tree and Gamesley land and buildings have been leased on individual 125 year agreements at no consideration. The Inspire and Discovery assets have been included at fair value based on build costs. The Poplar Street assets have been included at fair value based on replacement cost information provided by the Department for Education. The Greenside, Yew Tree and Gamesley assets have been included at the replacement cost value used for 2018/19 local authority insurance purposes, in lieu of the DfE valuation exercise that is expected to conclude in January 2019. This temporary valuation basis was queried by the DfE, who subsequently confirmed it was an acceptable temporary approach. These assets are then depreciated in line with the depreciation policy.

1.5 Expenditure

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

- **Expenditure on Raising Funds** - 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. All resources expended are inclusive of irrecoverable VAT

1.6 Tangible Fixed Assets

Assets costing £300 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

- Leasehold land and buildings 50 years
- Fixtures, fittings and equipment 5 years
- ICT equipment 3 years
- Outdoor Play Equipment 10 years
- Building Shutters and Other Refurbishments 20 years (included within land and buildings in Note 12 in relation to fixed assets)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.7 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.

1.8 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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

1.9 Leased Assets

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

1.10 Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows: Page 42

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

1.11 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

1.12 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. None are included in this model but if relevant the suggested disclosure could be as follows, with valuation in line with SORP 2015 [paragraphs 10.44 to 10.49] Stock in these model accounts is immaterial but the policy is included for illustrative purposes.

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

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

date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 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 Department for Education Group.

1.14 Critical accounting estimates and areas of judgement

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

2 General Annual Grant (GAG)

There are no limits on the amount of GAG that is permitted to be carried forward from one year to the next within the funding agreements with the Education Funding Agency.

3 Donations and Capital Grants

Unrestricted funds	Restricted fixed asset funds	Total 2019	Total 2018
£	£	£	£

Capital Grants	-	772,370	772,370	18,534
Donated salary costs	-	-	-	18,382
Donated fixed assets	-	-	-	-
Other donations	69,217	-	69,217	112,996
	69,217	772,370	841,587	149,912

4 Funding for the Academy Trust's educational operations

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
DfE/ESFA Grants				
General Annual Grant (GAG)	-	6,990,822	6,990,822	1,671,715
Other DfE Group Grants	-	1,220,637	1,220,637	264,225
	-	8,211,459	8,211,459	1,935,940
Other Government Grants				
Local authority grants	-	966,261	966,261	480,980
Other income from the Academy Trust's educational operations	78,187	-	129,446	60,873
	78,187	9,177,720	9,255,907	2,477,793

5 Other trading activities

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Hire of facilities	66,293	-	66,293	31,739
Income from other charitable activities	217,015	-	217,015	29,389
Income from ancillary trading activities	40,919	-	40,919	41,579
	324,227	-	324,227	102,707



Victorious Academies Trust

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6 Investment income

	Unrestricted funds	Restricted funds	Total 2019	Total 2018	
	£	£	£	£	£
Investment income	-	-	-	-	-

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7 Expenditure

	Staff costs	Premises	Other costs	Total 2019	Total 2018
	£	£	£	£	£
Academies educational operations :					
Direct costs	6,310,007	-	588,907	6,898,914	1,654,130
Allocated support costs	1,554,415	401,672	1,897,765	3,853,852	1,253,711
	7,864,422	401,672	2,486,672	10,752,766	2,907,841

Net Income/(Expenditure) for the period includes:

	Total 2019	Total 2018
	£	£
Operating Lease rentals	22,809	10,659
Depreciation	950,228	202,820
<u>Fees payable to auditor :</u>		
Audit	21,774	23,225
Other services	2,350	975

8 Analysis of grants

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
General Annual Grant	-	6,990,822	6,990,822	1,671,715
Other DFE Group Grants	-	1,220,637	1,220,637	264,225
Local Authority Grants	-	966,261	966,261	480,980
	-	9,177,720	9,177,720	2,416,920

