



THE SHARED LEARNING TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

Company Limited by Guarantee
Registration Number:
05958361 (England and Wales)

THE SHARED LEARNING TRUST

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THE SHARED LEARNING TRUST

REFERENCE and ADMINISTRATIVE DETAILS

Members

Name	Position
Lord Mackenzie	
Rachel McConaghie	
David Sheridan	Chair
Mark Hamilton	
Matthew Harvey	
Hazel Simpson	

Trustees / Directors

Name	Position	Date of Appointment	Date of Resignation
Catherine Barr	CEO	7 December 2016	
David Forbes		13 July 2016 Reappointed by members 13 July 2020	
Robert Grant	Vice Chair	28 March 2017	
Trefor Hamer		13 July 2016	12 July 2020
Deborah Harris-Ugbomah		27 February 2015 Reappointed by members 27 February 2019	
Sarah Mortimer		24 May 2018	
David Sheridan	Chair	27 February 2015 Reappointed by members 27 February 2019	
Patricia Penfold		8 February 2018	
Jennese Alozi		6 February 2020	
Tichaona Manyika		6 February 2020	
Lorraine Jewell		6 February 2020	
Ayaz Malik		6 February 2020	
Rebecca Ali		11 September 2020	

Trust Leadership Team

Name	Position	Date of Appointment	Date of Resignation
Mikhaela Chapman	Clerk to the Board		
Trust Leaders			
Louise Lee	Executive Principal		
Rebekah Howe	Executive Principal		
Kevin Martin	HR & Compliance Director		
Ian Joyce	Chief Operating Officer		
Academy Leaders			
Michelle Woodhams	Head of School		
Kate Hooft	Head of School		19 April 2020
Tanya Knight	Head of School	20 April 2020	
Marea Rawlings	Principal		
Clare Chambers	Head of School	1 September 2019	31 December 2020
Mumin Humayun	Head of School	1 January 2020	
Richard Found	Principal		31 December 2019

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REFERENCE and ADMINISTRATIVE DETAILS continued

Company Name	The Shared Learning Trust
Principal and Registered Office	The Chalk Hills Academy Leagrave High Street Luton LU4 0NE
Company Registration Number	05958361 (England and Wales)
Independent Auditor	BDO LLP 55 Baker Street London W1U 7EU
Bankers	Lloyds Bank 249 Silbury Boulevard Secklow Gate West, Milton Keynes MK9 1NA
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

THE SHARED LEARNING TRUST

TRUSTEES' REPORT

The Trustees present their annual report together with the audited financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Academy Trust operates five academies across Luton and Central Bedfordshire, comprising two secondary schools, two primary and one lower school, which converted and joined the trust on 1 February 2019. The academies have a combined pupil capacity of 4,679 and had a roll of 3,633 in the school census of October 2019.

As the time of writing, the country is in the midst of the Covid-19 pandemic. The possible implications are considered in this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of The Shared Learning Trust are also the Directors of the charitable company for the purposes of company law. The terms 'trustees' and 'directors' are used interchangeably in this document but refer to the same body of people, collectively known as 'the Board'. The directors have a different status to the members of the Trust.

Details of the members and directors who served during the year are included in the Reference and Administration Details on page 1.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice, the trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

Method of Recruitment and Appointment or Election of Directors

The Articles of Association require there to be a minimum of three members of the charitable company and a minimum of three Directors. Members may appoint up to eight directors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Trust.

The directors' term of office is four years, though this time limit does not apply to the CEO as ex-officio. Any director may be re-appointed or re-elected subject to them remaining eligible.

The directors who have held office in the year ended 31 August 2020 and up to the date of signing the financial statements are listed on page 1, together with their dates of appointment and resignation, where appropriate.

Policies and Procedures Adopted for the Induction and Training of Directors

The training and induction provided for new directors and local governing body members depends on their existing experience. All new directors have been given appropriate material on their role as trustees and

THE SHARED LEARNING TRUST

TRUSTEES' REPORT continued

directors and are given the opportunity for a tour of the academies and the chance to meet with staff and students. All directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors and trustees. The Trust purchases annual subscriptions from Luton Governor Services and the National Governance Association, which give Trustees the opportunity to access a wide range of training courses.

As and when new directors are required for appointment, consideration is made as to the skills needed to augment the effectiveness of the Board.

Method of Recruitment and Appointment of Local Governing Bodies (LGBs)

During the year, the Board was supported in their work by Local Governing Bodies. Local governing bodies comprised up to nine individuals, known as 'governors', drawn from parents, staff and the local community. The Academy leader of each Academy was an ex-officio member and there was an elected staff governor. Governors were recruited through a combination of election (in respect of parent governors and staff governors) and through co-option based on a review of appropriate skillsets.

From 10th September 2020 the LGBs were officially dissolved by the Board in favour of two Community Cluster Boards. In addition, the board adopted two additional sub-committees (Risk Management and Curriculum and Standards), who met for the first time in the summer term 2020. These sub-committees comprise existing Trustees.

Organisational Structure

The Board meets twice termly. Its role is to set the strategic direction for the Trust ensuring consistency of policy and compliance with legislation. During the year, the Board was assisted in the performance of their duties by an Audit Committee, a Finance Committee, a Remuneration Committee and individual school governing bodies (LGBs).

The Board operates a scheme of delegation, which outlines the financial and operational powers that individuals and committees have within the organisation. This empowers those within the trust to make decisions appropriate to their areas of responsibility whilst ensuring the Board retains certain authorities in order to properly exercise its duties of strategic oversight. The exercise of any delegated power or functions does not include the further delegation of that power unless expressly provided by the Board.

Matters reserved for Board approval include:

- Appointment of auditors
- Appointment of CEO, COO and Academy leaders
- Approval of the annual budget and medium-term financial plans
- Approval of significant contractual commitments

The CEO has been appointed by the Board as Accounting Officer for the Trust.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Trust are the Directors and Senior Leadership Team as listed on page 1.

The Board delegates the responsibility for setting pay and remuneration of key management personnel to the Remuneration Committee. The committee is responsible for determining the remuneration package of; the CEO, Trust Leaders, Academy Leaders, and the Clerk to the Board, through evaluation against established performance goals and objectives.

Trade union facility time

The Academy Trust had no relevant officials during the reporting period, and accordingly the disclosure required under the Trade Union (Facility Time Publication Requirements) Regulations 2017 is nil.

THE SHARED LEARNING TRUST

TRUSTEES' REPORT continued

Connected Organisations including Related Party Relationships

The Shared Learning Trust is a standalone multi-academy trust and as such does not have a sponsor and is not part of a federation.

Details of transactions within the financial year and balances at 31 August 2020 are described in further detail in note 25 to the financial statements.

Engagement with Employees

The Trust communicates regularly with employees. The CEO sends out a fortnightly bulletin providing employees with information on matters of concern to them, including Health and Safety and GDPR policy and expectations. In addition, a fortnightly HR briefing is issued to all Trust staff.

Individual schools throughout the Trust conduct staff surveys on a termly basis to allow staff to put forward ideas and highlight any areas of concern.

The CEO and Trust leaders have communicated regularly with all staff, Governors and Trustees throughout the current COVID-19 pandemic, in the form of regular letters, bulletins and remote meetings. In addition, detailed risk assessments were sent to all staff and uploaded onto Academy website ahead of re-opening.

The trust has a robust performance management process for all employees. This process is aligned to the trust's strategic objectives and ensures there is a common awareness on the part of all employees of the factors affecting the performance of the Trust.

The Trust has a Disability, Equality and Diversity policy for all staff. The policy ensures commitment to advancing and achieving equality of opportunity for all Trust stakeholders.

