

Company Registration Number: 09284368 (England & Wales)

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Diane Lloyd, nee Cochrane
Col (Ret'd). K Knutton
John Harris
Andrew Griffiths

Trustees

Tony Bowles, Chief Executive Officer (resigned 31 August 2023)
Robert Dimmock, Chair of Trustees to 15 June 2023
Angela Mander, Acting Chief Executive Officer (appointed 1 September 2023)
Tracey Pearce, Vice Chair
Gemma Marie Draycott
Angela Adams
Emma Armstrong
Chris Mephram (resigned 9 November 2023)
Jena Ntumba (appointed 1 September 2022)
Jessica Heale (Shulman), Chair of Trustees from 16 June 2023 (appointed 26 September 2022)

Company registered number

09284368

Company name

Invictus Education Trust

Principal and registered office

Invictus Education Trust Headquarters
Kinver High School
Enville Road
Kinver
South Staffs
DY7 6AA

Company secretary

Emma Myers

Chief executive officer

Tony Bowles (Resigned 31 August 2023)
Angela Mander (Acting from 1 September 2023 to 31 December 2023)
Edward T Vitalis (Permanent appointment from 1 January 2024)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Executive Leadership Team

Tony Bowles, Headteacher - Chief Executive Officer and Accounting Officer (resigned 31 August 2023)
Carla Leslie, Headteacher - Ellowes Hall Sports College (resigned 30 October 2022)
Kevin Rogers, Headteacher - Ellowes Hall Sports College (appointed 1 January 2023)
Claire Powell, Headteacher - Wombourne High School (appointed 1 September 2022)
Nicola Clifton, Headteacher - Kinver High School
David Boerm, Acting Headteacher - The Crestwood School (1 September 2022 to 31 December 2022)
Tony Bowles, Acting Headteacher - Ellowes Hall Sports College (31 October 2022 to 31 December 2022)
Phillip Sutton, Headteacher - The Crestwood School (appointed 1 January 2023)
Matthew Mynott, Headteacher - Leasowes High School (resigned 30 April 2023)
Gareth Lloyd, Headteacher - Pedmore High School
Erica Tilley, Headteacher - Rufford Primary School (appointed 1 September 2022)
Michelle Ditchfield, Acting Headteacher – Rufford Primary School (appointed 1 May 2022 – 31 August 2022)
Christiana Papadopoullos, Headteacher - Leasowes High School (acting from 1 May 2023 and appointed 1 September 2023)
Karen Cocker, Chief Finance Officer
Angela Mander, Acting Chief Executive Officer for 1 September 2023 to 31 December 2023 and Deputy Chief Executive Officer

Independent external auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Barclays Bank plc
PO Box 5
Wolverhampton
WV1 1DS

Solicitors

Browne Jacobson (to 31 August 2023)
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Shakespeare Martineau (from 1 September 2023)
No 1 Colmore Square
Birmingham
B46AA

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Independent internal auditor

Bishop Fleming
1-3 College Yard
Worcester
WR1 2LB

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditor's report of Invictus Education Trust ("the Trust") for the year ended 31 August 2023. The Trustees confirm that the annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the FRS102, including the Charities SORP 2015. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under Company Law.

At the 31 August 2023, Invictus Education Trust consists of six of the leading secondary schools in Dudley and South Staffordshire together with the first primary school to join the Trust on 1 September 2021, who form the Invictus Education Multi Academy Trust.

The schools in the Borough of Dudley are: The Crestwood School in Kingswinford, Ellowes Hall Sports College in Gornal, Leasowes High School in Halesowen, Pedmore High School in Pedmore, and from Staffordshire County, Kinver High School in Kinver and Wombourne High School in Wombourne.

Rufford Primary School in Pedmore academised on 1 September 2021 and also joined the Trust on that date.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

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

The Trust is constituted under a Memorandum of Association dated 18 October 2014. The current Articles of Association in place were updated on 31 March 2022.

The Trustees of Invictus Education Trust are also the directors of the charitable company for the purpose of company law. The Promoting the Success of the Company Statement as required by Section 172(1) of the Companies Act 2006 is within this element of the Trustees report further down.

The charitable company is known as Invictus Education Trust.

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

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Up to nine trustees are appointed by the Academy Trust Members at Invictus Education Trust and a further two trustees can be co-opted by the Board of Trustees. All trustees are appointed for a 4-year Term save for the CEO who – if appointed – serves on an ex-officio basis. Trustees may, by application, be re-appointed. Where a vacancy arises, through the completion of term or by the resignation of a serving trustee, Trustees will be recruited in accordance with the Articles of Association candidates are interviewed by the Trustees and a formal appointment recommended to the Members.

On appointment the following documentation is issued:

- Letter of appointment
- Trustee welcome pack
- Invictus Guide to Governance (Inc. role description)
- Declaration of Business and Pecuniary Interests
- Declaration of Related Parties
- Trustee Information and Declaration Form
- DBS (Disclosure and Barring Service) Checks Trust Governance Arrangements

The Trust Governance Arrangements Documents sets out the Trust Structure and the roles and responsibilities, terms of office etc.

e. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Trust has a gold subscription with the National Governance Association (NGA). Through this membership all members and trustees receive:

- A complimentary copy of 'Welcome to Governance' upon appointment
- Access to Welcome to Governance LIVE – virtual sessions for new trustees
- Copies of Governing Matters magazine
- Access to an online Knowledge Centre containing a wealth of governance resources
- A weekly newsletter featuring the latest education news and policy updates

In addition to this, all members and trustees have access to The Key for School Governors which contains over a thousand practical articles, templates and guidance documents.

Training is provided for members, trustees and local governance through membership to Learning Link and The National College which, combined, provide access to hundreds of experts led webinars and e-learning modules. All new trustees and governors are directed to an induction training programme consisting of eight core modules:

- Governance: Your role, responsibilities, your organisation
- Your organisation: Understanding school structures and what children should learn
- Strategy: Living your values, reaching your vision, managing the risk
- Progress and attainment: Using data to improve educational outcomes
- Finance: Making the most of what you've got
- Working Together: Building the team and improving the organisation
- Compliance: Assuring your organisation, keeping it safe, secure and solvent
- Effectiveness: Governance making an impact, changing lives

Furthermore, bespoke training is provided according to individual or collective need and is accessed through a wide range of external partners.

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TRUSTEES' REPORT (CONTINUED)
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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

f. ORGANISATIONAL STRUCTURE

Invictus Education Trust Members

The members of Invictus Education Trust are the guardians of the governance of the Trust. They have a limited but distinct role and are essential to the integrity of the governance structure. They are the last line of defence from failures of governance and failure to uphold the Trust's charitable purpose. Whilst it is the Trust Board who are responsible for the core governance functions and conducting the business of the Trust, members have certain key powers afforded to them:

- Ensuring the Trust's charitable objectives are being met
- Approving and signing the memorandum and articles of association
- Determining the name of the Trust
- Appointing and removing members and trustees
- Appointing and removing the external auditors
- Dissolving the Trust

Board of Trustees

At the 31 August 2023, the Trust had a Board of Trustees with responsibility and accountability for the seven schools, with a School Governing Board to be known as Academy Committee's from September 2023 at each school.

The Board of Trustees is responsible for setting the Trust's policies, approval of budgets, monitoring performance against these plans and making major decisions about the direction of the Trust including its curriculum, the achievement and welfare of students, and staffing. Groups of Trustees may be formally organised outside of this structure as necessary to support the Trust as required.

Trust Board

Subject to the provisions of the Companies Act 2006, the articles of association and to any directions given by the members by special resolution, the business of the Trust is managed by the Trust Board who exercise all the powers of the academy trust. The Trust Board is responsible for the overall strategic direction of the Trust, as well as holding executive leaders to account for delivering agreed priorities and ensuring the financial probity of the Trust. There are key matters that are reserved for the Trust Board:

- Responsibility for organisational strategy, objectives and values
- Approval of new schools joining the Trust
- Approval of Trust plans, targets, budgets and capital expenditure
- Oversight of long-term financial planning, maintenance, risk mitigation, internal controls and compliance with regulations
- Approval of material acquisitions or disposal of land or buildings
- Approval of significant changes in accounting policies or practices
- Approval of annual accounts
- Approval of the Scheme of Delegation and Financial Scheme of Delegation
- Approval of changes to the Trust Board and committee structure and composition, including the appointment of the Trust Board chair and Trust Board committee chairs
- Appointment of CEO, Deputy CEO and CFO
- Ensuring effective safeguarding policies and procedures are in place

In order to allow the Trust Board to focus on their core functions, other powers and functions may be delegated to any trustee, committee, the CEO or any other holder of an executive office as determined in the Scheme of

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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Delegation. To ensure oversight, all delegated actions taken and decisions are reported back to the Trust Board.

Trust Board Committees

The constitution, membership and proceedings of any committee is determined by the Trust Board. These arrangements are clarified through terms of reference for each committee. The establishment, terms of reference, constitution and membership of all committees is reviewed at least once every twelve months. Trust Board committees operate within the remit of this Scheme.

The membership of any Committee of Trustees may include persons who are not trustees, provided that the majority of members of that committee is trustees.

Finance and Resources Committee

The Trust's Finance and Resources Committee works across the Trust. The formal structure of voting members consists of the Trustees, together with the Chief Finance Officer in attendance for professional support and guidance.

Audit, Risk and Compliance Committee

The Trust's Audit, Risk and Compliance Committee works across the Trust. The formal structure of voting members consists of the Trustees, together with the Chief Finance Officer in attendance for professional support and guidance.

Education, Standards and Safeguarding Committee

The Trust's Education, Standards and Safeguarding Committee works across the Trust. The formal structure of voting members consists of the Trustees, together with the Deputy Chief Executive Officer, Director of Education and Head of Safeguarding, Behaviour and Attendance in attendance for professional support and guidance.

School Governing Boards/School Academy Committees

Each school has a School Governing Board, to be renamed Academy Committee from September 2023, to support its effective operation. The remit and terms of reference are established by the Trust Board. The membership of all School Governing Boards/Academy Committees will include two parent governors.

Advisory Hubs

Advisory Hubs provide opportunities for School Governing Boards/Academy Committees to work collaboratively. Link governors from each of the School Governing Boards/Academy Committees will meet regularly and focus on specific areas, challenging in an interactive setting to generate ideas, share best practice and monitor performance and compliance. Advisory Hubs receive input from the Trust Board, the CEO, Headteachers, school leaders and the central executive team as appropriate.

Clear separation

Clear separation between the layers of governance means that the individuals making up one tier of the governance structure of the organisation are not the same as another tier. The requirement for significant separation, particularly within MATs, is made explicit in both the Academy Trust Handbook and the Governance Handbook. Good governance requires a separation of roles to ensure objectivity and avoid conflicts and individuals having undue power and influence.

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TRUSTEES' REPORT (CONTINUED)
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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Executive Functions

Whilst the Trust Board is ultimately accountable for the outcome of all decisions, management and implementation of decisions is largely an executive function. In accordance with the Governance Handbook, the expectation is that executive leaders are responsible for the internal organisation, management and control of the schools. Since, however, the Trust Board is responsible in law for all of the schools in the Trust, it may intervene in operational matters if a circumstance arises where, because of the actions or inactions of executive leaders, a school or the Trust may be in breach of a duty.

To allow sufficient bandwidth for trustees to perform their strategic leadership role in the Trust, decision-making functions are delegated to the Chief Executive Officer or school Headteachers wherever possible. It is for the Chief Executive Officer to determine how functions are delegated to the central executive team or school senior leadership team.

Chief Executive Officer/Accounting Officer

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

Tony Bowles, the CEO from September 2018, retired on 31 August 2023. Pending a permanent appointment, Angela Mander, the DCEO, acted up to the position of CEO until a permanent appointment was made on 29 September 2023 to Edward T Vitalis. It is expected that Mr Vitalis will take up the CEO appointment from 1 January 2024.

Management Structure

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

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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The CEO is responsible for determining the central team structure at Invictus headquarters. Any new or replacement posts will be approved by the HR Director, the CFO and the CEO to ensure that the workforce is meeting the needs of Trust and its academies and that the post(s) are within budget.

A senior executive benchmarking exercise is currently underway using Browne Jacobson to benchmark sector salaries on behalf of the Trustees.