9 Charitable activities – Academy’s educational operations

	Total 2019 £	Total 2018 £
Direct costs – educational activities	6,898,914	1,654,130
Support costs - educational activities	3,853,852	1,253,711
	10,752,766	2,907,841
Allocated support costs		
Support staff costs	1,554,415	484,683
Depreciation	950,228	202,820
Technology Costs	70,677	29,655
Premises costs	401,672	214,952
Other support costs	651,796	220,239
Governance costs	225,064	101,362
	3,853,852	1,253,711

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10 Staff

(a) Staff costs

	2019 £	2018 £
Staff costs during the period were :		
Wages and salaries	5,741,360	1,476,190
Social security costs	488,396	118,704
Apprenticeship levy	13,711	-
Pension costs	1,441,110	385,238
	7,684,578	1,980,132
Agency staff costs	179,844	26,852
Staff restructuring costs	-	8,761
	7,864,422	2,015,745

Staff restructuring costs comprise:
Severance payments £nil

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2018: £8,761)

(b) Staff numbers

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

	2019 Number	2018 Number
Charitable activities		
Teachers	99	21
Administration and support	258	50
Management	3	3
	<hr/> 360	<hr/> 74

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(c) Higher paid staff

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

	2019 Number	2018 Number
£60,000 - £70,000	1	-
£70,001 - £80,000	4	-
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£130,001 - £140,000	-	-

(d) Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust were **£329,201** (2018: £283,657).

11 Central Services

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

- human resources service
- financial services
- legal services
- payroll services
- management information software and support
- estates support services
- governor clerking services
- health and safety services



- educational support services
- others as arising

The Academy Trust policy is to charge for these services on the basis of 4.9% of the original budget estimate of both the General Annual Grant from the ESFA and the Early Years grant received from local authorities. It was agreed in the School's original approved budget plan for 2018/19 that Inspire Academy would be charged an additional £25,000 in central service fee as a result of the level of additional operational support being provided to that School during 2018/19.

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The actual amounts charged during the year were as follows :	2019 £'000	2018 £'000
Inspire Academy	74,290	73,203
Discovery Academy	28,487	23,116
Poplar Street Primary School	84,936	25,134
Greenside Primary School	72,340	-
Yew Tree Primary School	85,100	-
Gamesley Primary School	54,999	-
	400,152	121,453

12 Related party transactions - Trustees' remuneration and expenses

The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contract of employment.

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

K Burns (Chief Executive Officer and Trustee):

Remuneration £120,000 - £125,000 (2018: £110,000 - £115,000)

Employer's pension contributions paid £15,000 - £20,000 (2018: £10,000 - £15,000)

During the period ended 31 August 2018, travel and subsistence expenses totalling £459 were reimbursed or paid directly to 2 members (2018: 654.78 to 3 members/trustees)

Other related party transactions are set out in Note 27.

13 Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme. The cost of this insurance is included in the total insurance cost.



Victorious Academies Trust

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14 Tangible Fixed assets

	Leasehold land and buildings	Assets under construction	Furniture and equipment	ICT equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2018	16,305,959	-	145,379	164,894	16,616,232
Additions	6,356,055	434,831	27,810	18,594	6,837,290
Revaluations	1,347,835				1,347,835
Disposals	-	-	-	-	-
At 31 August 2019	24,009,849	434,831	173,189	183,488	24,801,357
Accumulated depreciation					
At 1 September 2018	290,471	-	74,150	121,659	486,280
Charged in year	895,332	-	30,341	24,555	950,228
Disposals	-	-	-	-	-
At 31 August 2019	1,185,803	-	104,491	146,214	1,436,508
Net book values					
At 31 August 2018	16,015,488	-	71,229	43,235	16,129,952
At 31 August 2019	22,824,046	434,831	68,698	37,274	23,364,849

The trust's transactions relating to land and buildings include

- the acquisition of the 125 year peppercorn leasehold on Greenside Primary School which was donated to the Trust at an estimated value of £3,171,000.
- the acquisition of the 125 year peppercorn leasehold on Yew Tree Primary School which was donated to the Trust at an estimated value of £1,646,000
- the acquisition of the 125 year peppercorn leasehold on Gamesley Primary School which was donated to the Trust at an estimated value of £1,501,000

The valuation of the leaseholds was based on the respective building insurance replacement cost in place at the point of transfer. That valuation will be updated as part of the DfE/ESFA new academy valuation process that is expected to conclude in January 2020.