The trusts recruitment policy states that employees will be recruited solely based on work criteria and the applicant's abilities and individual merit. A disability will not itself justify the non-recruitment or recruitment of an applicant. The trust will ensure that disabled employees are not disadvantaged in any shape or form. Staff who become disabled, so far as is practicable, should continue to remain employed by the Trust. Help from related professional organisations should be sought when considering not only the possible effects of the disability but also other consequential disadvantages, such as loss of status or financial loss, the Trust will endeavour to make any reasonable adjustments to enable the employee to continue in post.

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

As a large company, defined under Companies (Miscellaneous Reporting) Regulations 2018, we recognise the need to foster good relations with our suppliers, customers and business relations. Our schools engage with our pupils through pupil voice activities, school councils and ad-hoc surveys, covering a range of school matters. We engage with parents through feedback surveys, pupil progress meetings, parent meetings, curriculum evenings and newsletters, in a cycle of continuous improvement of educational provision. The trusts financial regulations ensure robust and transparent procurement processes are followed, and that any related party transactions are avoided where possible. The trust endeavours to pay suppliers within their relevant payment terms.

The trust is aware of its importance within the local community and as such has created two cluster boards, whose remit is predominantly community cohesion.

It is the trusts intention to continue to work closely with local authorities and central government to ensure pupils receive the highest level of education.

Objectives and Activities

Strive, achieve, believe!

We are a unique family of 5 schools, sharing our practice and beliefs to enable young people to achieve more than they ever thought possible. At The Shared Learning Trust, we will provide exceptional opportunities for all to be aspirational and develop a passion and excitement for learning! We will ensure our children, students and adults cultivate a strong self-belief so that they can flourish and develop into successful, well-rounded, self-respecting people.

THE SHARED LEARNING TRUST

TRUSTEES' REPORT continued

Our commitment to this vision can be demonstrated by our behaviours:

Strive

We will:

- provide a caring, nurturing environment where children and young adults feel happy, healthy and supported. Our academies will be places of safety, enabling pupils to develop courage, strong ambition and be the best that they can be.
- continue to work together to **share** innovative practice and to provide a wealth of opportunities for all pupils and staff
- have a Cross-Trust focus on high achievement and standards, where children are supported to meet ambitious targets.
- focus on the development of all of our staff through quality recruitment and retention, with excellent opportunities for clear and dynamic career progression.

Achieve

We will:

- aspire to provide exceptional lessons and learning opportunities, incorporating effective use of new technologies, enabling our learners to be successful and innovative.
- share strong Trust approaches to our key issues, for example; teaching, assessment, attendance, and curriculum development.
- offer an interesting yet challenging curriculum in each of our academies.
- by our all-through education, guarantee excellent 2-19 provision, with clear progression routes for all.
- continue to expect good behaviour and conduct at all times, allowing all to make progress and achieve excellence.
- place emphasis on collaboration with partners *outside of our Trust* to maximise opportunities for all *in* our Trust.

Believe

We will:

- enable all of our learners to develop and flourish, through close working and regular communication with our families and local community.
- care for our families beyond the school day, supporting the development of high self-esteem and belief.
- ensure that every child in our Trust reaches their full potential by providing exciting opportunities both inside and outside of the classroom.
- promote can-do attitudes and resilience across the Trust that develop belief and high expectation.

In order to achieve this, we expect families to honour our home / academy agreements:

Children and young adults are expected to:

- Come to school every day, be punctual and well prepared for lessons
- Be willing to work hard
- Take responsibility for their learning and **strive** to do their best
- Respect others and their environment
- Take pride in all they **achieve**
- **Believe** in themselves, learn from failure

Parents/Carers are expected to:

- Encourage and support their child and the school by taking an active role in their education
- Encourage children to **strive** to do their best and celebrate success
- Ensure punctuality and good attendance
- Provide their child with the appropriate equipment
- Share the school's expectations and promote the importance of learning
- Communicate with school to develop a strong partnership

THE SHARED LEARNING TRUST

TRUSTEES' REPORT continued

Public Benefit

- The Trust is an exempt charity and as such is regulated by the Department for Education on behalf of the Charity Commission for England and Wales. The Trust's objects are to advance education for the public benefit. In so doing, the Trust gives due regard to the diverse beliefs and backgrounds of its pupils.
- The Trust Board serves as The Trustees and is responsible for defining the strategic aims of the academies and directing the activities of its Trust and Academy leaders in the furtherance of these objects. When setting objectives and planning activities, the Board gives careful consideration to the Charity Commission's general guidance on public benefit.
- Attention is also paid to guidance issued by the ESFA in its role as principal regulator on behalf of the Commission.
- The progress towards achieving these goals is described in detail in other sections of the Financial Statements. This section highlights areas in which the Board carried out its activities for the public benefit during the year in furtherance of its objects and its mission.

THE SHARED LEARNING TRUST

STRATEGIC REPORT

Achievements and Performance

Due to the COVID-19 pandemic all public examinations were cancelled in 2020. As such, teachers calculated GCSE and A-Level grades, which were submitted to exam boards for external verification. The Trust's primary school leaders have calculated Key Stage 2 SATs results, but these were not required to be submitted externally.

The Trust comprises the following academies:

- The Chalk Hills Academy, age 11-18, judged Good by Ofsted in May 2018.
- The Linden Academy, age 4-11, judged Requires Improvement by Ofsted in January 2018.
- The Stockwood Park Academy, age 11-18, judged Requires Improvement by Ofsted in May 2018.
- The Vale Academy, age 2-11, judged Good with behaviour outstanding by Ofsted in September 2014. This judgement was reaffirmed from a section 8 HMI visit on 17th October 2017.
- The Rushmere Park Academy, age 2-8, judged Good by Ofsted in May 2014.

All grades below are via teacher calculation.

The Chalk Hills Academy

Headline performance figures for The Chalk Hills Academy resulted in an Attainment 8 score for our students of 46.24 points. These results included how well our students performed in English, mathematics, sciences, humanities and languages as well as three other subjects from an approved DfE list. Our overall (Progress) P8 score was +0.46. Our Progress 8 score improved in comparison to 2019 final data. Performance in English & maths at a good pass (Grade 5 or above) was in line with the national England average.

At KS5 A*-C our average academic grade is C+. Our average grade for applied courses is distinction-.

The Stockwood Park Academy

Headline performance figures for The Stockwood Park Academy resulted in an Attainment 8 score for our students of 42.0 points. These results included good improvements in English and Maths. Our overall (Progress) P8 score was -0.29.

At KS5 A*-C our average academic grade is C-. Our average grade for applied courses is merit+.

The Linden Academy

Results for EYFS, year 1 phonics and KS1 have not been calculated this year due to the COVID-19 pandemic. Attainment in KS2 improved by 15% to 60% for combined reading, writing and maths, according to teacher assessment.

The Vale Academy

Results for EYFS, year 1 phonics and KS1 have not been calculated this year due to the COVID-19 pandemic. Attainment in KS2 remained high at 75% for combined reading, writing and maths, according to teacher assessment.

The Rushmere Park Academy

Results for EYFS, year 1 phonics and KS1 have not been calculated this year due to the COVID-19 pandemic.

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

Key Performance Indicators

During the year the Trust has monitored key performance indicators. The achievements against these key performance indicators are as follows:

KPI	19/20 Budget	19/20 Actual*	20/21 Budget	20/21 Actual*
% of pay to income	83.2%	78.8%	83.66%	n/a
Net operating surplus before pension adjustment (£'000)	(556)	(43)	(641)	n/a
General & unrestricted reserves (£'000)	2,563	3,294	2,512	n/a
Pupil Places – number*	3,519	3,629	3,836	3,733
Pupil Places % of capacity	86.8%	86.5%	88.8%	86.4%

*at school census date in October

Going Concern

The board of directors have been presented with projections for the Trust showing the net reserves position for the coming two years, until August 2022. After due consideration, the board of directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

As part of our internal controls process, each academy has monthly financial reviews. As part of this process the current and strategic longer-term plans of the academy are considered formally and where necessary action is taken to ensure costs remain in line with future income projections.