Headteachers are responsible for making a recommendation to the CEO of their desired staffing structure. Any new or replacement posts will be reviewed by the HR Director, the CFO and the CEO to ensure that the workforce is meeting the needs of the service users and that the post(s) are within budget.

The HR Director will inform the Finance and Resources Committee of the nationally agreed contractual pay awards relative to staff contracts of employment. The Finance and Resources Committee will review the information and approve the relative contractual pay award.

Non-teaching staff are employed on National Joint Council Terms and Conditions and therefore receive incremental progress each April until the employee reaches the top of their pay grade, unless there is a concern regarding performance.

Teaching staff are employed on School Teachers Terms and Conditions and the Conditions of Service for School Teachers in England and Wales and are salaried within the appropriate pay ranges.

The Trust's pay policy is currently under review.

The CEO will be paid in accordance with their executive contract of employment.

Trust Governors, Trustees or Members receive no pay or remuneration.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

TRADE UNION FACILITY TIME

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering the period starting from 1 April each year.

Relevant union officials

Number of employees who were relevant union officials during the Year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	19
Total pay bill	31,106,000
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

h. ENGAGEMENT WITH EMPLOYEES (INCLUDING DISABLED PERSONS)

The Trust actively engages with its employees on a broad range educational and employment matters. The infrastructure of the Trust is a highly experienced professional central team which has recently developed in Marketing, IT, Governance, Compliance and HR.

The marketing team ensure that the Trust website is up to date with the latest news and events occurring across the Trust. On the internal shared area, all functions are able to communicate, collaborate and access essential information such as policies, guidance and templates. The central team communicate with staff on pay, terms and conditions, public holidays and important updates.

The Chair of the Trust Board meets regularly with the CEO informally and formally at Trust Board Meetings. The CEO meets regularly with the executive leadership team and each function manager. The line managers in turn communicate actions and information to the Headteachers, Facility and Operations Team and the Headteachers Office Manager/Personal Assistant.

All Trustees, employees, students and the community are informed of the Trust's performance as appropriate. This may include Ofsted outcomes, new initiatives, engagement strategies and open events.

Employees and their representatives, where appropriate, are consulted on topics which would be of interest, such as managing change programmes. Consideration is given to the nine protected characteristics under the Equality Act 2010 to ensure that discrimination does not occur. The Trust's Equality and Diversity Policy and Public Sector Equality Duties are published on the Trust website. The Trust does not tolerate discrimination, victimisation or harassment.

The Trust does not make recruitment decisions based on any protected characteristic, it makes staffing appointments based on the outcomes of a thorough recruitment process which is in line with Keeping Children Safe in Education.

Absence/health and wellbeing is a priority across the Trust this year to support staff when they become ill. Early intervention in a supportive manner will lead to supporting staff back to work and making reasonable adjustments for disabled employees where this is practical and possible.

The Trust actively engages with Unions when restructuring or making changes to the organisation which impact on workforce.

i. ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS IN A BUSINESS RELATIONSHIP WITH THE ACADEMY

The Trust works hard to promote strong business relationships with our suppliers and service providers. Over the last several years the Trust has worked at centralising all of the major service providers and will continue with this work going forward. The Trust's ethos is to get the very best quality of service for the Trust's schools, students and staff, and to build working relationships with those service providers acknowledging the benefits.

Where possible the Trust will engage with local businesses, which in turn financially supports the local communities and the families that attend the Trust schools. By doing business more locally it is the aim to reduce the Trust's carbon footprint.

The Trust has a community engagement policy which promotes the use of the school sports facilities by clubs and individuals locally based.

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

OBJECTIVES AND ACTIVITIES

a. OBJECTIVES, STRATEGY AND AIMS

The principal object and activity of the Trust is to advance education in the UK for the public benefit, in particular by establishing, maintaining, carrying on, managing and developing its academies, offering a broad curriculum with a strong emphasis on the specified specialisms of those academies. In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

b. EDUCATIONAL AIMS

The Trust's education aim is to ensure that every child enjoys the same high quality in terms of resourcing, tuition and care.

Year 7 Student Intake September 2022 and current Ofsted Grading.

Trust School	Year R or 7 PAN Sept 2022	Actual Number Admitted Sept 2022	Last Inspection	OFSTED Grading
Crestwood School 11-16 age range	210	210	March 2023	The Crestwood School continues to be a good school
Ellowes Hall Sports College 11-18 age range	180	181	April 2023	Good
Kinver High School 11-18 age range	150	165	Dec 2021	Good
Leasowes High School 11-16 age range	180	209	Sept 2019	Good
Wombourne High School 11-18 age range	192	209	March 2022	Good
Pedmore High School 11-16 age range	150	110	Feb 2023	The Pedmore High School continues to be a good school
Rufford Primary School 3-11 age range	30 (+30 place Governor led nursery)	18 (+23 nursery)	Sept 2021	Requires Improvement; Leaders and those responsible for governance are taking effective action in order for the school to become a good school.

School Improvement Process

Invictus Education Trust has been created with a distinctive identity. The close geographical proximity allows true collaboration across all our schools.

The Trust Values are central to all we do. Value One - Every day in every way our students come first is our most important one. We strive for academic excellence, and are relentless in our ambition to ensure all of our students make great progress from their starting points. Our staff work tirelessly in order to prepare them for their next stage of learning, whatever that may look like. Students are supported to overcome any barriers they may have in order for them to be able to make a positive contribution to society.

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

OBJECTIVES AND ACTIVITIES (CONTINUED)

We aim for all our schools to be 'great' schools.

Students have the opportunity to try out a wide and rich range of experiences and unique opportunities. The aim is to expose them to the best of cultural, vocational and sporting opportunities, understanding that those aspects are not just recreational but critical to the students' independent development and success.

There is an established, rigorous system of School Improvement which has been developed with an emphasis on the gathering a wider range of evidence to give an accurate impact of the work to date whilst identifying the areas that need to be developed further. Each department within our schools has a regular internal Health Check led by Heads of Departments. These are further quality assured by a Senior Leader Health Check. Line management is used to support and develop our staff. Appraisal is used to support the cycle of school improvement, giving accountability and providing opportunities for CPD and the sharing of best practice.

The Quality Assurance (QA) process in Invictus schools begins with a detailed scrutiny of each school generated by its data. This Data is triangulated alongside pupil interviews, learning walks, work trawls and discussions with staff. Each school produces its own Self-Evaluation Form (SEF) to review its work against its priorities. These are reviewed and updated throughout the year. The school SEF support its school improvement planning, again bespoke to the school, giving clarity to the key areas of development. These are then cascaded down to Departmental Improvement Plans, ensuring school improvement at all levels.

In addition to school quality assurance, the Trusts' central School Improvement Team also carry our quality assurance. The process is known as a Focus Day/s is developmental and supportive. The Chief Executive Officer (CEO), Deputy CEO and Directors of Education and Invictus Institute, visit schools along with a peer Headteacher and relevant Subject Directors. Directors and peer Headteachers alternate depending on the area chosen. An external consultant is also part of the team to quality assure the process. The growth of the central teaching and learning team has ensured a robust approach. This process facilitates a more targeted approach to supporting school improvement, at pace, and eradicating areas of key weakness.

The day concentrates on the priorities of the School Improvement Plan (SIP), pupil well-being and Safeguarding. This process is in line with the most recent Ofsted framework and includes professional conversations round curriculum, data and leadership. Lessons are then visited to observe learning, and pupil interviews carried out alongside work scrutinies.

A report is then compiled, identifying areas of strength, as well as areas for development. This is then shared with the Headteacher and Senior Leaders, the actions of which are followed up in line management meetings. The Focus Day reports are shared with school governing body alongside actions to address areas of development. The process allows areas of strength to be celebrated, and signposted across other schools in the Trust. Continuous Professional Development (CPD) and collaboration across the Trust supports post Focus Day actions.

In addition to the whole school improvement process there are several Teaching and Learning initiatives that the Trust is focusing on, with central staff leading and supporting. For example, November 2021 saw the introduction of WALKTHRU across the Trust to support high quality teaching and learning. These have been embedded over the past year, with schools moving onto their next stage. These are used to support the development of different areas of teaching and learning as identified by the schools. The impact of these strategies will be studied through the QA systems of Focus Days and also through in school 'Health Checks'.

Tony Stephens, an independent Education Support Consultant, has supported and advised the Trust Board and Chairs of Governors through the CEO and Headteachers appraisals ensuring greater rigor and accountability within the process. For 2023/24 the Trust has appointed a new independent Education Support Consultant, Jeannette MacKinney, as Tony Stephens retires.

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

OBJECTIVES AND ACTIVITIES (CONTINUED)

Additional Educational Expertise

Pupil Premium, Most Able and boys' performance continues to be a priority across the Trust. There are now fulltime Subject Directors (specialists) in core subjects and MFL, to guide and lead on improvement across the Trust. Their roles include curriculum planning: CPD facilitation across their subject teams, assessment and examination preparation and development, and the modelling of teaching and learning. All have a teaching commitment in one or more of our schools.

The Board receives updates on schools' progress three times a year following data drops. The information shared includes GCSE predictions.

Factors Relevant to Achieve Objectives

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

- Maintain our student numbers in those secondary schools oversubscribed and work to increase our student numbers for the primary school which remains undersubscribed;
- Continue to work with Rufford Primary School and its Headteacher supporting school improvement in order for the school to become a "Good" school and to further promote the school in the local area to increase the pupil numbers up to its capacity;
- Ensure all schools work towards and maintain the Trust's reserve % target to provide a contingency fund;
- Improve and grow our Sixth Form Provision;
- Maximise income and optimise alternative funding/grants;
- Optimise staffing and expenditure in line with need income;
- Share good practice and seek opportunities to upskill staff through an effective programme of continued professional development;
- Support those schools across the Trust with an Ofsted grading of below Good to work towards eradicating the weaknesses in preparation for the next Ofsted visit.

Objectives and Aims - Business and Financial Management

Financial Management

To improve financial management within the Trust, the internal controls are continually reviewed both by the CFO and the finance team together with the appointed internal auditors, Bishop Fleming. Bishop Fleming's role is to agree a programme of internal scrutiny through the Audit, Risk and Compliance Committee.

Of particular note is the emphasis placed on the following:

- The centralised Finance Team is supported by professional CCAB accountancy support based at HQ with four accountants. These posts support the Trustees, Chief Executive and Headteachers, all maintaining continued professional development. This focused professional support has enabled a robust, consistent and regular framework of financial management to be developed across the Trust and is validated by the increase in the Trust's available surplus reserves from a very low base in 2017/18.
- There are three school Finance Officer at HQ responsible for the peripatetic finance support and liaison with Headteachers and Finance Assistants in the seven schools.
- The Trust's Financial Policy and Procedures is a live document updated as required, but most importantly updated for Board approval in the Summer or Autumn period to coincide with the issue of the ESFA annual update of the Academy Trust Handbook. This year (2023) it has been further refined in respect of the capital related Procurement and Tendering Procedures; supported by a new policy.

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

OBJECTIVES AND ACTIVITIES (CONTINUED)

- The key financial control processes are independently reviewed each month by the CFO and the centralised accountants.
- For 2022/23, the Trust has developed new key financial policies or updated:
 - o Procurement & Tendering Policy and Procedures (new)
 - o School Condition Allocation Funding policy (updated) to include the Trust's Capital Asset Management Plan
 - o Debt Recovery policy (updated and enforced rigorously)
 - o Anti Bribery, Gifts and Hospitality policy (updated)
 - o Register of Business Interests and Related Party Transaction reporting (updated)
 - o Post 16 Bursary (updated)
- The Internal audit programme for 2022/23 included:
 - o Cyber Fraud
 - o School Census Process Review
 - o Risk Management Assurance
- Areas for future internal scrutiny have been identified as
 - o Cashless Pay income collection
 - o Payroll and Pensions process
 - o Website compliance/Policy Statutory compliance
 - o Estate Management/Preventative and Reactive Maintenance
 - o Health and Safety
 - o Safeguarding process review
- Catering Facilities and Income Collection Arrangements
 - o Leasowes, Kinver, Ellowes, Crestwood, Pedmore and Rufford schools all have cashless catering in operation.
 - o Crestwood, Ellowes, Leasowes School's all offer internal catering facilities for school meals. Pedmore is currently evaluating the options for service provide change in 2023/24.
 - o All school lettings have a credit card facility with the aim to reduce or remove cash collection.