The Trustees are of the opinion that the risks and rewards associated with the three new leaseholds have been substantially transferred to the Academy Trust and as such the land and buildings have been capitalised, with a corresponding entry shown in the Statement of Financial Activities, as donated income.

The Trustees are satisfied that this basis most closely reflects an appropriate fair value for the asset.

15 Debtors

	2019 £	2018 £
Trade debtors	61,493	4,719
VAT Recoverable	179,341	83,730
Other debtors	39,591	935
Prepayments and accrued income	854,551	71,792
	1,134,976	161,176

16 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	603,459	139,802
Other taxation and social security	-	-
ESFA Creditor: Abatement of grant	-	11,410
Other creditors	604	493
Accruals and deferred income	274,812	247,145
	878,875	398,850

Deferred Income

Deferred Income at 1 September 2018	232,721	46,579
Released from previous years	(232,721)	(46,579)
	151,296	232,721

Resources deferred in the year

Deferred income at 31 August 2019	151,296	232,721
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At the balance sheet date the academy trust was holding funds received in advance for Pupil Premium, Universal Infant Free School Meals and Business Rates grants.

17 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Salix loans (through the ESFA)	16,610	-
Other DFE Group CIF loans	22,981	-
Other DFE Group Loan	9,058	-
	48,649	-

Salix Loans of £16,610 from the Education Skills and Funding Agency were provided on an interest free basis to be repaid on a straight line basis annually for 8 years. These were granted in connection with School Condition projects.

Other DfE Group CIF loans of £22,981 from the Education Skills and Funding Agency were provided with a public loans board interest rate of 2.29% to be repaid on a straight line basis annually for 10 years. These were granted in connection with School Condition projects.

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Other DfE Group loans of £9,058 from the Education Skills and Funding Agency were provided on an interest free basis to be repaid on a straight line basis annually for 3 years. This loan relates to the repayment of monies in connection with Local Authority related outturn position.

18 Funds

	Balance at 1 September 2018 £	Incoming resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	177,740	6,990,822	(6,265,965)	-	902,597
Grant from local authority	-	966,261	(966,261)	-	-
Pupil premium	-	746,410	(746,410)	-	-
Other grants	-	474,227	(474,227)	-	-
Transfer on conversion	-	374,044	(374,044)	-	-
Transfer on conversion – pension deficits	-	(1,302,000)	-	1,302,000	-
Pension reserve	(364,000)	-	(504,000)	(3,151,000)	(4,019,000)
	(186,260)	8,249,764	(9,330,907)	(1,849,000)	(3,116,403)
Restricted fixed asset funds					
Transfer on conversion	15,827,614	6,342,195	(950,228)	1,347,835	22,567,416
DfE group capital grants	-	737,370	-	-	737,370
Capital Expenditure from Revenue	302,338	-	-	-	302,338
Private sector capital	-	35,000	-	-	35,000
	16,129,952	7,114,565	(950,228)	1,347,835	23,642,124
Total restricted funds	15,943,692	15,364,328	(10,281,135)	(501,165)	20,525,721
Total unrestricted funds	-	471,631	(471,631)	-	-
Total	15,943,692	15,835,959	(10,752,766)	(501,165)	20,525,721

The specific purposes for which the funds are to be applied are as follows: General Annual Grant must be used for the normal running costs of the Trust and Academies. The restricted fixed asset funds added this year primarily relate to the donated land and buildings at Greenside Primary, Yew Tree Primary and Gamesley Primary Schools. There was also a significant revaluation gain in relation to Poplar Street Primary arising from the DfE valuation exercise.