Future General Annual Grant income from the Department for Education is guaranteed on a per pupil basis as part of the trust's Funding Agreement. The trust is dependent on this funding in order to continue as a going concern.

Specific planning has been carried out to ensure appropriate sums have been set aside to cover for exceptional costs arising from the current Pandemic including reviewing worst case scenarios over the period until 31 August 2022.

Our detailed baseline planning for the years 2020/21 and 2021/22 shows a worst-case scenario of a deterioration in revenue reserves of approximately £700,000 due to the current COVID-19 pandemic. Significant risks include the following:

- Cost of living pay awards in excess of those planned
- Loss of lettings income as a result of the pandemic and other direct excess costs for cleaning and PPE in excess of those already set aside
- Reductions in headline funding. None are expected as funding from central government for the sector over the next two years is a priority
- Losses in student numbers. Our existing planning forecasts student numbers on a prudent basis and since the company is funded on a lagged basis, we are already aware of funded student numbers for 2020.21 and 2021/22

The Trustees, supported by the CEO and COO, have considered the above factors alongside the current reserves position and consequently, the Trustees believe that the trust is well placed to manage its business risks successfully despite the current uncertain national economic outlook. The Trustees have assessed whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the trust to continue as a going concern. This assessment has been made in respect of a period of one year from the date of the approval of the financial statements. Thus, we believe the going concern basis of accounting in preparing these annual financial statements is appropriate.

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

Promoting the success of the company

The Trustees recognise the importance of promoting the success of the Trust and as such have made changes to enhance this, for example, by restructuring Trust governance in the creation of Community Cluster Boards, which have representation from local sporting, business and community organisations. This has been welcomed by both Luton and Central Bedfordshire councils.

The Trustees are fully aware of the importance of decision-making, particularly with reference to Trust growth and direction. The Trustees describe themselves as risk averse. In taking decisions, the Trustees are aware of the impact on all trust stakeholders and the locality.

The new Community Cluster Boards have a remit to consider and action opportunities for re-cycling, environmental awareness and enhancement.

Financial Review

The COVID-19 pandemic has affected the operations of the trust from March 2020 onwards, however due to the Government support and continuation of funding throughout this period, the impact on financial performance has been negligible.

Lettings income has reduced in 2020 due to the COVID 19 pandemic to balance the effect we have had to furlough the lettings staff.

The majority of the Trust's income is in the form of recurrent grants from the Education and Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants receivable from the ESFA during the year ended 31 August 2020 were £20,741,000 (2019 £20,214,000). These grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust made an operating surplus of £73,000 against a deficit budget of £556,000 (excluding pensions adjustments).

In addition, the financial performance of the Trust was impacted by an operating charge on the defined benefit pension scheme of £938,000. Including this charge the Trust reported a net outflow on restricted and unrestricted funds of £865,000 (2019 outflow £291,000).

Cash balances remain healthy at £5,598,000 (2019 £5,645,000).

As at 31 August 2020 the Trust had restricted general funds of £2,489,000 (2019: £2,399,000), restricted fixed asset funds of £74,731,000 (2019: £70,329,000) and unrestricted general funds of £804,000 (2019: £819,000).

The Trust is budgeting for a 20/21 operating deficit (excluding pension adjustment) of £641,000 (2020 actual £73,000). This reflects an investment in the school improvement team within the trust and meeting the cost of nationally agreed pay and pension awards and inflation.

Reserves Policy

The policy of the Board is to maintain a level of reserves that will not fall below 15% of GAG funding over the next 3 years, which will be adequate to provide a stable base for the continuing operation of the academies, whilst ensuring that excessive funds are not accumulated. Currently reserves sit at a higher level and plans have been agreed by the Trustees to invest available reserves in the central, School Improvement Team, to enhance the performance of all Academies throughout the trust.

The Trust closed the financial year with a balance on restricted general funds and unrestricted general funds of £3,293,000 (2019: £3,218,000), Free reserves amounted to £804,000 (2019: £819,000)

The Trust also has unspent restricted fixed asset funds of £1,898,000 (2019: £1,550,000), which includes:

- £386,000 School Condition Allowance Funding
- £32,000 for the expansion of places at Stockwood Park Academy
- £393,000 for the expansion of places of the Chalk Hills Academy
- £1,087,000 free reserves for general use

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

The Trust has approved a 20/21 budgeted capital spend of £860,000 to replace/upgrade IT equipment and software and refresh premises, fixtures and fitting as required. Further capital expenditure from restricted fixed asset funds in the year will be subject to further approval from the trust Board.

The Trust considers the level of overall reserves, inclusive of the unspent fixed asset reserve, to be an adequate base for the continuing operation of the Trust. A key challenge in the coming years is to continue to invest in improving educational outcomes within an operating model that has long-term sustainability.

Investment Policy

The Trust aims to maintain sufficient cash balances in its current account to meet its day-to-day commitments of operations, whilst protecting the real long-term value of any surplus cash balances against inflation. The Trust has a policy of investing any significant additional monies surplus to the working requirements in term deposits to earn an acceptable rate of return without undue risk.

Principal Risks and Uncertainties

The Trust remains dependent on government funding and is therefore impacted by changes in policy, which result in a budgetary tightening on educational expenditure. Senior staff monitor publications from the ESFA and DfE and assess the impact as part of the budget and medium-term financial planning process.

All academies are exposed to fluctuations in pupil numbers and funding levels, particularly The Linden Academy is currently at 74% capacity, and the Rushmere Park Academy at 53% capacity.

The Trust operates within its allocated budget and settles its liabilities as they fall due. The current deficit on the LGPS of £10,035,000 has been apportioned to the Trust and the Trust ensures scheme contributions are paid as they fall due in line with those recommended by the pension scheme actuaries.

The actuaries of the scheme evaluated the fund as at 31 March 2019 and at that time put into place increased contributions in order to reduce this deficit. The trustees include the contributions within the budgets submitted to the ESFA. The deficit is recognised on the balance sheet in accordance with FRS102.

Risk Management is a termly agenda item for compliance meetings within the trust and updated risk registers are reviewed termly by the trust board. A new sub-committee of the board has been established during the year with the sole remit of overseeing risk management and business continuity.

An uncertainty currently facing the organisation is the impact of the ongoing global COVID-19 outbreak.

The trustees and executive team continue to monitor the outbreak, including UK Government advice. While the evolving nature of the situation means it is not possible to accurately quantify the financial impact, the organisation is in a good financial position to help manage this risk. Steps are being taken, on an ongoing basis, to minimise the impact on the trust's activities and the effect this may have on the organisation's stakeholders. Infrastructure is in place to allow staff to work remotely, in the event of a further local lockdown and our key priority is to ensure that high quality provision for our pupils is maintained.

The recruitment and retention of high calibre staff remains a challenge nationally. The trust employs its own recruitment officer and has a strong relationship with local and national agencies. All schools remain fully staffed and recent recruitment has been positive.

The Stockwood Park and Linden Academies were judged to be "requires improvement" by Ofsted in 2018. Since this time the trust has restructured senior positions and both schools have improved in terms of quality of teaching and pupil outcomes. These improvements have been confirmed by external reviewers.

Fundraising

The Academy Trust did not engage in any fundraising activities during the reporting period.