Condition Improvement Funding (CIF) and School Condition Allocation Funding (SCA)

Due to the number of students on roll, the Trust is no longer able to submit applications for Condition Improvement Funding. Since 2018, the Trust has been awarded £11.6m of formulaic Schools Condition Funding Allocation by the ESFA. At 31 August 2023, £3.155m remains unspent, of which most of this is earmarked, with a remaining sum held as a contingency for emergency works.

Banking

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

Bank Interest. With the increase in interest rates nationally, the Trust is now able to generate bank interest on its current accounts. This commenced in January 2023. For 2023/24 the forecast is £200,000 additional income. As the CIF reclaim of £2.1m has now been settled in full with the ESFA (at July 2023) the possibility of longer term investments will be evaluated and processed in line with the Trust's Investment Policy to generate additional funds.

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

OBJECTIVES AND ACTIVITIES (CONTINUED)

c. PUBLIC BENEFIT

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

a. KEY PERFORMANCE INDICATORS

The following areas are deemed to be the key performance indicators for the Trust.

Cash Flow

Cashflow across the Trust School's always needs to be carefully monitored as the main GAG funding is received in equal instalments over 12 months. Therefore, all schools maintain a cash flow forecast and a vigilant check on cash against creditors and are proactive to ensure that debtor income is collected in a timely manner. Wherever possible payment of the supplier is made on a monthly payment plan through a direct debit arrangement to ease the cash flow position.

Credit

Trust school finance staff have access to a credit card for purchases to ensure procurement opportunities are both efficient and economical. There is a credit limit set on all credit purchases. The administrative arrangements with the credit card agent are held by the Chief Finance Officer.

Student Numbers

The total number of students in Invictus Trust secondary Academy schools at 1 September 2022 are as follows. Previous years have been shown for comparative purposes.

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

STRATEGIC REPORT (CONTINUED)

Student Numbers	Key Stage	Sept 2022	Sept 2021	Sept 2020	Sept 2019	Sept 2018	Sept 2017	Sept 2016
N, KS1 to K4								
Rufford School	N, KS1 & KS2	196	210					
Crestwood School	KS3 & KS4	1004	984	937	894	822	747	717
Ellowes Hall School	KS3 & KS4	1037	1095	1066	1,046	1,029	1,019	994
Kinver High School	KS3 & KS4	623	586	548	548	532	549	500
Leasowes High School	KS3 & KS4	1000	984	955	896	848	789	719
Wombourne High School	KS3 & KS4	899	854	871	858	836	804	784
Pedmore High School	KS3 & KS4	591	619	598	595	567	584	598
6 th Form across the Trust	KS5	302	341	262	217	245	191	196

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

STRATEGIC REPORT (CONTINUED)

The following table summarises students' achievements in GCSE results summer 2023:

	Crestwood			Elbowes			Kinver			Leasowes			Pedmore			Wombourne		
	All	PP	Non-PP	All	PP	Non-PP	All	PP	Non-PP	All	PP	Non-PP	All	PP	Non-PP	All	PP	Non-PP
Cohort Size	177	45	132	221	57	164	97	15	82	184	64	120	107	36	71	188	31	152
Average KS2 Level	4.15	3.88	4.23	4.17	3.81	4.28	4.37	3.99	4.44	4.14	3.97	4.23	4.03	3.90	4.05	4.30	3.94	4.37
PP %	25.4	100.0	0.0	25.8	100.0	0.0	15.5	100.0	0.0	34.8	100.0	0.0	33.6	100.0	0.0	16.9	100.0	0.0
PA High %	14.7	8.9	15.7	19.0	5.3	25.8	21.6	13.3	33.2	14.1	17.5	15.0	8.4	11.1	7.0	23.0	12.9	25.0
PA Mid %	58.8	51.1	61.4	53.9	49.1	55.5	61.9	60.0	62.2	56.0	50.0	59.2	53.3	47.2	56.3	55.3	51.6	57.2
PA Low %	24.9	40.0	19.7	24.0	35.1	20.1	15.5	26.7	13.4	27.2	35.9	22.5	32.7	33.9	29.6	19.7	35.5	16.4
SEN %	15.8	28.9	11.4	17.2	36.8	10.4	16.5	20.0	15.9	22.8	34.4	16.7	9.3	13.9	7.0	13.1	25.8	10.5
Boys %	52.0	57.8	50.0	50.7	56.1	45.8	40.2	40.7	39.0	58.7	53.4	58.3	57.0	58.3	56.3	45.9	45.2	40.1
Girls %	48.0	42.2	50.0	49.3	43.9	51.2	59.8	53.3	61.0	41.3	46.6	41.7	43.0	41.7	43.7	54.1	54.8	53.9
Attainment 8	41.11	31.97	43.88	41.32	25.13	46.55	48.65	35.17	52.12	39.07	33.77	41.82	35.89	34.05	35.83	44.98	31.77	47.87
- English	8.68	7.04	9.24	9.43	6.57	10.50	11.44	8.67	11.95	8.93	7.97	9.45	8.60	8.28	8.76	9.67	7.10	10.20
- Maths	8.54	6.80	9.14	7.51	4.74	8.48	9.18	6.93	9.59	7.34	6.28	7.50	6.73	6.50	6.65	8.64	6.26	9.13
- E-Bacc	10.89	8.64	11.65	10.39	5.75	12.01	13.28	8.93	14.07	10.85	8.85	11.90	9.40	8.85	9.68	12.82	8.54	13.51
- Open	13.09	10.45	13.85	13.99	8.28	15.97	15.76	11.63	16.51	11.95	10.65	12.64	11.17	10.42	11.55	13.84	9.48	14.73
Progress 8	-0.37	-0.63	-0.28	-0.39	-1.33	-0.10	-0.03	-0.60	0.68	-0.55	-0.81	-0.41	-0.53	-0.60	-0.49	-0.33	-1.03	-0.18
- English	-0.48	-0.80	-0.17	-0.13	-1.02	0.14	0.42	-0.27	0.55	-0.32	-0.55	-0.19	-0.17	-0.28	-0.12	-0.31	-1.08	-0.16
- Maths	-0.12	-0.42	-0.03	-0.67	-1.29	-0.48	0.33	-0.65	0.27	-0.70	-0.32	0.58	-0.60	-0.56	-0.62	-0.44	-0.95	-0.34
- E-Bacc	-0.70	-0.85	-0.65	-0.89	-1.75	0.62	-0.41	-1.05	-0.29	0.65	-1.01	-0.45	-0.81	-0.84	-0.79	-0.41	-1.03	-0.28
- Open	-0.16	-0.54	-0.04	0.11	-1.17	0.51	0.25	-0.44	0.37	-0.53	-0.73	-0.41	-0.46	-0.60	-0.39	-0.25	-1.13	-0.07
E-Bacc Entry %	3.4	4.4	3.0	3.2	3.5	3.0	18.6	6.7	20.7	75.0	63.8	60.0	3.7	2.8	4.1	54.6	32.3	59.2
E-Bacc Pass (5+) %	2.8	4.4	2.3	1.8	0.0	2.4	14.4	5.7	15.9	23.4	10.9	20.0	1.9	2.8	1.4	18.6	8.5	21.1
E-Bacc Pass (4+) %	2.3	4.4	1.5	0.9	0.0	1.2	11.3	6.7	12.2	11.4	6.3	14.2	1.9	2.8	1.4	10.4	3.2	11.8
E-Bacc Score	3.21	2.59	3.42	3.16	1.88	3.60	4.07	2.84	4.29	3.51	2.90	3.53	2.85	2.71	2.92	3.94	2.74	4.18
7+ in English & Maths %	5.1	0.0	6.8	8.6	0.0	11.6	9.3	0.0	11.0	2.7	3.1	2.5	2.8	2.8	2.8	8.2	3.2	9.1
5+ in English & Maths %	31.6	17.8	38.4	33.9	12.3	41.8	52.6	48.7	53.7	27.7	17.2	33.3	16.8	8.3	21.1	39.9	16.1	44.7
4+ in English & Maths %	57.1	35.6	64.4	57.0	26.9	67.7	73.2	48.7	78.0	50.0	58.1	55.8	37.4	35.1	38.0	63.3	32.3	70.4
7+ in English %	7.9	4.4	9.1	11.3	5.3	25.8	27.8	13.3	30.5	9.8	4.7	12.5	22.1	11.1	12.7	16.4	6.5	18.4
5+ in English %	46.9	24.4	54.5	55.7	26.3	65.9	60.4	60.0	84.1	53.8	42.2	60.0	47.7	38.9	52.1	60.1	25.8	67.1
4+ in English %	65.9	51.1	75.0	70.1	40.4	80.5	80.7	73.3	92.9	71.2	63.3	76.7	65.4	53.3	70.4	77.6	45.2	84.2
7+ in Maths %	13.6	6.7	15.9	10.9	0.0	14.6	13.4	6.7	14.6	5.4	3.1	6.7	6.5	5.6	7.0	12.6	3.2	14.5
5+ in Maths %	41.6	28.9	50.0	35.2	14.0	43.9	55.6	48.7	54.9	29.5	17.2	33.8	20.6	11.1	25.4	43.7	19.4	68.7
4+ in Maths %	63.9	46.7	75.5	59.4	26.3	62.5	73.2	48.7	78.0	54.3	43.8	60.0	42.1	44.4	40.8	69.9	45.2	75.0

b. GOING CONCERN

The ESFA has now concluded its findings in relation to certain CIF project investigations which commenced in 2020. Full details can be found in the 2021/22 Trustees report where, at 2021/22 year end, the investigation which was still in progress gave rise to a degree of uncertainty at that time in relation to the eventual quantum of the financial liability. Trustees can now report that a sum of £2.1m has been repaid by the Trust during 2022/23 in full to settle the outcomes of the ESFA CIF project investigation and this compares to the provision of £3.2m made in the Trust's 21/22 accounts. Thus, the balance of £1.1m has now been released into the Trust's general reserves at 31 August 2023 which has mitigated any liquidity risk that the Trust may have otherwise been subject to.

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

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

STRATEGIC REPORT (CONTINUED)

c. PROMOTING THE SUCCESS OF THE COMPANY STATEMENT
(As required by Section 172(1) of the Companies Act 2006)

Since 2015, six secondary schools, and one primary school, in Dudley and South Staffordshire, have joined together to form the Invictus Education Trust a Multi Academy Trust.

The schools are: from Dudley area, The Crestwood School in Kingswinford, Ellowes Hall Sports College in Gornal, Leasowes High School in Halesowen, Pedmore High School in Pedmore, Rufford Primary School and Nursery in Stourbridge and from Staffordshire: Kinver High School in Kinver and Wombourne High School in Wombourne.

Rufford Primary School and Nursery, in Pedmore, Stourbridge, academised and joined the Invictus Trust in September 2021. This is the first primary school to join the Trust and was a strategic and planned addition. Rufford Primary School has close allegiances to Pedmore secondary school being based in the same area. The Directors (otherwise known as Trustees in a Multi Academy Trust) act in good faith to make decisions, the outcome of which, they consider will be most likely to promote the success of the Company (the Trust) for the benefit of its members (employees) and the direct stakeholders (students/parents) as a whole both in current periods and in the longer term.

In discharging their duties above and as part of their decision making process, the Directors also have due regard to the impact on and interests of other, indirect, stakeholders (suppliers), in addition to their public duty, as a public sector grant funded organisation.

Objectives, Strategy and Aims

The principal object and activity of the Company, as set out in the Trustee Report above, is to advance education in the UK for the public benefit, in particular by establishing, maintaining, carrying on, managing and developing its academies, offering a broad curriculum with a strong emphasis on the specified specialism's of those academies. In setting their objectives and planning their activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

The Company's educational aims are to ensure that every child enjoys the same high quality in terms of resourcing, tuition and care.

External Factors Relevant to Achieve Objectives

In order to achieve its non financial objectives and future plans the Company must:

- Maintain their student numbers in those schools oversubscribed and work to increase the student numbers in any schools undersubscribed.
- Share good practice and seek opportunities to upskill staff through an effective programme of continued

Employees

Directors receive information on various staff KPI's. The Directors are committed to promoting a healthy workforce comprising both physical and mental wellbeing; the Company has a staff wellbeing service to support their employees 24/7.