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Analysis of Academies by fund balance:

	2019 £	2018 £
Inspire Academy	129,500	46,434
Discovery Academy	164,502	53,637
Poplar Street Primary School	87,423	(12,625)
Greenside Primary	(11,823)	-
Yew Tree Primary	87,904	-
Gamesley Primary	255,263	-
Victorious Academies Trust	189,828	90,294
Total before fixed asset and pension reserve	902,597	177,740
Restricted fixed asset fund	23,642,124	16,129,952
Pension reserves	(4,019,000)	(364,000)
Total	20,525,721	15,943,692

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

	Balance at 1 September 2017 £	Incoming resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	50,000	1,671,715	(1,241,637)	(302,338)	177,740
Start up grant from local authority	-	480,980	(480,980)	-	-
Pupil premium	-	113,915	(113,915)	-	-
Transfer on conversion	-	(351,705)	351,705	-	-
Pension reserve	(50,000)	-	(578,000)	264,000	(364,000)
Other grants	-	150,310	(150,310)	-	-
	-	2,065,215	(2,213,137)	(38,338)	(186,260)
Restricted fixed asset funds					
DfE/ESFA grants	-	18,534	(18,534)	-	-
Capital Expenditure from Revenue	-	-	-	302,338	302,338



Victorious Academies Trust

Success in education

Donated assets from local authority	13,818,268	2,212,165	(202,819)	-	15,827,614
	13,818,268	2,230,699	(221,353)	302,338	16,129,952
Total restricted funds	13,818,268	4,295,914	(2,434,490)	264,000	15,943,692
Total unrestricted funds	178,392	294,959	(473,351)	-	-
Total	13,996,660	4,590,873	(2,907,841)	264,000	15,943,692

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19 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total £
Tangible fixed assets	-	-	23,364,849	23,364,849
Current assets	-	1,830,120	277,276	2,107,396
Current liabilities	-	(878,875)	-	(878,875)
Non-current liabilities	-	(48,649)	-	(48,649)
Pension scheme liability	-	(4,019,000)	-	(4,019,000)
		- (3,116,404)	23,642,125	20,525,721

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

	£	£	£	£
Tangible fixed assets	-	-	16,129,952	16,129,952
Current assets	398,850	177,740	-	576,589
Current liabilities	(398,850)	-	-	(398,850)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(364,000)	-	(160,000)
		- (186,260)	16,129,952	15,943,692

20 Capital Commitments

	2019 £	2018 £
Contracted for, but not provided in the financial statements	95,313	-

21 Commitments under operating leases

	2019 £	2018 £
At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:		
Amounts due within one year	23,070	10,569
Amounts due between one and five years	28,251	16,752
Amounts after five years	-	-
	51,321	27,321

22 Reconciliation of net incoming resources to net cash inflow from operating activities

	2019 £	2018 £
Net Income/(Expenditure)	5,083,194	1,683,032
Adjusted for:		
Depreciation	950,228	202,819
Capital grants from DFE and other capital income	(7,114,565)	(2,230,699)
Interest receivable (note 6)	-	-
Defined benefit pension scheme obligation inherited (note 27)	1,302,000	424,000
Defined benefit pension scheme cost less contributions payable (note 27)	457,000	147,000
Defined benefit pension scheme finance cost (note 27)	47,000	7,000
Decrease/(Increase) in debtors (note 15)	(973,800)	(54,955)
Increase/(Decrease) in creditors (note 16/17)	480,025	105,075
Increase/(Decrease) in provisions	-	-
Net cash inflow from operating activities	231,082	283,272

23 Cash flows from financing activities

	2019 £	2018 £
Repayments of borrowing	-	-
Cash In Flows from New Borrowing	48,649	-
Net cash flow from financing activities	48,649	-

24 Cash flows from investing activities

	2019 £	2018 £
Purchase of tangible fixed assets	(519,290)	(137,194)
Capital grants from DfE/ESFA	737,370	18,534
Capital grants from LA	59,195	
Net cash flow from investing activities	277,275	(118,660)

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25 Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand and at bank	972,420	415,414

26 Members' liability

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

27 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 Greater Manchester Pension Fund (GMPF) for our Tameside based Schools and by Derbyshire County Council for our Derbyshire based School. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.
- The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £515,051 (2018: £131,547).