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STRATEGIC REPORT continued

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	1,220,193
Energy consumption break down (kWh) (optional) • gas, • electricity, • transport fuel	
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – mini-buses <u>Total scope 1</u>	 760.40 6.93 767.33
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	 432.12
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles	 0.47
Total gross emissions in metric tonnes CO2e	1,119.92
<u>Intensity ratio</u> Tonnes CO2e per pupil	 0.03

Quantification and Reporting Methodology: -

• We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

Plans for Future Years

1. Deliver the vision; **Strive, achieve, believe!**
 - All schools will be judged as at least "good" by Ofsted
 - There will be strong stakeholder confidence in the trust and its academies. Parents will be advocates for the schools.
 - There will be sustainable academy leadership
 - Pupils' attainment and progress will be in line with, or better than, national average
 - Pupil attendance will be at or above national average and persistent absence will be low
 - The school improvement team of SLEs (specialist leaders of education) and LLEs (local leaders of education) will be impactful and well regarded across the trust and in the locality.
 - Pupil numbers will increase, moving towards full capacity in each academy
2. Successfully grow to a trust of in excess of 8,000 pupils, extending our range of academies to incorporate alternative provision units and by achieving sponsor status.
 - In 2020, the trust has 3,700 pupils with full capacity being 4,679. We will grow to become a trust of 8,000 pupils by 2025
 - Alternative provision units will open on The Chalk Hills and Stockwood Park campuses in September 2021
 - The trust will gain sponsor status
 - The trust will open a secondary free school of 1,750 capacity in September 2022 **OR** will assimilate a large secondary school into the trust during this period.
 - The trust will assimilate **at least** two primary schools over the next five years.
 - The trust will have developed a "Faculty of Education", enabling subject areas to work and plan together seamlessly
 - The trust's school improvement arm will work with other trusts and schools "in need"
3. Enhance our professional development programme, which retains and develops happy and motivated, high calibre staff, by offering CPD and career progression opportunities, with attractive rewards and benefits.
 - The trust will be recognised as a great employer, with a diverse, professional staff
 - Talent will be nurtured and developed.
 - There will be clear career progression routes within the trust
 - CPD opportunities for all staff will be provided through the trust's CPD arm and through partnership with other local teaching schools
 - Well-being will be a focus. The trust will attain a nationally recognised award in this area.
 - Staff benefits will be enhanced.
4. Be ambitious for the development of pupils; their attainment, well-being and community responsibilities
 - The curriculum in all schools is varied and relevant, preparing pupils for the next stage in their lives
 - All schools facilitate character development and a strong **anti-racism** message.
 - All schools provide a clearly defined enrichment programme
 - Trust awards in a number of subject, performing and sporting areas encourage pupils to be ambitious and perform to the best of their ability.
 - Children develop an understanding of their own personal identity, their role and responsibilities in society and the wider community
5. The trust and all academies are financially secure to ensure resources are available to achieve the trust's goals
 - The trust is a going-concern, with long-term financial stability
 - All current academies (2020) are financially secure. New academies will be on a financial plan to achieve security.
 - The trust has adequate resources to achieve its strategic objectives.

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

Insofar as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors 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.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2020 and signed on the Board's behalf by:

A handwritten signature in black ink, appearing to read 'DM Sheridan'.

David Sheridan
Chair

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT

Scope of Responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that The Shared Learning 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.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board has delegated the day-to-day responsibility to the Chief Executive as Accounting Officer, for ensuring financial controls conform to 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 The Shared Learning Trust and the Secretary of State for Education. The Chief Executive is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in The Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board meets every half-term with oversight facilitated by five sub committees, the Audit Committee, the Finance Committee, the Curriculum and Standards Committee, the Risk Management Committee and the Remuneration Committee, and supported by a clerk. The sub committees comprise non-executive directors with relevant experience.

The Board has formally met seven times during the year. Attendance during the year at meetings of the Board was as follows:

Director	Meetings attended	Out of a possible
Jennese Alozie	5	5
Catherine Barr (CEO)	7	7
David Forbes	5	7
Robert Grant	7	7
Trefor Hamer	5	7
Deborah Harris-Ugbomah	6	7
Lorraine Jewell	5	5
Ayaz Malik	4	5
Tichaona Manyika	4	5
Sarah Mortimer	6	7
Patricia Penfold	6	7
David Sheridan (Chair)	7	7

Audit Committee

The Audit Committee's purpose is to monitor internal controls and risk management systems, the effectiveness of internal and external audit activity and the integrity of the Financial Statements. It has met three times in the year. Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Trefor Hamer	3	3
Deborah Harris-Ugbomah	2	3
Ayaz Malik	1	1
Tricia Penfold	2	2

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

Finance Committee

The Finance Committee's purpose is to monitor the financial performance of the Trust and advise the Trust Board on financial strategy and policy within resources available. The Finance Committee met three times in the year. Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Trefor Hamer	2	2
Deborah Harris-Ugbomah	2	3
Ayaz Malik	1	1
Tricia Penfold	2	2
David Sheridan	2	2

Curriculum and Standards Committee

The Curriculum & Standards Committee's purpose is to maintain full oversight of:

- the monitoring and evaluation of pupil progress and attainment, and the quality of teaching;
- ensuring the trust provides a consistently high-quality learning experience, and delivers a broad and balanced curriculum in keeping with the trust's aims and vision;
- all pupil needs and legal requirements.

Director	Meetings attended	Out of a possible
Jennese Alozie	1	1
David Forbes	1	1
Sarah Mortimer	1	1

Risk Management Committee

The Risk Management Committee's purpose is to maintain full oversight of:

- To support the strategic direction of the Trust Board through short-term operational planning
- To consider and mitigate risks, which are judged to be medium or high, and feature on the corporate risk register.
- To consider business continuity and make recommendations to the Trust Board for approval.
- To report to the Trust Board and make recommendations for consideration.

Director	Meetings attended	Out of a possible
Rob Grant	2	2
Tichaona Manyika	1	2
David Sheridan	2	2

Remuneration Committee

The Remuneration Committee's purpose is to review and determine the Board's policy on executive remuneration and advise on the specific remuneration packages of senior staff and the Clerk/Secretary to the Trust. It has met twice in the year. Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Robert Grant	1	2
Trefor Hamer	1	1
Tricia Penfold	1	2
David Sheridan (Chair)	2	2

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

Local Governing Bodies

Each academy within the Trust had a Local Governing Body to provide additional support and challenge to each academy, as well as support the Board in its role to oversee the strategic direction of the Trust and compliance with statutory requirements. All local governing bodies met at least 4 times throughout the year. These meetings were suspended during the COVID-19 lockdown and delegated authorities were returned to the Trustees.

Review of Value for Money

As Accounting Officer, the CEO has responsibility for ensuring that the trust delivers good value for money 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 where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Procurement of the new Rushmere Park Academy carpark was carried out by way of a competitive tender.
- CJ Learning's Smart Curriculum tool is used to evaluate the efficiency of the schools' curriculum and their methods for delivery.
- Procurement consultancy for ad-hoc services, such as grounds maintenance have been deployed during the year.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Shared Learning Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

Over the period, the Trust has adapted its risk management processes to ensure reporting of risks to the audit committee and the Board of Directors provides appropriate assurance.

The Board 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 is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board;
- regular reviews by the Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase, capital investment or operating expense) guidelines;

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board has considered the need for a specific internal audit function and have appointed RSM UK as internal auditor.