The Directors keep staff informed of key issues through structured communication channels such as:

- a dedicated Media, Marketing and Communications Department;
- an integrated Company website which is being updated for 2023/24;
- promoting inclusion in the workplace;
- provide training and development opportunities where they are considered of benefit to the Company and employees.

Using the Company's recruitment and development strategies, the Directors seek to attract, develop and retain

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

STRATEGIC REPORT (CONTINUED)

talented staff.

The Company actively engage with trade unions when restructuring or making changes to the organisation which impact on the workforce.

The Company's policy regarding disabled persons is set out in the Director's Report as well as further detail regarding communication with employees.

Stakeholders

The stakeholders are fundamental to the Company's existence and survival (both academic and financial). Therefore, the Directors commit considerable time, effort and resources into understanding and responding to the evolving needs of their stakeholders through the Senior Leaders and management structures in the organisation. As a Company regulated by Central Government, this includes responding proactively and responsibly at a local level to Government changes in the national education system. The Company starts (and ends) with academic excellence and it is academic excellence for all.

Students will have the opportunity to try out a wide and rich range of experiences and unique opportunities. The aim is to expose them to the best of cultural, vocational and sporting opportunities, understanding that those aspects are not recreational but critical to the students' independent development and success.

The Company is committed to its aims and vision and believe that more children will benefit from this educational promise and as a consequence is determined to grow students in confidence, in articulation and as leaders.

Suppliers

The Directors have established procedures to ensure that regularity, propriety and value for money is maintained for the Company.

The Company's ethos is to achieve best value for money for all its purchases ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable.

Wherever possible the Company will engage with local businesses, which in turn financially supports the local communities and the families that attend the seven schools. By doing business more locally it is the aim to reduce the Company's carbon footprint.

In respect of contractors on site in the seven schools, there is a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking account of the Company's policies and procedures. The Company adheres to the Procurement Policy Note (PPN 10/21) which provides the new threshold levels to apply for the purposes of the Public Contracts Regulations from 2021.

Payment for supplies and services will be made upon receipt of an invoice and within 30 days once it has been confirmed that goods or services have been received and are of the quality expected. Although every effort is made to ensure the school benefits from early payment discounts and complies with the Public Sector Prompt Payment Policy.

Community and the Environment

The Company takes its role within the community very seriously and promotes and encourages community and charitable contribution. The Company has a community engagement policy which promotes the use of the seven school/sports facilities by clubs and individuals locally based.

The Company also recognises the importance of its environmental responsibilities and has measures in place to monitor and control its impact on the local environment and its compliance with any regulatory environmental

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

STRATEGIC REPORT (CONTINUED)

standards. The Company seeks to implement policies aimed at reducing any potential detrimental environmental impact of its activities.

Reputation and Public Benefit

As a publicly funded Company our results cannot be measured by profit and therefore there has to be a different and deeper reason as to why the Company is successful, whilst ensuring that public accountability is demonstrated at all times.

Our reputation can be measured by the follow actions:

- The Board of Directors will manage their affairs in accordance with the high standards detailed in Guidance on Codes of Practice for Board Members of Public Bodies and in line with the seven principles of public life.
- In setting Company objectives and planning our activities, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.
- There is a strong emphasis on achievement and excellence. The Directors will make every effort to maximise the potential of all the students. This sums up what we want for the students a strong sense of direction and a strong independence rooted in robust values.
- The Trust schools firmly believe that, by working together, they will be highly achieving, and able to provide elite educational experiences for their students. In simple terms, we want to be able to give any school in the country - be it state or independent ' a 'run for its money'. We believe that whilst we are locally based we could become nationally important.
- We have come to believe that such a Company is absolutely the best way forward for our communities and especially for those most intimately involved, i.e. students, parents and staff.

FINANCIAL REVIEW

Principal Funding and financial performance

The Trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during the year. The CIF review has now concluded and after a number of challenges by the Trust, a final determination with a clawback of £2.1m which has released £1.1m of the creditors provision made in 2021/22 into the unrestricted fund at 31 August 2023.

Restricted General Fund

The majority of the Trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Trust's charitable activities, its educational operations. These revenue grants and the associated expenditure made against them are detailed in the SOFA. General Restricted Fund income for the year was £37,977,083 (2022: £33,544,039); expenditure against the fund was £37,486,836 (2022: £35,268,203) including £406,000 (2022: £2,039,000) in relation to Actuarial movements in the LGPS pension deficit. After transfers, there is an in year surplus of £1,510,726 (2022: in year deficit of £2,495,793) in the restricted general fund excluding pension actuarial movements.

Unrestricted Funds

Income received into the Unrestricted Fund was £2,412,181 (2022: £1,642,256). Expenditure against the fund was £1,377,049 (2022: £1,041,424) for the year, giving an Unrestricted Fund, in year surplus/deficit of £1,035,132 (2022: surplus £600,832). After transfers there is an in year surplus/deficit of £1,305,132 (2022: surplus of £639,910) on the unrestricted fund.

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

Restricted Fixed Asset (Capital) Fund

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

Income received into the fund included £2,537,950 (2022: £2,388,707) of School Capital Allocation Funding (SCA), £123,254 (2022: £119,573) of Devolved Capital Grant Funding (DFC) and £Nil (2022: £793,480) of donated fixed assets. Expenditure from the fund equates to £3,080,835 of depreciation (2022: £3,052,109), £7,388 losses on disposal (2022: £Nil losses on disposal). The total balance on the fund, excluding the net book value of assets, is £3,155,433 (2022: £2,482,880).

Summary of Financial Position

Total fund balance as at 31st August 2023 was £129,976,812 (2022: £122,902,659) comprised of a surplus of £2,149,092 (2022: £1,113,960), surplus of £2,825,216 (2022: £908,461) and deficit of £126,862,504 (2022: £126,999,209) in Unrestricted, Restricted and Restricted Fixed Asset Funds respectively excluding the pension fund deficit of £1,860,000 (2022: £6,119,000).

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

Balance Sheet

The Trust's assets were predominantly used for providing education to school students within the Trust. Some assets were used by the local community, predominantly for sports but also working with local charities to raise funds and support for the elderly and disadvantaged. The net book value of the Trust's tangible fixed assets was £123,707,071 (2022: £124,516,329) as at 31 August 2023. Cash at bank at 31 August 2023 was £11,166,559 (2022: £10,308,470), which includes capital grants received, but not yet spent at the year-end.

a. Reserves Policy

The Trust's Reserve Policy adheres to the legal requirement not to retain available reserves for an excessive period of time. Usually, restricted reserves derived from grant income would be excluded from the definition of reserves, since expenditure on such income is allocated for specific purposes. However, the Trust needs to balance the potential volatility in pupil numbers, increasing inflation, the uncertainty of Government targeted and specific grant funding and the need to invest in its capital infrastructure to maintain a good state of repair against this policy. Therefore, its main consideration since 2018 has been to build up its reserves as a minimum to approximately 3% of annual income for such areas of unexpected expenditure and to ensure the ongoing financial security of the Trust. The financial management processes across the Trust schools are now consistent and effective and at 31 August 2023, six of the seven Trust's Schools have reserves in excess of 5%.

Once all schools have reached a sustainable 3% reserve level, they must work towards 5% as a Trust standard and acceptable retained reserve. Any reserve in excess of this the Chief Executive Officer, Chief Finance Officer and School Headteacher would agree how the reserves are to be invested. This could be:

- for the betterment of the individual school infrastructure and students and will draw upon the priorities of the school as agreed with their School Governing Board; or
- a Trust wide project which will benefit all Trust schools' and the pupils.

The Trust's free reserves as at 31 August 2023 amounted to £4,974,308 which comprised of unrestricted and restricted reserves excluding the pension reserve. Note 18 to the financial statements includes an overview of the Trusts free reserves by academy.

The Trust's reserve balance at 31 August 2023 does not exceed the DfE view that above 20% of reserves are unreasonable. During 2022 the DfE said it was "strengthening" trust data requirements to help "challenge the robustness of their financial reserves' plans" and it was also "exploring" new guidance to help trusts hold cash for contingencies and big investments "without holding back too much that could otherwise be used to benefit current pupils".

In addition to the above free reserves, the Trust has been allocated a further £2,537,950 School Condition Capital Maintenance during 2022/23. At 31 August 2023, the Trust has £3,155,468 still to be spent overall.

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

b. INVESTMENT POLICY

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

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

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

c. PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which the Trust is exposed, as identified by the Trustees, internal auditors and the risk register, will be continually reviewed at Audit, Risk and Compliance Committee with Trust Board oversight. To manage and mitigate risks, proactive systems and procedures are put in place which also extend to include the internal controls across the Trust.

It is recognised that the Trust has fixed assets in excess of £125 million therefore the need to maintain the school buildings, both for health and safety reasons and to avoid the deterioration of the estate, is paramount. The Trust has now developed a Capital Asset Maintenance Plan with the assistance of chartered surveyors, which can be used to identify not only the short, medium and long term building issues, but also aids the allocation of the School Condition Allocation together with the effective use of the Trust schools capital reserves and devolved formula capital grant.

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

d. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

For 2023/24 a new Risk Register and risk categorisation process is being adopted with the support of the Internal Auditors to ensure that the risk process is flexible to an ever-changing educational environment. This will ensure that the Board of Trustees has a comprehensive risk management process to identify and monitor the risks faced by the Trust within the context of the Trust constitution which includes those risks impacting on the Trustees' responsibilities for ensuring the Trust's estate is safe, well maintained and complies with relevant legislation.

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

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

e. ENSURING THE TRUST'S ESTATE IS SAFE, WELL MAINTAINED AND COMPLIED WITH RELEVANT REGULATIONS

Overall Trust Estate Strategy

The Trust has in excess of £125 million of tangible fixed assets as shown within the 2022/23 financial statements and of this most relate to land and buildings held across a wide school estate.

It is recognised that the Trust's need to maintain the school buildings, both for health and safety reasons and to avoid the deterioration of the estate, is paramount. The Trust has now developed a Capital Asset Maintenance Plan, with the assistance of chartered surveyors, which can be used to identify not only the short, medium and long term building planned maintenance issues, but also aides the allocation of the School Condition Allocation grant together with the effective use of the Trust schools capital reserves and devolved formula capital grant. The capital funding directly available to the Trust is provided by the ESFA annuals grants of approximately £2.9m in 2022/23. The Trust's Capital Asset Management Plan is a five year plan and was approved by Trust Board at the May 2023 meeting. This is monitored by Finance and Resources Committee in accordance with the Scheme of Delegation.

In addition, to recognise that there will always be a degree of reactive maintenance required with a large school estate, Trust schools routinely set aside funding from their annual delegated budgets. In 2022/23 around £1m was spent to fund repairs and maintenance and carry out statutory compliance work including testing procedures.

Trust Estate Related Expenditure and Value for Money Activity

When procuring works to the Trust's school estate the Trust's procurement policy and the financial scheme of delegation is implemented at all times to achieve value for money. The Trust seeks out opportunities to carry out work efficiently (i.e. to do more than one thing when scaffolding is in place) e.g. install of an all-weather canopy, fixed all failing gutters at the same time, before they are then in a hard-to-reach area, whilst also giving due consideration to not doing works where they have a limited lifespan or do not fit into the longer-term plans for the estate.

The Trust is working to procure collaboratively to achieve economies of scale when buying goods and services required across our estate. This will ensure consistency as well as limiting the cost to individual schools.

All Trust staff will receive appropriate health and safety training related to the estate. Staff with specific responsibilities for managing the trust estate will receive access to targeted appropriate training.

The estate should be accessible to pupils, staff and members of the community and there will be reasonable adjustments to the estate to provide for the needs of our pupils and staff as they arise.

Trustees also consider accessibility when planning remodelling or expansion of our estate, choosing to make crucial adjustments to improve accessibility where this is practical and affordable.

When considering any remodelling or expansion to the estate consideration is given as to whether it is sustainable in terms of maintenance and replacement over time, taking into account any potential income generation opportunities or revenue cost (e.g. to heat and clean). A challenging option appraisal process is undertaken to ensure that the balance between capital and revenue spend is maintained.

