



THE SHARED LEARNING TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

<i>Name</i>	<i>Position</i>	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Lord Mackenzie		14 August 2015	
David Sheridan	Chair	09 May 2016	
Mark Hamilton		21 December 2017	1 January 2021
Rachel McConaghie		27 February 2015	25 May 2021
Matthew Harvey		04 December 2018	
Hazel Simpson		27 July 2019	
Justin Richardson		8 July 2021	

Trustees / Directors

<i>Name</i>	<i>Position</i>	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Catherine Barr	CEO	7 December 2016	
David Forbes		13 July 2016 Reappointed by members 13 July 2020	
Deborah Harris-Ugbomah		27 February 2015 Reappointed by members 27 February 2019	
Sarah Mortimer	Vice Chair 28 March 2021	24 May 2018	
David Sheridan	Chair	27 February 2015 Reappointed by members 27 February 2019	
Lorraine Jewell		6 February 2020	21 July 2021
Patricia Penfold		8 February 2018	26 March 2021
Robert Grant		28 March 2017	27 March 2021
Jennese Alozi		6 February 2020	
Tichaona Manyika		6 February 2020	
Ayaz Malik		6 February 2020	
Rebecca Ali		11 September 2020	
Alexandra Lindley		7 June 2021	
Anu Jagota		7 June 2021	
Sharon Esnard		7 June 2021	
Anees Razzak		7 June 2021	
Ashief Danga		28 June 2021	

Trust Leadership Team

<i>Name</i>	<i>Position</i>	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Mikhaela Chapman	Clerk to the Board	1 September 2016	
Trust Leaders			
Louise Lee	Executive Principal	1 September 2019	
Rebekah Howe	Executive Principal	1 September 2017	
Kevin Martin	Chief Operating Officer	1 September 2021	
Ian Joyce	Chief Operating Officer		15 August 2021
Academy Leaders			
Michelle Woodhams	Head of School	October 2019	
Raza Ali	Head of School	1 January 2021	
Tanya Knight	Head of School	20 April 2020	
Marea Rawlings	Principal	2012	
Clare Chambers	Head of School	1 September 2019	31 December 2020
Mumin Humayun	Head of School	1 January 2020	

THE SHARED LEARNING TRUST

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	Moore Kingston Smith LLP 4 Victoria Square St Albans AL1 3TF
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 2020 to 31 August 2021. 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. The academies have a combined pupil capacity of 4,499 and had a roll of 3,733 in the school census of October 2020.

As the time of writing, the country is emerging from 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 Directors of The Shared Learning Trust are also the Trustees of the registered charity 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 2021 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 the National Governance Association, which gives 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.

Organisational Structure

The Board meets six times per year. 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 discharge of its duties by an Audit Committee, a Finance Committee, a Remuneration Committee and the Community Cluster Boards.

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 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 (as of April 2020 this committee was re-named the pay 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.

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 2021 are described in further detail in note 25 to the financial statements.

THE SHARED LEARNING TRUST

TRUSTEES' REPORT continued

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 communicated regularly with all staff, Trustees and Members 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 an Equality Diversity and Inclusion policy for all staff. The policy ensures commitment to advancing and achieving equality and equity of opportunity for all Trust stakeholders.

The trust's 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 two community cluster boards, whose remit is predominantly community cohesion.

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

THE SHARED LEARNING TRUST

TRUSTEES' REPORT continued

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.

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

THE SHARED LEARNING TRUST

TRUSTEES' REPORT continued

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

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 Trustees are responsible for setting the strategic aims of the academies and directing the activities of its Trust and Academy leaders in the furtherance of these charitable 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 2021. 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 teacher assessed grades (TAGs) calculated by moderation of classwork, coursework, externally-set assessments and internal testing.

The Chalk Hills Academy

Headline performance figures for The Chalk Hills Academy resulted in an Attainment 8 score for our students of 46.91 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 +0.28. Performance in English & maths at a good pass (Grade 5 or above) was in line with the national England average.

At KS5 our average academic grade was B-. Our average grade for applied courses was Merit+.

The Stockwood Park Academy

Headline performance figures for The Stockwood Park Academy resulted in an Attainment 8 score for our students of 44.0 points. These results included good improvements in English and Maths. Our overall (Progress) P8 score increased to 0.