The internal auditor's role includes giving an opinion on the overall adequacy and effectiveness of the organisations risk management, control and governance processes. In particular, the checks carried out in the current period included:

- Strategic Planning
- Key Financial Controls
- Recruitment and Retention
- Business Continuity and Disaster Recovery
- Follow up of previous year's audit recommendations

Audit findings are reported to the board of trustees through the Audit Committee on the operation of the system of control and on the discharge of the board of trustees' financial responsibility and annually prepares an summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress..

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the Chief Financial Officer who has responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to ensure continual improvement of the system is in place.

Approved by the order of the members of the Board on 10 December 2020 and signed on its behalf:



David Sheridan
Chair



Catherine Barr
Accounting Officer

THE SHARED LEARNING TRUST

Statement on Regularity, Propriety and Compliance

As accounting officer of The Shared Learning Trust, I have considered my responsibility to notify the Trust's Board of Directors and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Trust's Board of Directors are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2019.

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



Catherine Barr
Accounting Officer
10 December 2020

THE SHARED LEARNING TRUST

Statement of Trustees' Responsibilities

The trustees (who act as governors of The Shared Learning Trust and 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 Annual 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:

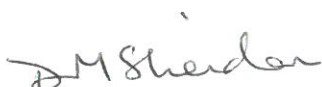
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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 to 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 on 10 December 2020 and signed on its behalf by:



David Sheridan
Chair

THE SHARED LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SHARED LEARNING TRUST

We have audited the financial statements of The Shared Learning Trust ("the Academy") for the year ended 31 August 2020 which comprise the statement of financial activities (incorporating income and expenditure account), balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency (ESFA).

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance the Academies Accounts Direction 2019 to 2020.

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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The 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. 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.

THE SHARED LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SHARED LEARNING TRUST (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 or the Strategic report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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.

THE SHARED LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SHARED LEARNING TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and the Academy's members as a body, for our audit work, for this report, or for the opinions we have formed.



Heather Wheelhouse, Senior Statutory Auditor
For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU

Date 12 January 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE SHARED LEARNING TRUST

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

In accordance with the terms of our engagement letter dated 25 February 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Shared Learning Trust during the period 1 September 2019 to 31 August 2020 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 The Shared Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Shared Learning 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 The Shared Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE SHARED LEARNING TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The Shared Learning Trust funding agreement with the Secretary of State for Education dated 4 September 2012 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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 our conclusion includes an assessment of the level of risk associated with the specific categories of income and expenditure and the potential for irregularities to be identified.

Our procedures included, but not limited to, the following:

- Reviewing minutes of meetings, management accounts and made enquiries of management;
- Performing sample testing of expenditure ensuring items are for the School's purposes and are appropriately authorised;

THE SHARED LEARNING TRUST

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

- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the Trust;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation;
- Reviewing any family members of directors or senior leadership team appointed in the period, checking that the School's processes have been followed and the remuneration appears reasonable;
- Performing a review of the tendering policy, enquiring of any tenders completed in the period and completing a review of tenders completed for the appropriate documentation and authorisation;
- Enquiries of management of new leases in the period, ensuring they are entered into in line with the financial handbook policies;
- Review of the Trust's website for the correct disclosure of governance information in line with ESFA guidelines;
- Performing a review of the Business Continuity Plan in place by the Trust.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

BDO LLP

BDO LLP
Reporting Accountant
55 Baker Street
London
W1U 7EU

Date: 12 January 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE SHARED LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 AUGUST 2020 (including Income and Expenditure Account)

	Note	Unrestricted funds £000s	Restricted funds £000s	Restricted fixed asset fund £000s	Total 2020 £000s	Total 2019 £000s
Income and endowments from:						
Donations and capital grants	1	-	-	6,604	6,604	366
Transfer from local authority on conversion	28	-	-	-	-	4,425
Charitable activities: Funding for the Trust's educational operations	2	-	22,318	-	22,318	21,257
Other trading activities	3	166	-	-	166	268
Investment income	4	6	-	-	6	22
Total		172	22,318	6,604	29,094	26,338
Expenditure on:						
Raising funds	5	187	-	-	187	211
Charitable activities: Trust education operations	6	-	23,283	2,085	25,368	24,402
Total		187	23,283	2,085	25,555	24,613
Net income/(expenditure)		(15)	(965)	4,519	3,539	1,725
Transfers between funds	15	-	116	(116)	-	-
Other recognised gains and (losses):		(15)	(849)	4,403	3,539	1,725
Actuarial gains/(losses) on defined benefit pension schemes	23	-	(2,971)	-	(2,971)	(2,265)
Net Movement in funds		(15)	(3,820)	4,403	568	(540)
Reconciliation of funds						
Total funds brought forward	15	819	(3,726)	70,328	67,421	67,961
Total funds carried forward		804	(7,546)	74,731	67,989	67,421

All of the Trust's activities derive from continuing operations.


THE SHARED LEARNING TRUST

BALANCE SHEET AS AT 31 AUGUST 2020


Company number: 05958361

	Note	2020 £000s	2019 £000s
Fixed Assets			
Intangible assets	11a	16	34
Tangible assets	11b	72,820	68,744
		72,836	68,778
Current Assets			
Debtors	13	1,469	1,192
Cash at bank and in hand		5,598	5,645
		7,067	6,837
Creditors: Amounts falling due within one year	14	(1,879)	(2,068)
Net Current Assets		5,188	4,769
Net assets excluding pension liability		78,024	73,547
Pension Scheme Liability	24	(10,035)	(6,126)
Net Assets including pension liability		67,989	67,421
The funds of the Trust:			
Restricted funds			
Restricted fixed asset fund	15	74,731	70,329
General fund	15	2,489	2,399
Pension reserve	15	(10,035)	(6,126)
Total restricted funds		67,185	66,602
Unrestricted income funds			
General fund	15	804	819
Total unrestricted income funds		804	819
TOTAL FUNDS		67,989	67,421

The financial statements on pages 26 to 50 were approved and authorised by the directors on 10 December 2020 and signed on their behalf by:



David Sheridan
 Chair



Catherine Barr
 Accounting Officer

THE SHARED LEARNING TRUST

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000s	2019 £000s
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	19	(91)	(120)
Cash flows from investing activities	20	43	(558)
Change in cash and cash equivalents in the reporting period		(48)	(678)
Cash and cash equivalents at 1 September	21	5,646	6,324
Cash and cash equivalents at 31 August	21	5,598	5,646

THE SHARED LEARNING TRUST

STATEMENT of 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.

Basis of Preparation

The financial statements of the trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going Concern

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

The board of directors have been presented with a going concern stress-test report highlighting potential financial risks, including those associated with COVID-19. The report highlights potential risks, including the loss of revenue due to a reduction in lettings income and pupil numbers and potential increases in costs, such as increases in supply staff, staff pay-rises and additional COVID-19 related expenditure. The worst-case scenario would leave the trust with £2.4m of free reserves, excluding pension deficit, at the end of the 2021/22 year. Therefore, after due consideration, the board of directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Income

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

- **Grants**

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

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

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

- **Donations**

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

THE SHARED LEARNING TRUST

STATEMENT of ACCOUNTING POLICIES continued

- **Donated goods, facilities and services**

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

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

- **Other Income**

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

- **Interest receivable**

Interest receivable is included within the Statement of Financial Activities on an accruals basis.

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 costs are allocated in proportion to the levels of GAG income, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 3 years

Tangible Fixed Assets

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

THE SHARED LEARNING TRUST

STATEMENT of ACCOUNTING POLICIES (continued)

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.

New academy buildings procured through the Partnership for Schools (PFS) / Building Schools for the Future programme have been constructed under local authority control and then subsequently leased at a minimal rent to the academy. Where a lease transfers substantially all the risks and rewards of ownership of the asset to the lessee (i.e. to the Trust) the asset is capitalised as a fixed asset and depreciated over their useful economic life.