By using the Trust's Capital Asset Management Plan, it aims to ensure the buildings, facilities and resources are fit for purpose, support exceptional educational provision, meeting the stringent Health and Safety and Safeguarding requirements and have robust maintenance and repair cycles planned.

The Trust will continue to develop a positive and stimulating environment for our children and staff to thrive and

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

where our families and visitors feel welcome.

Planned repairs and maintenance can minimise emergency works, prevent failures and loss of facilities, whilst also saving money.

Review buildings and facilities to:

- Replace and modernise outdated facilities
- Improve image, look and aesthetic of each school site
- Make more efficient use of existing space
- Plan for changes e.g. increase in numbers, specialist provision etc.
- Increasing energy efficiency and sustainable use

Funding that the Trust receives to tackle condition issues (currently School Condition Allocation) will be spent by prioritising those condition issues that have the greatest risk to prevent us using the estate for the delivery of education. This will be achieved by targeting those with the worst condition (D or C) and the greatest potential impact.

In order to prioritise effectively and also to allow the Trust to bid for money when the opportunity arises, the Trust will commission comprehensive consistent condition surveys across the estate on a 5 year rolling basis, to allow details to be added to the Capital Asset Plan.

Use of Every (the Trust's compliance software) in each school tracks all compliance and statutory testing; this is viewed at a trust level to support any school and ensure the correct items are completed as per current regulations. The summary data is presented to Audit, Risk and Compliance Committee meetings, for update, scrutiny and feedback.

Moving forward into 2023/24, the Trust aims to produce a documented estate strategy and vision for the Trust, in line with the good estate management for schools.

FUNDRAISING

The Trust does not work with any commercial partners or professional fundraisers but is aware of the Charity Commission publication charity fundraising: a guide to trustee duties" which covers fundraising practices.

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

STREAMLINED ENERGY AND CARBON REPORTING

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

	2023	2022
Energy consumption used to calculate emissions (kWh)	10,749,050	11,003,777
ENERGY CONSUMPTION BREAKDOWN (KWH):		
Gas and oil	7,343,491	7,604,712
Electricity	3,184,900	3,225,726
Transport fuel	220,660	173,339
SCOPE 1 EMISSIONS (IN TONNES OF CO2 EQUIVALENT):		
Gas and oil consumption	1,436	1,461
Owned transport	46	36
TOTAL SCOPE 1	<u>1,482</u>	<u>1,497</u>
SCOPE 2 EMISSIONS (IN TONNES OF CO2 EQUIVALENT):		
Purchased electricity	<u>659</u>	<u>624</u>
SCOPE 3 EMISSIONS (IN TONNES OF CO2 EQUIVALENT):		
Business travel in employee-owned or rental vehicles	<u>9</u>	<u>7</u>
TOTAL GROSS EMISSIONS (IN TONNES OF CO2 EQUIVALENT):	<u>2,150</u>	<u>2,128</u>
INTENSITY RATIO:		
Tonnes of CO2 equivalent per pupil	<u>0.38</u>	<u>0.38</u>

The academy has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2023 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Invictus Headquarters

The Trust relocated the Headquarters Offices to an independent block at Kinver High School where there is now control over lighting and heating. The Trust has installed new air conditioners throughout the building which are a more sustainable option than the previous ones. At the end of the day there are lock up procedures in place to secure the building to ensure that all lighting is switched off overnight.

The building has been re roofed with added insulation and together with additional insulation between the floors and the walls of the building.

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

STREAMLINED ENERGY AND CARBON REPORTING (CONTINUED)

Schools

New boilers have been installed at Ellowes, Pedmore, Wombourne and Kinver. The new gas boilers are more energy efficient.

Smart meters have been installed across all sites.

Pedmore school uses renewable energy in the form of roof solar panels for electricity.

As part of the site security, areas of school not in use the heating is switched to low and all lighting is switched off.

The Trust has moved to in house catering at three of our schools, this allows the use of selected local suppliers and therefore reduces the carbon footprint of the catering provision.

The Trust has re organised the ordering of goods to bulk buying and limit the amount of deliveries to sites.

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

PLANS FOR FUTURE PERIODS

FUTURE DEVELOPMENTS

Students of the Invictus Education Trust

The Trust strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be, into further and higher education or employment. The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential.

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

Legacy Donation to The Crestwood School

In 1971 the late Mr Humphries left in Trust the balance of his residuary estate to the Governors of Brierley Hill Grammar School, "upon Trust to invest the same and provide two annual cash prizes from the income thereof for the boy and girl who (during their last year in school prior to their attendance at university) the headmaster shall in his absolute discretion consider to be the most brilliant."

The Brierley Hill Grammar School became The Crestwood High School on or around 1 September 1976. The estate has been held in Trust since 1971 and subject to a condition of continuous family occupation for life. In March 2020 the last occupant passed away and the estate can now be formally transferred to The Crestwood School which is part of the Invictus Education Trust.

The assets were formally transferred to the Trust in March 2021 and have now been recognised in the Trust's fixed asset register and recorded in the balance sheet as a donation in kind. The Board of Trustees have agreed that the assets will be sold in due course in order to fulfil the late Mr Humphries bequest in respect of annual cash prizes to students at The Crestwood School.

The formal application to dispose of the property has now been approved by the ESFA. The property has been revalued and will be placed on the open market shortly.

Post 16 Expansion of the Trust

Invictus Sixth is securely established in terms of high academic achievement, allied to providing students a broad curriculum alongside a wealth of opportunities and experiences. Consequently, the Trust is growing in terms of students within the sixth form from the Trust schools but also from non-Invictus schools who believe in our values and ambition.

Invictus Sixth continues to evolve and grow both in terms of results and opportunities. The results in 2023 followed the national trend with improvements many areas from 2019 results. In 2023, 50% of students gained A*-B grade compared with 42% in 2019. In 2023, 71% gained A* - C compared to 68% in 2019.

Across our three Invictus Sixth campuses we offer students:

- 40 A level and BTEC Level 3 courses, where students can follow both an academic A level pathway, vocational pathway or a blended pathway;
- An opportunity to study an online modular course for our high attaining students or those needing pastoral supportive pathways;

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

PLANS FOR FUTURE PERIODS (CONTINUED)

- An opportunity to gain a certificate in core Mathematics, the Extended Project, TEFL (Teaching English as a foreign language), Further Mathematics, Certificate in Financial studies and English-Speaking Board in addition to students three taught A levels;
- A high-quality enrichment programme which includes the opportunity to take part in the Netball, Football or Rugby Academies, Invictus Performing Arts Academy, Duke of Edinburgh, Esports, Student council and Sixth Form magazine.
- Small class sizes;
- Collaboration across school campuses to ensure the best Key Stage 5 teaching and facilities for our students;
- Excellent information, advice and guidance alongside outstanding pastoral care

School Rebuilding Programme Wombourne High School

The Department for Education advised in February 2021 that the Trust had been selected as one the first 50 schools nationwide to be part of the new 'School Rebuilding Programme'. The programme will see £1 billion shared across the 50 schools, meaning that the Trust will benefit from a significant rebuild in respect of the DT and science blocks to complement the brand new teaching block, opened in 2020. The capital grant funding will form the first tranche of the Government's new 10-year school rebuilding programme. Money spent will average £20 million per school. The DfE said the first 50 projects will "create modern education environments, providing new facilities from classrooms and science labs, to sports halls and dining rooms".

Ground works started this summer, and install of temporary accommodation will commence this Autumn to house our students whilst the new building is built. All works are due for completion and the new building open by Summer 2025.

School Rebuilding Programme Pedmore High School

In December 2022, Pedmore High School was advised by the DfE on being selected for a major refurbishment through the Government's School Rebuilding Programme.

The school underwent a rigorous selection process to obtain funds.

The plan at the school in Grange Lane is to rebuild one or more buildings in the school.

It will be informed later what of the five bids will receive the money and the rebuild timescales involved.

FUNDS HELD AS CUSTODIAN ON BEHALF OF OTHERS

The Academy Trust acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. In some instances, and in line with the Trust's Policy, the Trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as the Trustees are aware:

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

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

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on
and signed on its behalf by:



Jessica Heale (Shulman)
Chair of Trustees

14/12/2023

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GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of 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 Invictus Education 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. From 2022/23 Trust Board meetings reduced from six to four but were supplemented with a sub-committee structure.

For 2022/23 the Governance meetings schedule is:

- o Members - three times per year;
- o Trust Board - four times per year;
- o Finance and Resources Committee – three times a year;
- o Audit, Risk and Compliance Committee – four times a year;
- o Standards and Safeguarding Committee – three times a year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Tony Bowles, Chief Executive Officer	6	6
Robert Dimmock, Chair of Trustees to 15 June 2023	4	6
Tracey Pearce	4	6
Gemma Marie Draycott	4	6
Chris Mephram	4	6
Emma Armstrong	3	6
Angela Adams	4	6
Jenna Ntumba (Appointed 01/09/2022)	6	6
Jessica Heale (Shulman) (Appointed 26/09/2022), Chair of Trustees from 16 June 2023	4	5

Managing conflicts of interest

All trustees recognise they have a legal duty to act only in the best interests of the Invictus Education Trust and that they must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have.

Trustees' personal and professional connections can bring benefits to the work of a charity and they often form part of the reason why an individual has been asked to join the trustee body however there may be a situation where there is a conflict of interest where a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the charity.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

To address these rare situations, the Trust holds a full Register of Business Interests which is recorded on the Trust's website alongside the Scheme of Delegation and Guide to Governance. The register is subdivided into:

- Academy Trust Members
- Trust Board Trustees
- School Governing Boards
- Senior Employees

Updates to the register are made as a result of information either resulting from a formal minuted committee meeting, where the first agenda item records any Declarations of Interest in respect of agenda items or otherwise, or from the annual business interests returns, which are completed in readiness for the year end external audit, and refreshed during the year, as circumstances dictate.

If there is a conflict of interest, the Governance Professional ensures that the written record of the decision shows that the Trust has acted properly and complied with their duties by recording:

- the nature of the conflict
- which trustee or trustees were affected
- whether any conflicts of interest were declared in advance
- an outline of the discussion
- whether anyone withdrew from the discussion
- how the trustees took the decision in the best interests of the charity

Governance Reviews

Following the commissioning of a full external review of governance from the Confederation of School Trusts in early 2021 and publication of the findings report in June 2021, the Trust appointed a Head of Governance and Compliance who commenced in post in October 2021 to take the recommended actions forward.

The outcome of the external review focussed around the need to review the composition of the Trust's governance and framework documentation. An internal review was published in December 2021 detailing the proposed revised structure of governance and a timeline for implementation.

A further internal review was published in June 2022 detailing the new arrangements and the Trust has introduced the Invictus Education Trust Guide to Governance detailing its governance arrangements in full.

Following the implementation of the new governance arrangements, a further external review of governance has been commissioned from the National Governance Association to commence in October 2023.

Members

Every trust is required to have a minimum of three members who have a similar role to shareholders of a company limited by shares. Invictus Education Trust has a five member structure where their role can be described as:

- the subscribers to the memorandum of association (where they are founding members);
- they may amend the articles of association subject to any restrictions created by the funding agreement or charity law;
- they may, by special resolution, appoint new members or remove existing members other than, where there is one, the foundation/sponsor body and any members it has appointed;
- they have powers to appoint trustees as set out in the trust's articles of association and powers under the Companies Act 2006 to remove trustees;
- they may, by special resolution, issue direction to the trustees to take a specific action;
- they appoint the trust's external auditors and receive (but do not sign) the audited annual report and

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- accounts (subject to the Companies Act);
- they have power to change the company's name and, ultimately, wind it up.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Diane Lloyd nee Cochrane	2	3
Andrew Griffiths	3	3
Kim Knutton	2	3
John Harris	3	3

Trust Board Sub Committee Structure 2022

There are currently three committees of the Trust Board in operation:

- Finance and Resources Committee
- Audit, Risk and Compliance Committee
- Education, Standards and Safeguarding Committee

Agreed terms of reference and committee membership requirements are in place for all committees and are reviewed annually.