At KS5 our average academic grade is B-. 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 to 64% (TAG) 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 was 67% (TAG) 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	20/21 Budget	20/21 Actual*	21/22 Budget	21/22 Actual*
% of pay to income	83.66%	78.1%	84.9%	n/a
Net operating surplus before pension adjustment (£'000)	(641)	1,136	(788)	n/a
General & unrestricted reserves (£'000)	2,512	4,405	3,976	n/a
Pupil Places – number*	3,836	3,733	3,723	3,964
Pupil Places % of capacity	88.8%	86.4%	83.7%	89.1%

*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 2023. 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 2023.

Our detailed baseline planning for the years 2021/22 and 2022/23 shows a worst-case scenario of a deterioration in revenue reserves of approximately £140,000 due to the current COVID-19 pandemic. Significant risks include the following:

- 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 2021/22 and 2022/23.

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 reduced in 2020 and 2021 due to the COVID 19 pandemic to balance the effect the trust sought the support of the furlough scheme and a number of lettings staff were furloughed.

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 2021 (excluding specific COVID 19 funding) were £22,375,000 (2020 £20,741,000). These grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust made an operating surplus of £1,112,000 against a deficit budget of £641,000 (excluding pension adjustments).

In addition, the financial performance of the Trust was impacted by an operating charge on the defined benefit pension scheme of £1,402,000. Including this charge the Trust reported a net outflow on restricted and unrestricted funds of £290,000 (2020 outflow £865,000).

Cash balances remain healthy at £7,079,000 (2020 £5,598,000).

As at 31 August 2021 the Trust had restricted general funds of £3,267,000 (2020: £2,489,000), restricted fixed asset funds of £73,109,000 (2020: £74,731,000) and unrestricted general funds of £780,000 (2020: £804,000).

The Trust is budgeting for a 21/22 operating deficit (excluding pension adjustment) of £788,000 (2021 actual surplus £1,112,000). 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 £4,405,000 (2020: £3,293,000), Free reserves amounted to £780,000 (2020: £804,000)

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

The Trust also has unspent restricted fixed asset funds of £2,220,000 (2020: £1,898,000), which includes:

- £712,000 School Condition Allowance Funding
- £1,508 000 free reserves for general use

The Trust has approved a 21/22 budgeted capital spend of £1,149,000 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 79% capacity, and the Rushmere Park Academy at 74% capacity.

The Trust operates within its allocated budget and settles its liabilities as they fall due. The current deficit on the LGPS of £13,479,000 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 2020 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.

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

Fundraising

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

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021	2021	2020
Energy consumption used to calculate emissions (kWh)	7,064,224	6,019,620
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>	925.05 3.56 928.61	760.40 6.93 767.33
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	423.14	432.12
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles	1.474	0.47
Total gross emissions in metric tonnes CO2e	1,353.23	1,119.92
<u>Intensity ratio</u> Tonnes CO2e per pupil	0.35	0.30

Improvements to Energy Efficiency: -

During the Year the Trust invested in new energy efficient Boilers at The Vale Academy and the Rushmere Park Academy. This was part of the strategy to reduce emissions by investing in energy efficient equipment.

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.

THE SHARED LEARNING TRUST

STRATEGIC REPORT continued

Intensity measurement

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

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 TSLT 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 2022, the trust will have 4,100 pupils with full capacity being 4,679. We will grow to become a trust of 8,000 pupils by 2025
 - Inclusion units, commissioned by Luton Borough Council, will open on The Chalk Hills and Stockwood Park campuses in January 2022.
 - Alternative Resource Provisions have been commissioned by Central Beds Council and will open at The Vale and Rushmere Park Academies in September 2022.
 - The trust gained sponsor status in March 2021.
 - The trust is in early stage discussions to merge with a primary MAT of 6 schools (with 1,900 pupils) by September 2022.
 - The trust is in early stage discussions to support and assimilate an additional secondary school (capacity of 1,200 pupils) into TSLT by September 2022.
 - 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 continue to work with other trusts and schools “in need” if the early stage discussions (bullet pointed above) are unsuccessful.
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 in partnership with the local teaching school hub.
 - Well-being will be a priority. 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.