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

- | | |
|-----------------------------------|----------|
| • Computer equipment and software | 3 years |
| • Furniture and equipment | 5 years |
| • Buildings | 50 years |
| • Building Improvements | 10 years |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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 carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Liabilities

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

Provisions

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

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

Investments

Investments are shown at the year end at market value. Realised and unrealised gains and losses on investment are dealt with through the Statement of Financial Activities and the Income from Investments is included in the year in which it is receivable.

The Trust's shareholding in the wholly owned subsidiary, Barnfield South Academy, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Leased Assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

THE SHARED LEARNING TRUST

STATEMENT of ACCOUNTING POLICIES (continued)

Taxation

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

Pensions Benefits

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

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer 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.

Local Government Pension Scheme

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

Fund accounting

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the trust at the discretion of the directors;

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

Restricted general funds comprise grants from the ESFA and other donors which are to be used for specific purposes as set out in note 15.

THE SHARED LEARNING TRUST

STATEMENT of ACCOUNTING POLICIES (continued)

Agency Arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities, as the Trust does not have control over the charitable application of the funds. The trust can use up to 5% 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 note 26.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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 SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

1. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2020 £000s	Total 2019 £000s
Capital Grants	-	1,029	1,029	366
Other Donations	-	5,575	5,575	-
	-	6,604	6,604	366
2019 total	-	366	366	

2. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2020 £000s	Total 2019 £000s
ESFA Grants				
General Annual Grant (GAG)	-	18,189	18,189	18,310
Other DfE/ESFA grants	-	2,552	2,552	1,814
	-	20,741	20,741	20,124
Other Government Grants				
Local Authority Grants	-	946	946	493
Other Income				
	-	631	631	640
	-	22,318	22,318	21,257
2019 total	-	21,257	21,257	

3. OTHER TRADING ACTIVITIES

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2020 £000s	Total 2019 £000s
Hire of Facilities	164	-	164	266
Uniform Sales	2	-	2	2
	166	-	166	268
2019 total	268	-	268	

4. INVESTMENT INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2020 £000s	Total 2019 £000s
Bank Interest	6	-	6	22
	6	-	6	22
2019 total	22	-	22	

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. EXPENDITURE

	Staff costs £000s	Non-Pay Expenditure Premises £000s	Other £000s	Total 2020 £000s	Total 2019 £000s
Expenditure on raising funds					
Allocated support costs	66	112	9	187	211
Direct costs	-	-	-	-	-
Academy's educational operations					
Allocated support costs	3,234	1,570	2,784	7,588	7,074
Direct costs	14,419	1,889	1,472	17,780	17,328
	17,719	3,571	4,265	25,555	24,613
2019 total	16,942	3,764	3,907	24,613	

Net income/ (expenditure) for the year includes:

	2020 £000s	2019 £000s
Operating lease rentals	44	35
Depreciation	2,085	2,180
Loss on disposal of fixed assets	-	-
Fees payable to auditor:		
Audit	32	30
Other services	-	-

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. CHARITABLE ACTIVITIES

	Total 2020 £000s	Total 2019 £000s
Direct Costs – educational operations	17,780	17,328
Support costs – educational operations	7,588	7,074
	25,368	24,402
	Total 2020 £000s	Total 2019 £000s
Direct Costs – educational operations		
Teaching and educational support staff costs	13,851	13,394
Depreciation and loss on disposals of fixed assets	2,055	2,115
Technology costs	305	303
Educational supplies	636	683
Examination fees	249	246
Staff development	98	64
Educational consultancy	6	15
Supply staff costs	568	504
Other direct costs	12	1
	17,780	17,325
	Total 2020 £000s	Total 2019 £000s
Analysis of support costs		
Support staff costs	3,225	2,912
Depreciation	30	65
Technology costs	102	135
Recruitment and support	130	194
Maintenance of premises & equipment	512	475
Cleaning	433	366
Rent & rates	210	203
Heat & light	366	408
Insurance	43	124
Security & transport	7	11
Catering	1,006	688
Bank interest and charges	-	-
Supply staff costs	9	34
Other support costs	1,511	1,455
Governance costs	4	4
	7,588	7,074

Included in other support costs is £938,000 relating to the current service cost (net of employee contributions) (2019: £861,000).

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. STAFF COSTS

a. Staff costs

Staff costs during the year were:

	2020 £000s	2019 £000s
Wages and Salaries	13,435	13,304
Social security costs	1,289	1,263
Operating costs of defined benefit pension schemes	2,397	1,794
	17,121	16,361
Supply staff costs	577	538
Staff restructuring costs	21	43
	17,719	16,942
Staff restructuring costs comprise:		
Redundancy payments	22	-
Severance payments	2	43
	24	43

b. Severance

Included in staff restructuring costs is one non-statutory/non-contractual severance payment totalling £1,924 (2019: £10,439).

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	216	231
Administration and support	255	262
Management	15	15
	486	508

d. Higher paid staff

The number of employees whose employees' benefits (excluding employer pension costs) exceeded £60,000 in the financial year was:

	2020 No.	2019 No.
£60,001 - £70,000	9	7
£70,001 - £80,000	3	4
£80,001 - £90,000	2	1
£90,001 - £100,001	0	1
£110,001 - £120,000	1	1
£140,001 - £150,000	1	1
	16	15

Key management personnel

e.

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,066,292 (2019: £807,822).

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. CENTRAL SERVICES

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

- human resources;
- financial management and reporting;
- legal services;
- marketing services;
- IT services;
- school improvement;
- estates and facilities services; and
- health and safety.

From September 2019 the trust has levied a fixed top slice from individual academy budgets at a rate of 5.5% of GAG.

The budgeted central costs for the year to 31 August 2021 represent 5.5% of GAG.

The actual amounts charged during the year were as follows:

	2020 £000s	2019 £000s
The Chalk Hills Academy	400	411
The Stockwood Park Academy	396	404
The Vale Academy	102	89
The Linden Academy	94	101
The Rushmere Park Academy	33	0
Total	1,025	1,005

9. RELATED PARTY TRANSACTIONS – DIRECTORS' REMUNERATION AND EXPENSES

The Chief Executive Officer only receives remuneration in respect of the services they provide undertaking the roles of Chief Executive Officer and not in respect of their services as a director. Other directors do not receive any payment from the Trust other than the reimbursement of travel and subsistence expenses incurred in the course of their duties. The value of directors' remuneration was as follows:

Catherine Barr	Remuneration	£140,000 - £145,000	(2019: £135,000 - £140,000)
(CEO and Director):	Employer's pension contribution paid	£30,000 - £35,000	(2019: £15,000 - £20,000)

During the year ended 31 August 2020, £1,276 of travel and subsistence expenses were reimbursed to the trustees (2019: £1,128).

10. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11a INTANGIBLE FIXED ASSETS

	Computer Software £000s	Total £000s
Cost		
At 1 September 2019	103	103
Additions	-	-
At 31 August 2020	103	103
Accumulated Depreciation		
At 1 September 2019	69	69
Charged in year	18	18
At 31 August 2020	87	87
Net Book Values		
At 31 August 2020	16	16
At 31 August 2019	34	34

11b TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £000s	Leasehold Land & Buildings £000s	Furniture & Equipment £000s	Computer Equipment £000s	Total £000s
Cost					
At 1 September 2019	5,609	74,602	873	2,607	83,691
Additions	-	5,583	449	110	6,142
Disposals	-	-	(109)	-	(109)
At 31 August 2020	5,609	80,186	1,213	2,717	89,724
Accumulated Depreciation					
At 1 September 2019	788	11,297	503	2,358	14,946
Charged in year	115	1,774	32	146	2,067
Depreciation on disposals	-	-	(109)	-	(109)
At 31 August 2020	903	13,071	426	2,504	16,904
Net Book Values					
At 31 August 2020	4,706	67,114	787	213	72,820
At 31 August 2019	4,821	63,306	370	249	68,746

Land & buildings held at The Chalk Hills and Stockwood Park academies were recorded at cost upon acquisition, being the cost incurred by the local authority under the Building Schools for the Future programme and are depreciated over their expected useful life.