Education, Standards and Safeguarding Committee

The Education, Standards and Safeguarding Committee is a sub-committee of the main Board of Trustees and all members of the Committee shall be Board members of the Trust. There are no employees of the Trust on the Committee. However, the External Auditor, Trust Employees, such as the CEO, DCE, Head of Safeguarding, Head of Governance and Compliance, are invited to attend meetings of the Committee on a regular basis and other non-members invited attend all or part of any meeting as and when appropriate and necessary.

The Committee's oversight :

- Is responsible for the approval of term dates and the school day.
- Is responsible for the oversight of admissions and recommending arrangements for approval to the Trust Board.
- Must ensure that statutory returns relevant to the remit of the committee are accurate and make recommendations to the Trust Board in respect of approval.

The Committees terms of reference are detailed in the Trust's Governance Arrangements and Scheme of Delegation.

Trustee	Meetings attended	Out of a possible
Angela Adams - Chair	1	1
Jena Ntumba	1	1
Robert Dimmock	1	1
Tony Bowles	0	1

Finance and Resources Committee

The Finance and Resources Committee is a sub-committee of the main Board of Trustees and all members of the Committee shall be Board members of the Trust. There are no employees of the Trust on the Committee. However, the External Auditor, Trust Employees, such as the CFO, Director of HR, Head of Governance and Compliance and Head of Estates, are invited to attend meetings of the Committee on a regular basis and other

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

non-members invited attend all or part of any meeting as and when appropriate and necessary.

The Committees purpose is to oversee the Trust's financial and resource driven considerations as required as part of the Trust's Funding Agreement to support the Trustee's role in ensuring regularity and propriety in use of the Trust's funds, and achieve economy, efficiency and effectiveness.

The Committee's oversight must extend to:

- The scrutiny of projected pupil numbers.
- Ensure that statutory returns relevant to the remit of the committee are accurate and make recommendations to the Trust Board in respect of approval.

The Committees terms of reference are detailed in the Trust's Governance Arrangements and Scheme of Delegation.

Trustee	Meetings attended	Out of a possible
Gemma Draycott - Chair	3	3
Chris Mepham	3	3
Robert Dimmock	3	3
Emma Armstrong	3	3

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee is a sub-committee of the main Board of Trustees and all members of the Committee shall be Board members of the Trust. There are no employees of the Trust on the Committee. However, the External Auditor, Trust Employees, such as the CFO, Head of Governance and Compliance and Head of Estates, are invited to attend meetings of the Committee on a regular basis and other non-members invited attend all or part of any meeting as and when appropriate and necessary.

Monitoring, Oversight and Scrutiny

The Committee's remit is to monitor the integrity of the financial statements of the Trust, including its annual reports, and any other formal announcement relating to its financial performance, reviewing and reporting to the Trust Board on significant financial reporting issues and judgements which they contain having regard to matters communicated to the auditor.

The Committee's oversight must extend to:

- The financial and non-financial controls and risks at constituent academies.
- The scrutiny of projected pupil numbers.
- Ensure that statutory returns relevant to the remit of the committee are accurate and make recommendations to the Trust Board in respect of approval.

The Committees terms of reference are detailed in the Trust's Governance Arrangements and Scheme of Delegation.

Whistleblowing, Fraud, Bribery and Corruption

The Committee review the adequacy and security of the Trust's arrangement for its employees and contractors to raise concerns, in confidence, about possible wrong doing in financial reporting or other matters.

Internal controls and risk management systems

The Committee keep under review the adequacy and effectiveness of the Trust's internal financial controls and

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

internal control and risk management systems and review and approve the statements to be included in the Trustees Report and the Governance statement concerning internal controls and risk management.

Trustee	Meetings attended	Out of a possible
Tracey Pearce - Chair	4	4
Chris Mepham	1	4
Jessica Heale (Shulman)	3	4
Emma Armstrong	1	4
Gemma Draycott	1	1

REVIEW OF VALUE FOR MONEY

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

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

The Accounting Officer for the Trust has delivered improved value for money during the year by:

- The Trust already complies with and uses the DfE school resource management self assessment tool.
- Appointing lead educational professionals in school improvement, teaching and learning and school standards to work across all Trust schools to ensure standards are consistent and outcomes good, ensuring school pupils receive value for money in their educational outcomes.
- Appointing a Head of Governance and Compliance to ensure the Trust governance is sound and compliant, particularly as the Trust grows strategically in size. This will ensure that the core Trustee business is conducted in line with the regulations and avoiding any possible breach of role. This role will also complement the financial governance work of the CFO.
- Increasing the number of internal audit reviews since 2021/22 across a number of key specialisms.
- Concluding a review of the Trust's risk register activities and associated processes.
- Appointing a Head of Estates from September 2022.
- Drawing up a new five year Capital Asset Management Programme, in consultation with professionally employed surveyors, who have surveyed all Trust building stock at August 2022. The CAMP will enable the Trust to allocate funds in a priority order and rationalise how the funding needs to be committed across the school estate in the short and medium term. Value for money can be better achieved by grouping similar project work together, such as the roofing projects which total £3m across 34 schemes.
- The Trust has purchased Every Education a software package to monitor building and safety compliance and statutory requirements of all our estate at a trust wide level. This is reportable to the Trust Board to ensure a consistent approach and that the Trust does not breach any Regulations.
- Introducing revised Procurement and Tendering Policy and Procedures and the appointment of a centralised Procurement Officer to support the CFO and Head of Estates in ensuring compliance and consistency across the Trust in its procurement functions.
- The use of a School Resource Management Advisor as recommended by the ESFA during 2023.

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GOVERNANCE STATEMENT (CONTINUED)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Invictus Education Trust for the year September 2022 to August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

The Trust identifies on a risk basis (with reference to its Risk Register) the areas it will review each year, modifying its checks accordingly. This may involve greater scrutiny where procedures or systems have changed.

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

- Frequent discussion with the internal and external auditor to identify current and changing risks;
- Identification and management of risks;
- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- Regular reviews by the Board and the sub committee Finance and Resources of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting KPI targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines.

In line with the Financial Reporting Council releasing a new ethical standard in December 2019, the Trust appointed Bishop Fleming as the internal audit partners in June 2021. This service contract was subject to a competitive tender process and the Finance and Audit Committee confirmed the appointment at the March 2021 meeting.

The Trust must keep its approach to internal scrutiny under review. If it changes in size, complexity or risk profile, it should consider whether its approach remains suitable.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial related systems or processes. During the 2022/23 period there have been three specific internal audits arranged.

- Cyber Fraud
- School Census Review
- Risk Management Assurance

Internally, The Trust's Financial Policy and Procedures manual was updated in the Autumn of 2023 to reflect the Academies Trust Handbook 2023 and other internal procedural amendments. This was approved at Trust Board in September 2023.

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GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK (continued)

Key financial controls are independently reviewed each month by the Chief Finance Officer supporting the Trust Schools and supported by the centralised school accountants.

Review of effectiveness

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

- the assurance tests undertaken by the internal audit function during 2022/23;
- the procedural work undertaken and issue of the Trust's Financial Management, Policies and Procedures manual;
- the work of the external auditor;
- the financial management and governance self-assessment process including a review of the DfE Must Haves and Charities Commission CC8 check list.
- by the CFO together with the qualified accountants in the centralised finance team;
- the work of the Deputy CEO, Head of Estates, the HR Director, Head of Governance and Compliance and other IT executive managers within the Trust who have responsibility for the maintenance of other internal control frameworks.

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


Jessica Heale (Shulman)
Chair of Trustees

Date: 14/12/2023


Angela Mander
Accounting Officer
Date: 14/12/2023

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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Invictus Education Trust I have considered my responsibility to notify the academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management received by the Academy Trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

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

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



Angela Mander
Accounting Officer

Date: 14/12/2023

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

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

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



Jessica Heale (Shulman)

Chair of Trustees

Date: 14/12/2023

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial Year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy'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.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction and the Academy Trust Handbook. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, including posting of unusual journals; inappropriate treatment of non-routine transactions and areas of estimation uncertainty.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

Use of our report

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



Matt Doyle-Healey (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 15 December 2023

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 23 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Financial Handbook 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Invictus Education Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Invictus Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Invictus Education Trust's funding agreement with the Secretary of State for Education dated 26 February 2015 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

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

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INVICTUS
EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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



Reporting Accountant
Crowe U.K. LLP

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

Date: 15 December 2023

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants:	3					
Transfer on conversion		-	-	-	-	1,799,295
CIF funding repayable to the ESFA		-	-	-	-	(3,000,000)
Other donations and capital grants		2,367	-	3,935,690	3,938,057	3,146,085
Other trading activities	4	1,136,430	-	-	1,136,430	1,164,102
Investments	6	143,634	-	-	143,634	-
Charitable activities	4	1,129,750	37,977,083	-	39,106,833	34,972,744
Total income		2,412,181	37,977,083	3,935,690	44,324,954	38,082,226
Expenditure on:						
Raising funds		862,583	-	-	862,583	660,580
Charitable activities		514,466	37,465,255	3,073,497	41,053,218	38,701,156
Total expenditure		1,377,049	37,465,255	3,073,497	41,915,801	39,361,736
Net income/(expenditure)		1,035,132	511,828	862,193	2,409,153	(1,279,510)
Transfers between funds	18	-	998,898	(998,898)	-	-
Net movement in funds before other recognised gains		1,035,132	1,510,726	(136,705)	2,409,153	(1,279,510)
Actuarial gains on defined benefit pension schemes	27	-	4,665,000	-	4,665,000	15,418,000
Net movement in funds		1,035,132	6,175,726	(136,705)	7,074,153	14,138,490

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Reconciliation of funds:					
Total funds brought forward	1,113,960	(5,210,510)	126,999,209	122,902,659	<i>108,764,169</i>
Net movement in funds	1,035,132	6,175,726	(136,705)	7,074,153	<i>14,138,490</i>
Total funds carried forward	<u>2,149,092</u>	<u>965,216</u>	<u>126,862,504</u>	<u>129,976,812</u>	<u><i>122,902,659</i></u>

The notes on pages 52 to 86 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	123,707,071	124,516,329
Current assets			
Debtors	14	1,378,160	2,286,733
Cash at bank and in hand		11,166,559	10,308,470
		<u>12,544,719</u>	<u>12,595,203</u>
Creditors: amounts falling due within one year	15	(4,386,632)	(8,045,294)
Net current assets		<u>8,158,087</u>	<u>4,549,909</u>
Total assets less current liabilities		<u>131,865,158</u>	<u>129,066,238</u>
Creditors: amounts falling due after more than one year	17	(28,346)	(44,579)
Net assets excluding pension liability		<u>131,836,812</u>	<u>129,021,659</u>
Defined benefit pension scheme liability	27	(1,860,000)	(6,119,000)
Total net assets		<u><u>129,976,812</u></u>	<u><u>122,902,659</u></u>

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the academy			
Restricted funds:			
Restricted fixed asset funds	18	126,862,504	126,999,209
Restricted income funds	18	2,825,216	908,490
Restricted funds excluding pension reserve	18	<u>129,687,720</u>	<u>127,907,699</u>
Pension reserve	18	<u>(1,860,000)</u>	<u>(6,119,000)</u>
Total restricted funds	18	127,827,720	121,788,699
Unrestricted income funds	18	2,149,092	1,113,960
Total funds		<u>129,976,812</u>	<u>122,902,659</u>

The financial statements on pages 47 to 86 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Jessica Heale (Shulman)
Chair of Trustees

14/12/2023

The notes on pages 52 to 86 form part of these financial statements.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(1,351,845)	2,407,512
Cash flows from investing activities	23	2,226,167	(782,989)
Cash flows from financing activities	22	(16,233)	(100,576)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		858,089	1,523,947
Cash and cash equivalents at the beginning of the year		10,308,470	8,784,523
Cash and cash equivalents at the end of the year	24, 25	11,166,559	10,308,470
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 52 to 86 form part of these financial statements

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements represent the financial results and financial position of Invictus Education Trust ("the trust"), which comprised of the following member academies as at 31 August 2023:

The Crestwood School
Ellowes Hall Sports College
Kinver High School
Wombourne High School
Leasowes High School
Pedmore High School
Rufford Primary School

1.2 COMPANY STATUS

The trust is a company limited by guarantee and was incorporated in England and Wales (registered number 09284368). The address of the registered office is Invictus Education Trust Headquarters, Kinver High School, Enville Road, Kinver, West Midlands, DY7 6AA. The members of the company are named in the reference and administration pages. In the event of the trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the trust.