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 – Greater Manchester Pension Fund

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £480,583 (2018: £154,000), of which employer's contributions totalled £347,260 (2018: £113,000) and employees' contributions totalled £133,323 (2018: £41,000). The agreed contribution rate for the Trust for the Greater Manchester Pension Fund membership is 17.2% per cent for employers. The LGPS employee contribution rates are banded based on salary earned and the employee salary bands and corresponding contribution rates are as follows:

Actual Pensionable Pay

Employee contribution rate %

Up to £14,100	5.50%
£14,101 - £22,000	5.80%
£22,001 - £35,700	6.50%
£35,701 - £45,200	6.80%
£45,201 - £63,100	8.50%
£63,101 - £89,400	9.90%
£89,401 - £105,200	10.50%
£105,201 - £157,800	11.40%
£157,801 or more	12.50%

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

Principal Actuarial Assumptions:

	At 31 August 2019	At 31 August 2018
Rate of increase in salaries	3.1%	3.1%
Rate of increase for pensions in payment/inflation	2.3%	2.3%
Discount rate for scheme liabilities	1.9%	2.8%

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

	2019	2018
<i>Retiring today:</i>		
Males	20.6 years	21.5 years
Females	23.1 years	24.1 years
<i>Retiring in 20 years:</i>		
Males	22.0 years	23.7 years
Females	24.8 years	26.2 years

At 31 August 2019 At 31 August 2018

Sensitivity Analysis

	£	£
0.5% Increase in the Pension Increase Rate (CPI)	966,000	192,000

0.5% Increase in the Salary rate	397,000	78,000
0.5% Increase in Real Discount rate	1,401,000	275,000

Local Government Pension Scheme

The Academy's share of the assets in the scheme were:

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Fair value at
31 August
2019
£

Equities	2,827,000
Government bonds	624,000
Property	333,000
Cash	374,000
	<hr/> 4,158,000

The actual return on scheme assets was £93,000 (2018: £12,000)

Amounts recognised in the Statement of Financial Activities:

£

Current service cost	(748,000)
Interest income	93,000
Interest cost	(131,000)
Total amount recognised in the SOFA	<hr/> (786,000)

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

2019
£

At 1 September	1,454,000
Transferred in on existing academies joining the academy trust	3,291,000
Current service cost	748,000
Interest cost	131,000
Employee Contributions	120,000
Actuarial gain	1,653,000
At end of year	<hr/> 7,397,000

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

	2019	
	£	
At 1 September	1,090,000	Page 59
Transferred in on existing academies joining the academy trust	2,333,000	
Actuarial gain	176,000	
Interest Income	93,000	
Employer Contributions	346,000	
Employee Contributions	120,000	
At end of year	4,158,000	

Local Government Pension Scheme – Derbyshire County Council

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £97,681 (2018: £nil), of which employer's contributions totalled £74,799 (2018: £nil) and employees' contributions totalled £22,882 (2018: £nil). The agreed contribution rate for the Trust for the Greater Manchester Pension Fund membership is 21% per cent for employers. The LGPS employee contribution rates are banded based on salary earned and the employee salary bands and corresponding contribution rates are as follows:

Actual Pensionable Pay	Employee contribution rate %
Up to £14,100	5.50%
£14,101 - £22,000	5.80%
£22,001 - £35,700	6.50%
£35,701 - £45,200	6.80%
£45,201 - £63,100	8.50%
£63,101 - £89,400	9.90%
£89,401 - £105,200	10.50%
£105,201 - £157,800	11.40%
£157,801 or more	12.50%