Land & buildings held at The Vale Academy were recorded at fair value upon conversion to the multi-academy trust and depreciated over its expected useful life. The building is occupied under a 125-year lease granted by the local authority.

Land & buildings held at The Linden Academy were recorded at cost upon build and are depreciated over their expected useful life. The land and buildings are freehold.

Land and buildings at the Rushmere Park Academy were inherited during the year and were recorded at fair value as at 2nd February 2019. The valuation was carried out by Brasier Freeth LLP.

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. INVESTMENT

	2020 £000s	2019 £000s
Barnfield South Academy (at cost)	-	-
	-	-

The Trust was the sole member of Barnfield South Academy, a company limited by guarantee. The company operated as an academy trust until 31 August 2012 when activities of that academy transferred into The Shared Learning Trust. The company is in the process of being wound-up and removed from the register held at Companies House.

13. DEBTORS

	2020 £000s	2019 £000s
VAT recoverable	204	224
Trade Debtors	14	170
Other debtors	900	405
Prepayments	351	393
	1,469	1,192

Included in the above are prepayments due greater than one year of £17,324 (2019: £8,000). There are no other debtors due after more than one year.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £000s	2019 £000s
Trade creditors	605	664
Other taxation and social security	324	327
Other creditors	292	312
Accruals	275	492
Deferred income	383	273
	1,879	2,068

Deferred income

	2020 £000s	2019 £000s
Deferred income at 1 September	273	360
Resources deferred in the year	383	228
Amounts released from previous years	(273)	(315)
Deferred income at 31 August	383	273

At the balance sheet date, the trust was holding monies relating to grants with restrictions on expenditure and trips that are due to take place in the next year.

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. FUNDS

	Balance at 1 September 2019 £000s	Incoming resources £000s	Resources expended £000s	Gains, losses and transfers £000s	Balance at 31 August 2020 £000s
Restricted General Funds					
General Annual Grant (GAG)	2,320	18,184	(18,131)	116	2,489
Pupil Premium	-	1,229	(1,229)	-	-
Other DfE/ESFA Grants	-	1,328	(1,328)	-	-
Local Authority Grants	-	946	(946)	-	-
Other incoming resources	80	631	(711)	-	-
Pension reserve	(6,126)	-	(938)	(2,971)	(10,035)
	(3,726)	22,318	(23,283)	(2,855)	(7,546)
Restricted Fixed Asset Funds					
Condition Improvement Fund	118	-	-	(118)	-
School Condition Allowance	-	529	-	(142)	387
Trust capital assets	70,210	6,075	(2,085)	144	74,344
	70,328	6,604	(2,085)	(116)	74,731
Total Restricted Funds	66,602	28,922	(25,368)	(2,971)	67,185
Unrestricted funds	819	172	(187)	-	804
Total funds	67,421	29,094	(25,555)	(2,971)	67,989

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

Restricted general funds

The GAG fund of £2,490,000 is the recurrent funding to be used for educational purposes in accordance with the Trust's Funding Agreement with the DfE.

Under the funding agreement with the Secretary of State the Trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2020.

The pension reserve of £10,035,000 (overdrawn) represents the Trust's share of the deficit in the Bedford Borough Council Pension Fund.

Restricted ICT and fixed asset funds

School Condition Allowance funding is a capital grant received from the EFSA for renovation works at the trust. The balance of £386,000 is to be expended in the following two years.

Trust capital assets represents all fixed assets owned by the Trust and funds restricted to ICT investment. The fund balance carried forward consists of the net book value of fixed assets and unspent funds of £1,512,000.

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. FUNDS (continued)

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

	Balance at 1 September 2018 £000s	Incoming resources £000s	Resources expended £000s	Gains, losses and transfers £000s	Balance at 31 August 2019 £000s
Restricted General Funds					
General Annual Grant (GAG)	1,909	18,310	(18,362)	463	2,320
Pupil Premium	-	1,237	(1,237)	-	-
Other DfE/ESFA Grants	-	577	(577)	-	-
Local Authority Grants	-	493	(493)	-	-
Other incoming resources	-	772	(692)	-	80
Pension reserve	(3,000)	-	(861)	(2,265)	(6,126)
	(1,091)	21,389	(22,222)	(1,802)	(3,726)
Restricted Fixed Asset Funds					
Condition Improvement Fund	250	118	-	(250)	118
Trust capital assets	67,150	4,541	(2,180)	699	70,210
	67,400	4,659	(2,180)	449	70,328
Total Restricted Funds	66,309	26,048	(24,402)	(1,353)	66,602
Unrestricted funds	740	290	(211)	-	819
Endowment funds	912	-	-	(912)	-
Total funds	67,961	26,338	(24,613)	(2,265)	67,421

Analysis of fund balances by academy

Fund balances at 31 August 2020 were allocated as follows.

	Total available funds Balance at 31 August 2020 £000s	Total available funds Balance at 31 August 2019 £000s
Centrally held revenue Funds	3,289	3,218
Total before fixed assets and pension reserve	3,289	3,218
Restricted fixed asset fund	72,837	68,778
Restricted fixed asset fund held as cash	1,898	1,550
Pension reserve	(10,035)	(6,126)
	67,989	67,420

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. FUNDS (continued)

The Trustees have approved the pooling of reserves across its academies.

There is an expectation by the Trust that all academies operate a balanced budget, making suitable surpluses to fund ICT and premises investment and to provide emergency reserves.

Whilst the Trust supports academies which fall into short term difficulties, there is an overarching responsibility for the maintenance of adequate reserves of the Trust, ensuring value for money in the provision of educational services. Funds allocated under each academy's individual Supplemental Funding Agreement with the Secretary of State are spent for the purposes intended and to prevent unauthorised use of restricted reserves (set aside for specific purposes by funders).

During the year to 31 August 2020, the trust has consciously decided to use reserves to invest in the school improvement arm of the academies. Where an academy projects an unplanned deviation from budget during the year immediate steps will be taken to establish a strategy to include:

- Identification of reasons for deficit forecast and potential solutions
- A proposed action plan and timescales for completion
- Identification of the likely cumulative deficit arising before the position improves
- The additional control measures that are considered appropriate to the situation
- Any additional monitoring and reporting requirements during the recovery period

The additional steps above are implemented for academies in deficit and will protect the reserves of the Trust as a whole whilst providing assurance to individual academies that their funds are being effectively managed.