1.3 GOING CONCERN

The ESFA has now concluded its findings in relation to certain CIF project investigations which commenced in 2020. Full details can be found in the 2021/22 Trustees report where, at 2021/22 year end, the investigation which was still in progress gave rise to a degree of uncertainty at that time in relation to the eventual quantum of the financial liability. Trustees can now report that a sum of £2.1m has been repaid by the Trust during 2022/23 in full to settle the outcomes of the ESFA CIF project investigation and this compares to the provision of £3.2m made in the Trust's 21/22 accounts. Thus, the balance of £1.1m has now been released into the Trust's general reserves at 31 August 2023 which has mitigated any liquidity risk that the Trust may have otherwise been subject to.

Therefore, 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.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Transfer on conversion**

Where assets and liabilities are received by the academy 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. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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

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

Legacies

For legacies, entitlement is taken as when a distribution is received from the estate.

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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 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's educational operations, including support costs and costs relating to the governance of the academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 TAXATION

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

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.7 TANGIBLE FIXED ASSETS

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Freehold Property	- 50 years straight line
Leasehold Property	- 50-125 years straight line
Furniture and equipment	- 8 years straight line
Motor vehicles	- 4 years straight line
ICT	- 3 years straight line

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.

1.8 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the academy'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 basic financial instruments, and are measured at amortised cost as detailed in notes 15 and 17. 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.

DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CASH AT BANK AND IN HAND

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

INVICTUS EDUCATION TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

LIABILITIES AND PROVISIONS

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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

1.9 OPERATING LEASES

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

1.10 PENSIONS

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 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.

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

1. ACCOUNTING POLICIES (continued)

1.11 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an academy involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

Assets and liabilities transferred on conversion to the academy are valued at their fair value. The fair value is derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

1.12 AGENCY ARRANGEMENTS

The trust acts as an agent in disturbing bursary funds and grants from the ESFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. In some instances, the trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

1.13 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

Investment income, gains and losses are allocated to the appropriate fund.

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

2. 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

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

Critical areas of judgement:

A current liability of approximately £3,000,000 has been set aside to cover expected repayments to the ESFA in relation to previously awarded CIF grant awards, as detailed in the trustees report. This liability has been based on management's best estimate based on most recent ESFA determinations.

This has been detailed further within note 14.

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	2,367	-	-	2,367
Capital Grants	-	-	356,538	356,538
Release of capital provisions (note 15)	-	-	1,041,202	1,041,202
School Capital Allocation grant	-	-	2,537,950	2,537,950
Total 2023	<u>2,367</u>	<u>-</u>	<u>3,935,690</u>	<u>3,938,057</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
CIF Funding repayable to the ESFA	-	-	(3,000,000)	(3,000,000)
LA surplus/deficit on conversion	-	(960,705)	2,760,000	1,799,295
Donations	1,027	-	-	1,027
Capital Grants	-	-	(46,256)	(46,256)
Donated Fixed Assets	-	-	793,480	793,480
School Capital Allocation grant	-	-	2,397,834	2,397,834
Total 2022	<u>1,027</u>	<u>(960,705)</u>	<u>2,905,058</u>	<u>1,945,380</u>

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

4. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Letting income	520,297	520,297
Coach income	230,905	230,905
Swimming income	122,760	122,760
Other income	262,468	262,468
Total 2023	1,136,430	1,136,430
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Letting income	468,837	468,837
Coach income	163,597	163,597
Swimming income	154,608	154,608
Other income	377,060	377,060
<i>Total 2022</i>	<i>1,164,102</i>	<i>1,164,102</i>

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

5. Funding for the academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
DfE/ESFA grants			
General annual grant (GAG)	-	32,955,075	32,955,075
Other DfE/ESFA grants			
Pupil Premium	-	1,447,835	1,447,835
Others	-	693,209	693,209
Rates relief	-	137,172	137,172
School supplementary grant	-	969,043	969,043
Sports grants	-	17,560	17,560
	-	36,219,894	36,219,894
Other Government grants			
Local authority grants	-	1,379,867	1,379,867
Other Income from the academy's funding for the academy trust's educational operations	1,129,750	-	1,129,750
Exceptional government funding			
Covid Recovery funding	-	377,322	377,322
	-	377,322	377,322
TOTAL 2023	1,129,750	37,977,083	39,106,833

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

5. Funding for the academy's charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
DfE/ESFA grants			
General annual grant (GAG)	-	30,928,541	30,928,541
Other DfE/ESFA grants			
Pupil Premium	-	1,365,309	1,365,309
Other grants	-	70,884	70,884
Others	-	142,522	142,522
Rates relief	-	124,088	124,088
School supplementary grant	-	401,521	401,521
	-	33,032,865	33,032,865
Other Government grants			
Local authority grants	-	1,160,857	1,160,857
Other Income from the academy's funding for the academy trust's educational operations	477,127	-	477,127
Exceptional government funding			
Covid recovery funding	-	196,459	196,459
Other Coronavirus grants	-	105,436	105,436
	-	301,895	301,895
TOTAL 2022	477,127	34,495,617	34,972,744

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Interest received	143,634	143,634	-

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

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Expenditure on fundraising trading activities:				
Direct costs	241,051	-	621,532	862,583
Educational Operations:				
Direct costs	23,331,408	3,051,916	2,272,580	28,655,904
Support costs	7,375,263	2,242,555	2,779,496	12,397,314
Total 2023	30,947,722	5,294,471	5,673,608	41,915,801
	<i>Staff Costs 2022 £</i>	<i>Premises 2022 £</i>	<i>Other 2022 £</i>	<i>Total 2022 £</i>
Expenditure on fundraising trading activities:				
Direct costs	153,720	-	506,860	660,580
Educational Operations:				
Direct costs	22,755,258	3,052,109	2,239,649	28,047,016
Support costs	7,168,931	1,753,049	1,732,160	10,654,140
<i>Total 2022</i>	<i>30,077,909</i>	<i>4,805,158</i>	<i>4,478,669</i>	<i>39,361,736</i>

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of support costs

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational Operations	28,655,904	12,397,314	41,053,218
	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Educational Operations	<i>28,047,016</i>	<i>10,654,140</i>	<i>38,701,156</i>

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FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of support costs (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	7,233,263	7,168,931
School trip expenditure	514,466	161,272
Technology costs	154,996	277,917
Other costs	1,921,127	988,178
Premises expenses	2,242,555	1,993,247
Legal and professional	284,012	27,095
Governance costs	46,895	37,500
	<u>12,397,314</u>	<u>10,654,140</u>

Included within legal and governance costs are amounts incurred in relation to statutory audit fees and related professional costs.

9. Net income/(expenditure)

Net income/(expenditure) for the Year includes:

	2023 £	<i>2022 £</i>
Operating lease rentals	86,831	91,180
Depreciation of tangible fixed assets	3,080,635	3,052,109
(Profit)/loss on disposal of fixed assets	7,338	-
Assets transferred on conversion	-	(2,760,000)
Amounts repayable to ESFA	-	3,000,000
Release of capital provisions (note 15)	(1,041,202)	-
Fees paid to trust's auditor for:		
- audit	26,000	23,550
- other services	7,175	6,850
	<u>26,000</u>	<u>23,550</u>
	<u>7,175</u>	<u>6,850</u>

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	22,302,123	20,636,208
Social security costs	2,329,833	2,176,168
Pension costs	5,498,014	6,772,218
	<u>30,129,970</u>	<u>29,584,594</u>
Staff restructuring costs - severance payments	1	104,692
Supply costs	817,751	388,623
	<u><u>30,947,722</u></u>	<u><u>30,077,909</u></u>

b. Severance payments

The academy paid 1 severance payment in the year (2022 - 7), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	1	5
£25,001 - £50,000	-	1
£50,001 - £100,000	-	1
	<u><u>-</u></u>	<u><u>1</u></u>

c. Special staff severance payments

There was one non-statutory/non-contractual severance payments during the year amounting to £1.

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

10. Staff (continued)

d. Staff numbers

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

	2023 No.	2022 No.
Management	44	43
Teachers	350	325
Support	383	377
	<u>777</u>	<u>745</u>

e. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	20	20
In the band £70,001 - £80,000	9	4
In the band £80,001 - £90,000	4	4
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	-	1
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
	<u>1</u>	<u>-</u>

f. Key management personnel

The key management personnel of the academy comprise the Headteacher's and the senior members of the Trust finance team. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £1,079,144 (2022 £1,120,543).

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

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	2023	2022
	£	£
Tony Bowles, Chief Executive Officer Remuneration	150,000 - 155,000	<i>145,000 - 150,000</i>
Pension contributions paid	0 - 5,000	<i>0 - 5,000</i>

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

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

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

14. Debtors

	2023	2022
	£	£
Trade debtors	191,969	264,261
Other debtors	333,598	622,343
Prepayments and accrued income	852,593	833,104
Accrued capital grants	-	567,025
	1,378,160	2,286,733

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Local Authority and ESFA loans	16,233	16,233
Trade creditors	1,417,914	1,475,548
Capital accruals	514,558	1,458,955
Other taxation and social security	547,912	524,402
Amounts repayable to ESFA	-	2,844,865
Other creditors	724,282	585,086
Accruals and deferred income	1,165,733	1,140,205
	4,386,632	8,045,294

Included in amounts repayable to the ESFA at 31 August 2022 is a provision of £3,000,000 which represented management's best estimate of the liability to the ESFA following the 2021/2022 investigation and was based on the determinations levied by the ESFA. Following settlement of the investigation, an amount of £1,041,202 has been released to the Statement of Financial Activities.

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NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Freehold Property £	Long term leasehold Property £	Fixtures, fittings and motor vehicles £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2022	59,646,188	79,188,317	2,115,157	1,125,497	142,075,159
Additions	1,577,276	14,910	563,981	122,748	2,278,915
Disposals	-	-	(19,793)	(22,464)	(42,257)
At 31 August 2023	<u>61,223,464</u>	<u>79,203,227</u>	<u>2,659,345</u>	<u>1,225,781</u>	<u>144,311,817</u>
DEPRECIATION					
At 1 September 2022	6,539,101	9,484,568	688,706	846,455	17,558,830
Charge for the Year	1,103,986	1,564,311	243,345	169,193	3,080,835
On disposals	-	-	(12,455)	(22,464)	(34,919)
At 31 August 2023	<u>7,643,087</u>	<u>11,048,879</u>	<u>919,596</u>	<u>993,184</u>	<u>20,604,746</u>
NET BOOK VALUE					
At 31 August 2023	<u><u>53,580,377</u></u>	<u><u>68,154,348</u></u>	<u><u>1,739,749</u></u>	<u><u>232,597</u></u>	<u><u>123,707,071</u></u>
At 31 August 2022	<u><u>53,107,087</u></u>	<u><u>69,703,749</u></u>	<u><u>1,426,451</u></u>	<u><u>279,042</u></u>	<u><u>124,516,329</u></u>

Freehold land

Included in freehold property is freehold land amounting to £5,114,940 (2022: £5,114,940) which is not depreciated.

Leasehold title

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

Asset held for resale

Within fixed assets is a £210,000 legacy donation which is held for resale. ESFA approval has been sought before any action has been taken.