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

Principal Actuarial Assumptions:

	At 31 August 2019	At 31 December 2018
Rate of increase in salaries	2.8%	3.0%



Victorious Academies Trust

Success in education

Rate of increase for pensions in payment/inflation	2.3%	2.5%
Discount rate for scheme liabilities	1.9%	3.1%

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

	2019	2018	Page 60
<i>Retiring today:</i>			
Males	21.9 years	-	
Females	24.4 years	-	
<i>Retiring in 20 years:</i>			
Males	23.9 years	-	
Females	26.5 years	-	

At 31 August 2019 At 31 August
2018

Sensitivity Analysis

	£	£
0.5% Increase in the Pension Increase Rate (CPI)	219,000	-
0.5% Increase in the Salary rate	50,000	-
0.5% Increase in Real Discount rate	275,000	-

Local Government Pension Scheme

The Academy's share of the assets in the scheme were:

	Fair value at 31 August 2019 £
Equities	595,000
Government bonds	234,000
Property	78,000
Cash	68,000
	976,000

The actual return on scheme assets was £93,000 (2018: £12,000)

Amounts recognised in the Statement of Financial Activities:

	£	
Current service cost	(130,000)	
Interest income	19,000	
Interest cost	(28,000)	
Total amount recognised in the SOFA	(139,000)	Page 61

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

	2019 £
At 1 September	-
Transferred in on existing academies joining the academy trust	1,139,000
Current service cost	130,000
Interest cost	28,000
Employee Contributions	21,000
Actuarial gain	438,000
At end of year	1,756,000

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

	2019 £
At 1 September	-
Transferred in on existing academies joining the academy trust	795,000
Actuarial gain	66,000
Interest Income	19,000
Employer Contributions	75,000
Employee Contributions	21,000
At end of year	976,000

28 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. No additional related party transactions took place in the financial period other than those detailed in Note 12.

29 Transfer of existing academies into the trust

On 01/11/2018 Greenside Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Victorious Academies Trust from Tameside MBC Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

The Pension deficit on conversion from Greater Manchester Pension Fund's LGPS scheme represents a 50% split of the combined deficit information that related to this School and Yew Tree Primary which both joined the Trust on the same date. The actuary combined their data with the existing Trust deficit.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

Greenside Primary School	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2019 £
Leasehold land and buildings	-	-	3,171,000	3,171,000
Other fixed assets	-	-	-	-
Cash/Loan - representing budget surplus on LA funds	-	32,297	-	32,297
Creditors due in more than one year	-	(9,058)	-	(9,058)
LGPS pension deficit	-	(479,000)	-	(479,000)
	-	(455,761)	3,171,000	2,715,239

On 01/11/2018 Yew Tree Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Victorious Academies Trust from Tameside MBC Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

The Pension deficit on conversion from Greater Manchester Pension Fund's LGPS scheme represents a 50% split of the combined deficit information that related to this School and Greenside Primary which both joined the Trust on the same date. The actuary combined their data with the existing Trust deficit.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

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Yew Tree Primary School	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2019 £
Leasehold land and buildings	-	-	1,646,000	1,646,000
Other fixed assets	-	-	-	-
Cash/Loan - representing budget surplus on LA funds	-	107,216	-	107,216
LGPS pension deficit	-	(479,000)	-	(479,000)
	-	(371,784)	1,646,000	1,274,216

On 01/12/2018 Gamesley Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Victorious Academies Trust from Tameside MBC Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

Gamesley Primary School	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2019 £
Leasehold land and buildings	-	-	1,501,000	1,501,000
Other fixed assets	-	-	-	-
Cash/Loan - representing budget surplus on LA funds	-	234,531	24,195	258,726
LGPS pension deficit	-	(344,000)	-	(344,000)
	-	(109,469)	1,525,195	1,415,726