Analysis of academies by cost

	Teaching and Ed. Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding depreciation)	2019/20 Total	2018/19 Total
	£000s	£000s	£000s	£000s	£000s	£000s
The Chalk Hills Academy	5,392	926	222	1,672	8,212	8,047
The Linden Academy	1,441	195	37	318	1,991	2,227
The Stockwood Park Academy	5,509	805	258	1,594	8,166	7,869
The Vale Academy	1,538	249	27	204	2,018	1,902
The Rushmere Park Academy	468	174	19	109	770	459
Central Services	71	950	73	1,217	2,311	1,929
	14,419	3,299	636	5,114	23,468	22,433

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are represented by:

	Endowment Fund £000s	Unrestricted Funds £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total £000s
Tangible fixed assets	-	-	-	72,836	72,836
Current assets	-	804	4,368	1,895	7,067
Current liabilities	-	-	(1,879)	-	(1,879)
Pension scheme liability	-	-	(10,035)	-	(10,035)
	-	804	(7,546)	74,731	67,989

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

	Endowment Fund £000s	Unrestricted Funds £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total £000s
Tangible fixed assets	-	-	-	68,778	68,778
Current assets	-	819	4,468	1,550	6,837
Current liabilities	-	-	(2,068)	-	(2,068)
Pension scheme liability	-	-	(6,126)	-	(6,126)
	-	819	(3,726)	70,328	67,421

17. CAPITAL COMMITMENTS

	2020 £000s	2019 £000s
Contracted for, but not provided in the financial statements	-	-

18. COMMITMENTS UNDER OPERATING LEASES

Operating Leases

At 31 August 2020 the total of the trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £000s	2019 £000s
Plant and Machinery		
Amounts due within one year	32	37
Amounts due between one and five years	21	45
Amounts due after five years	-	-
	<u>53</u>	<u>82</u>

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £000s	2019 £000s
Net income/(expenditure) for the year (as per the statement of financial activities)	3,539	1,725
Adjusted for:		
Depreciation (note 6)	2,085	2,180
Disposal of assets	-	-
Inherited fixed assets	(5,575)	(4,293)
Interest receivable (note 4)	(6)	(22)
Capital grants from DfE and other capital income	(604)	(366)
Defined benefit pension scheme cost less contributions payable (note 24)	938	861
Decrease/(increase) in debtors	(278)	(315)
(Decrease)/increase in creditors	(190)	110
Net cash provided by / (used in) Operating Activities	(91)	(120)

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £000s	2019 £000s
Dividends, interest and rents from investments	6	22
Proceeds from sale of tangible fixed assets	-	-
Purchase of tangible fixed assets	(567)	(946)
Capital grants from DfE/ESFA	604	366
Net cash provided by / (used in) investing activities	43	(558)

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 August 2020 £000s	At 31 August 2019 £000s
Cash in hand and at bank	5,598	1,144
Notice deposits	-	4,500
Total cash and cash equivalents	5,598	5,644

22. ANALYSIS OF CHANGE IN NET DEBT

	At 1 September 2019 £000s	Cash flows £000s	Acquisition / disposal of subsidiaries £000s	New finance leases £000s	Other non-cash changes £000s	At 31 August 2020 £000s
Cash	5,646	-48	-	-	-	5,598
Cash Equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
Total	5,646	-48	0	0	0	5,598

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

23. 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.

24. PENSION and SIMILAR OBLIGATIONS

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

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

Contributions amounting to £275,000 (2019: £233,000) were payable to the schemes at 31 August 2020 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 and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are: • employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 next valuation result is due to be implemented from 1 April 2023.

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. PENSION and SIMILAR OBLIGATIONS (continued)

The employer's pension costs paid to TPS in the period amounted to £1,668,317 (2019: £1,171,000)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2020 was £967,000 (2019: £931,000) of which the employer's contribution totalled £729,000 (2019: £708,000) and the employees' contributions totalled £238,000 (2019: £223,000). The agreed contribution rates for future years are 20.3 per cent for employers, employee rates were banded according to salary.

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

Year Ended:	31 August 2020 % p.a	31 August 2019 % p.a
Rate of increase for pensions in payment/inflation	2.25%	2.2%
Rate of increases in salaries	3.25%	2.5%
Discount Rate of scheme liabilities	1.6%	1.9%
Inflation assumption (CPI)	2.25%	2.2%
Commutation of pensions to lump sums – pre-April 2008 service	50.00%	50.00%
Commutation of pensions to lump sums – post April 2008 service	75.00%	75.00%

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	22.2	20.7
Females	24.3	23.2
<i>Retiring in 20 years</i>		
Males	23.4	21.7
Females	26.1	24.7

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. PENSION and SIMILAR OBLIGATIONS (continued)

Sensitivity Analysis

	At 31 August 2020 £'000	At 31 August 2019 £'000
Adjustment to discount rate	+0.1%	+0.1%
Present value of total obligation	23,066	17,888
Projected service cost	1,832	1,490
Adjustment to long term salary increase	+0.1%	+0.1%
Present value of total obligation	23,742	18,352
Projected service cost	1,895	1,528
Adjustment to pension increases and deferred revaluation	+0.1%	+0.1%
Present value of total obligation	24,293	18,689
Projected service cost	1,957	1,564
Adjustment to life expectancy assumptions	+1 year	+1 year
Present value of total obligation	24,475	18,915
Projected service cost	1,954	1,576

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

	Fair value at 31 August 2020 £000s	Fair Value at 31 August 2019 £000s
Equity instruments	9,327	8,530
Bonds	2,210	1,917
Property	1,300	1,161
Cash	824	573
Total market value of assets	13,661	12,181

The actual return on scheme assets was £761,000.

Amount recognised in the Statement of Financial Activities

	2020 £000s	2019 £000s
Current service cost (net of employee contributions)	1,549	1,482
Net interest cost	109	77
Administration Expenses	9	10
Total operating charge	1,667	1,569

Please note that in previous years, administration costs were included in Service cost figure.

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. PENSION and SIMILAR OBLIGATIONS (continued)

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

	2020 £000s	2019 £000s
At 1 September	18,307	14,006
Past and current service cost	1,549	1,254
Interest cost	349	397
Employee contributions	238	223
Change in financial assumptions	2,439	3,154
Change in demographic assumptions	734	(892)
Experience loss/(gain) on defined benefit obligation	174	-
Liabilities assumed on settlements	-	163
Past service costs, including curtailments	-	65
Benefits paid	(94)	(63)
At 31 August	23,696	18,307

Changes in the fair value of Trust's share of scheme assets:

	2020 £000s	2019 £000s
At 1 September	12,181	11,006
Interest income	240	320
Return on plan assets (excluding net interest on the net defined pension liability)	521	(3)
Other actuarial gains/(losses)	(145)	-
Employee contributions	238	223
Employer contributions	729	708
Administration expenses	(9)	(10)
Benefits paid	(94)	(63)
At 31 August	13,661	12,181

25. RELATED PARTY TRANSACTIONS

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

26. AGENCY ARRANGEMENTS

The Trust administers the disbursements of discretionary support for learners, 16-19 bursary funds, on behalf of the ESFA. An amount of £24,586 (2019: £29,063) was brought forward as at 1 September 2019 and in the year it received £15,663 (2019: £15,985) and disbursed £36,096 (2019: £20,462) with therefore £4,153 (2019: £24,586) repayable to the ESFA at 31 August 2020 included in creditors.

THE SHARED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

27. SUBSEQUENT EVENTS

Subsequent to the year-end, Barnfield South Academy Limited has begun the process of being wound-up. The Trust was the sole member of the company. The company operated as an academy trust until 31 August 2012 when activities of that academy transferred into The Shared Learning Trust and has not traded since.

Subsequent to the year-end, the trust received notification of a pending employment tribunal from a former employee whose employment was terminated on 2nd October 2020. At this time, the financial effect of this claim is unknown. In line with standard process, the trust is engaging with the ESFA's Risk Protection Arrangements.

28. CONVERSION OF RUSHMERE PARK ACADEMY

In the previous year, St George's Lower School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Shared Learning Trust for £nil consideration. At this point the academy also adopted its new name, The Rushmere Park Academy.

The following table relates to 2018/19 and sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Value reported by Local Authority £000s	Fair value adjustment £000s	Transfer in recognised £000s
Tangible Fixed Assets			
Leasehold land and buildings	4,293	-	4,293
Current Assets			
Cash at bank and in hand	132	-	132
Net Assets	4,425	-	4,425