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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds - all funds	1,084,884	1,913,419	(862,583)	-	-	2,135,720
School funds	29,076	498,762	(514,466)	-	-	13,372
	<u>1,113,960</u>	<u>2,412,181</u>	<u>(1,377,049)</u>	<u>-</u>	<u>-</u>	<u>2,149,092</u>
RESTRICTED GENERAL FUNDS						
General annual grant	969,302	32,955,075	(32,037,247)	982,665	-	2,869,795
Other DfE/ESFA grants	-	2,194,306	(2,194,306)	-	-	-
LA grants	-	1,371,793	(1,371,793)	-	-	-
Salix and LA loans	(60,812)	-	-	16,233	-	(44,579)
Other restricted funds	-	8,074	(8,074)	-	-	-
Pupil premium	-	1,447,835	(1,447,835)	-	-	-
Pension reserve	(6,119,000)	-	(406,000)	-	4,665,000	(1,860,000)
	<u>(5,210,510)</u>	<u>37,977,083</u>	<u>(37,465,255)</u>	<u>998,898</u>	<u>4,665,000</u>	<u>965,216</u>
RESTRICTED FIXED ASSET FUNDS						
Restricted fixed assets	124,516,329	-	(3,073,497)	2,264,239	-	123,707,071
ESFA Capital grants	2,482,880	2,894,488	-	(2,221,935)	-	3,155,433
Release of capital provisions	-	1,041,202	-	(1,041,202)	-	-
	<u>126,999,209</u>	<u>3,935,690</u>	<u>(3,073,497)</u>	<u>(998,898)</u>	<u>-</u>	<u>126,862,504</u>

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Deferred income

	2023 £	2022 £
Deferred income at 1 September 2022	178,651	111,311
Resources deferred during the year	205,689	178,651
Amounts released from previous periods	(178,651)	(111,311)
DEFERRED INCOME AT 31 AUGUST 2023	205,689	178,651

Included in deferred income are grants and other income received in advance of entitlement for the 23/24 academic year.

16. Agency arrangements

The trust distributes bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the trust received £13,519 (2022: £22,507) and disbursed £27,485 (2022: £7,410) from the fund. An amount of £20,436 (2022: £34,402) is included in other creditors relating to undistributed funds.

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

	2023 £	2022 £
Local Authority and ESFA loans	28,346	44,579

Salix and CIF related loans

Loans amounting to £44,579 are interest free Salix loans which were agreed as part of the CIF applications. The loans are due for repayment by instalments, with £16,233 being due within 1 year and the remainder being fully repayable within 5 years.

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

18. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
TOTAL RESTRICTED FUNDS	121,788,699	41,912,773	(40,538,752)	-	4,665,000	127,827,720
TOTAL FUNDS	122,902,659	44,324,954	(41,915,801)	-	4,665,000	129,976,812

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

Unrestricted funds

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

Restricted funds

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

Restricted fixed asset funds

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

Transfers between funds

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

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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

18. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
UNRESTRICTED FUNDS						
General Funds	483,621	1,481,415	(880,152)	-	-	1,084,884
School funds	29,507	160,841	(161,272)	-	-	29,076
Deficit on conversion	(39,078)	-	-	39,078	-	-
	<u>474,050</u>	<u>1,642,256</u>	<u>(1,041,424)</u>	<u>39,078</u>	<u>-</u>	<u>1,113,960</u>
RESTRICTED GENERAL FUNDS						
General annual grant	3,398,265	30,937,668	(29,509,367)	(3,857,264)	-	969,302
Other DfE/ESFA grants	101,465	2,406,219	(2,507,684)	-	-	-
LA grants	-	1,151,730	(1,151,730)	-	-	-
Salix and LA loans	(95,476)	-	-	34,664	-	(60,812)
Transfer on conversion	-	51,295	(51,295)	-	-	-
Other restricted funds	-	9,127	(9,127)	-	-	-
Pension reserve	(18,486,000)	(1,012,000)	(2,039,000)	-	15,418,000	(6,119,000)
	<u>(15,081,746)</u>	<u>33,544,039</u>	<u>(35,268,203)</u>	<u>(3,822,600)</u>	<u>15,418,000</u>	<u>(5,210,510)</u>
RESTRICTED FIXED ASSET FUNDS						
Restricted fixed assets	120,723,689	-	(3,052,109)	6,844,749	-	124,516,329
ESFA Capital grants	2,675,009	5,102,451	-	(5,294,580)	-	2,482,880
LA loan	(26,833)	-	-	26,833	-	-

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

18. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Release of capital provisions	-	(3,000,000)	-	3,000,000	-	-
Donated fixed assets	-	793,480	-	(793,480)	-	-
	<u>123,371,865</u>	<u>2,895,931</u>	<u>(3,052,109)</u>	<u>3,783,522</u>	<u>-</u>	<u>126,999,209</u>
TOTAL RESTRICTED FUNDS	<u>108,290,119</u>	<u>36,439,970</u>	<u>(38,320,312)</u>	<u>(39,078)</u>	<u>15,418,000</u>	<u>121,788,699</u>
TOTAL FUNDS	<u><u>108,764,169</u></u>	<u><u>38,082,226</u></u>	<u><u>(39,361,736)</u></u>	<u><u>-</u></u>	<u><u>15,418,000</u></u>	<u><u>122,902,659</u></u>

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

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Ellowes Hall Sports College	735,087	374,008
The Crestwood School	1,015,327	362,997
Kinver High School	248,844	193,009
Wombourne High School	803,413	288,009
Central Services	1,264,233	287,911
Leasowes High School	584,776	368,993
Pedmore High School	322,628	218,016
Rufford Primary School	-	(70,493)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	4,974,308	2,022,450
Restricted fixed asset fund	126,862,504	126,999,209
Pension reserve	(1,860,000)	(6,119,000)
	<hr/>	<hr/>
TOTAL	129,976,812	122,902,659
	<hr/> <hr/>	<hr/> <hr/>

Rufford Primary School were in a deficit position at 31 August 2023 of £70,493. This deficit has been transferred to Central Services.

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

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £
Ellowes Hall Sports College	4,570,855	729,767	635,476	853,798	6,789,896
The Crestwood School	4,648,526	661,639	431,160	854,929	6,596,254
Kinver High School	2,520,896	374,764	201,082	653,359	3,750,101
Wombourne High School	3,554,138	467,025	316,534	663,166	5,000,863
Leasowes High School	4,919,818	861,499	477,815	821,980	7,081,112
Pedmore High School	2,754,394	508,126	308,869	529,821	4,101,210
Rufford Primary School	828,613	163,877	120,858	135,638	1,248,986
Central services	1,056,692	2,327,093	211,385	678,712	4,273,882
ACADEMY	24,853,932	6,093,790	2,703,179	5,191,403	38,842,304

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

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2022 £</i>
Ellowes Hall Sports College	4,290,262	691,216	520,096	686,654	6,188,228
The Crestwood School	4,218,894	590,243	338,673	319,081	5,466,891
Kinver High School	2,229,516	333,665	238,978	503,769	3,305,928
Wombourne High School	3,540,371	428,003	265,823	512,854	4,747,051
Leasowes High School	4,320,833	796,889	358,158	721,338	6,197,218
Pedmore High School	2,582,697	494,042	282,552	317,149	3,676,440
Central services	832,934	168,256	86,135	250,748	1,338,073
Central services	893,471	1,627,617	149,234	680,476	3,350,798
ACADEMY	22,908,978	5,129,931	2,239,649	3,992,069	34,270,627

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

19. Central services

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

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

The academy charges for these services on the following basis:

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

The actual amounts charged during the Year were as follows:

	2023	2022
	£	£
The Crestwood School	624,808	529,438
Kinver High School	409,680	305,297
Ellowes Hall Sports College	715,114	640,143
Wombourne High School	619,701	514,796
Leasowes High School	603,269	447,158
Pedmore High School	454,157	389,418
Rufford Primary School	44,427	50,000
TOTAL	3,471,156	2,876,250

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

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	123,707,071	123,707,071
Current assets	2,149,092	7,240,194	3,155,433	12,544,719
Creditors due within one year	-	(4,386,632)	-	(4,386,632)
Creditors due in more than one year	-	(28,346)	-	(28,346)
Provisions for liabilities and charges	-	(1,860,000)	-	(1,860,000)
TOTAL	2,149,092	965,216	126,862,504	129,976,812

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	124,516,329	124,516,329
Current assets	1,113,960	8,998,363	2,482,880	12,595,203
Creditors due within one year	-	(8,045,294)	-	(8,045,294)
Creditors due in more than one year	-	(44,579)	-	(44,579)
Provisions for liabilities and charges	-	(6,119,000)	-	(6,119,000)
TOTAL	1,113,960	(5,210,510)	126,999,209	122,902,659

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

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of financial activities)	2,409,153	(1,279,510)
ADJUSTMENTS FOR:		
CIF funding repayable to the ESFA	-	3,000,000
Capital grants from DfE and other capital income/donations	(3,938,057)	(3,135,301)
Assets inherited on conversion	-	(2,760,630)
Depreciation	3,080,835	3,052,109
LGPS pension deficit inherited on conversion	-	1,012,000
LGPS - FRS 102 adjustments through expenditure	406,000	2,039,000
Decrease/(increase) in debtors	341,548	(135,909)
(Decrease)/increase in creditors	(3,658,662)	615,753
Loss/(Profit) on disposal of assets	7,338	-
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	<u>(1,351,845)</u>	<u>2,407,512</u>

22. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(16,233)	(100,576)

23. Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(2,278,915)	(3,291,269)
Capital funding received from sponsors and others	4,505,082	2,508,280
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	<u>2,226,167</u>	<u>(782,989)</u>

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

24. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	<u>11,166,559</u>	<u>10,308,470</u>

25. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	Other non- cash changes £	At 31 August 2023 £
Cash at bank and in hand	10,308,470	858,089	-	11,166,559
Salix loans due within 1 year	(16,233)	16,233	(16,233)	(16,233)
Salix loans due after 1 year	(44,579)	-	16,233	(28,346)
	<u>10,247,658</u>	<u>874,322</u>	<u>-</u>	<u>11,121,980</u>

26. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements	<u>737,586</u>	<u>580,651</u>

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

27. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £550,767 were payable to the schemes at 31 August 2023 (2022 - £532,947) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2022. The key elements of the valuation and subsequent consultation are:

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

The result of the 31 March 2022 valuation is due to be implemented from 1 April 2024 which confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

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

27. Pension commitments (continued)

The employer's pension costs paid to TPS in the Year amounted to £3,631,620 (2022 - £3,524,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the Year ended 31 August 2023 was £1,723,000 (2022 - £1,493,000), of which employer's contributions totalled £1,376,000 (2022 - £1,209,000) and employees' contributions totalled £ 347,000 (2022 - £284,000). The agreed contribution rates for future years are between 24.6% and 26.2% per cent for employers and between 5.5% and 12.5% per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the Year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	2.98	3.05
Rate of increase for pensions in payment/inflation	3.73	3.75
Discount rate for scheme liabilities	5.2	4.25

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

27. Pension commitments (continued)

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.4	21.20
Females	24.3	23.70
<i>Retiring in 20 years</i>		
Males	21.5	22.55
Females	25.2	25.45

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate -0.1%	18,756,000	21,832,000
Mortality assumption - 1-year increase	19,048,000	21,804,000
CPI rate +0.1%	18,358,000	21,534,000

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2023	<i>2022</i>
	£	£
Equities	11,159,000	10,461,000
Bonds	3,516,000	3,083,000
Property	1,182,000	1,261,000
Cash and other liquid assets	598,000	586,000
TOTAL MARKET VALUE OF ASSETS	16,455,000	<i>15,391,000</i>

The actual return on scheme assets was £110,000 Loss (2022 - £377,000 Loss).

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

27. Pension commitments (continued)

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

	2023 £	2022 £
Current service cost	1,518,000	2,913,000
Net interest on defined liability	264,000	335,000
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	1,782,000	3,248,000

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

	2023 £	2022 £
At 1 September	21,510,000	32,116,000
Transferred on Conversion	-	1,871,000
Interest cost	948,000	585,000
Employee contributions	347,000	284,000
Actuarial gains	(5,761,000)	(16,045,000)
Benefits paid	(247,000)	(214,000)
Current service cost	1,518,000	2,913,000
AT 31 AUGUST	18,315,000	21,510,000

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

	2023 £	2022 £
At 1 September	15,391,000	13,630,000
Transferred on conversion	-	859,000
Interest income	684,000	250,000
Actuarial losses	(1,096,000)	(627,000)
Employer contributions	1,376,000	1,209,000
Employee contributions	347,000	284,000
Benefits paid	(247,000)	(214,000)
AT 31 AUGUST	16,455,000	15,391,000

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

28. Operating lease commitments

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

	2023 £	2022 £
Amounts payable		
Not later than 1 year	66,251	72,426
Later than 1 year and not later than 5 years	97,254	104,562
	<u>163,505</u>	<u>176,988</u>

29. Members' liability

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

30. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.