THE SHARED LEARNING TRUST

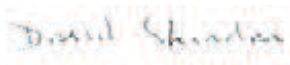
STRATEGIC REPORT continued

- 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 (2021) are financially secure. New academies will be on a financial plan to achieve security.
 - The trust has adequate resources to achieve its strategic objectives.

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 14 December 2021 and signed on the Board's behalf by:

A handwritten signature in blue ink, reading "David Sheridan", is placed over a faint, rectangular red grid background.

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 six 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	4	6
Catherine Barr (CEO)	6	6
David Forbes	5	6
Robert Grant	4	4
Deborah Harris-Ugbomah	6	6
Lorraine Jewell	5	6
Ayaz Malik	6	6
Tichaona Manyika	4	6
Sarah Mortimer	6	6
Patricia Penfold	2	4
David Sheridan (Chair)	6	6
Alex Lindley	1	1
Anu Jagota	1	1
Rebecca Ali	5	5
Ash Danga	1	1
Anees Razzak	0	1
Sharon Esnard	0	1

An external review of governance conducted by the NGA in June 2021, highlighted the following:

The Shared Learning Trust is a good multi academy trust, which is well led by its trustees and well managed by its senior staff. It has a clear strategy which, among other things, aims to ensure that all schools are:

- individual, based around the needs of each community, breaking the connection between poverty and poor achievement;
- at the heart of their communities, where pupils are given opportunity to benefit from, and contribute to, the work of local business, sporting and community organisations.

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

This ethos is reflected in its governance activity and in particular in the development of the community cluster boards.

The two key challenges facing the trust are succession planning and the doubling of its pupil numbers over the next five years.

The three core functions

1) Clarity of vision, ethos and strategy

The trust has published its [strategic plan](#) which sets out the vision, ethos and strategic direction of the trust and its academies with admirable clarity and conciseness; the “strive, achieve, believe” motto is echoed through the document and is embedded in the work of the trust. This is now an area of strength.

2) Holding to account

Since the 2018 external review of governance which identified this as an area for improvement, the trust has made significant improvements alongside a change to the structure and process of holding individual schools to account. This is now an area of strength.

There is now a clear line of accountability from the heads of school through executive heads to the CEO and trust board. This is evidenced by the CEO’s report of current and recent trust scorecards to the board which identify red, amber and green ratings for each of the academies. In the case of the highest risk items, an in-depth report of the nature of the challenge and the relevant management responses was included along with the recommendation to escalate scrutiny of progress to the trust’s risk management committee.

The trustees regularly receive reports on academic and operational performance from independent third parties as well as from the SLT. The COO named moderation of teacher assessments, health and safety, disaster recovery, business continuity, and IT as recent areas where this had happened. This current external review of governance is another example that trustees actively seek out independent assurance and are willing to challenge themselves to improve.

The trust has decided to discontinue the local governing bodies for each school in favour of holding to account via line management and trustee scrutiny. This has been supplemented with the launching of community cluster boards (one for secondary, another for primary) to promote and encourage the strategic priority of positioning the academies at the heart of their communities. The recruitment of chairs and members of the CCBs has been successful and the meetings are now beginning to drive this work.

3) Financial oversight

The finances are stable; there is an in-year surplus both budgeted and delivered; the level of reserves is in excess of its own target of 15% of GAG funding. The 2018 external review of governance reported compliance with the top ten “musts” listed in the [Academies Financial Handbook](#) (pp60-1 of the 2020 edition). This continues to be an area of strength.

NGA’s eight elements of effective governance

1) The right people round the table

- a) There are 15 trustees, of whom five were appointed in 2021 (one very recently) and five in 2020. The board now has strength and depth and is more diverse than in the past.
- b) Two community cluster board chairs have been recruited to lead and energise the efforts to position the academies at the heart of their communities; recruitment to membership of the boards has also been successful in producing well qualified and diverse memberships.
- c) The next challenge for the trust will be to ensure successful transition as the newly appointed trustees move into board leadership positions. The chair has served six years and further extension of his period in office would not be in line with best practice recommended by NGA.

2) Understanding the role and responsibilities

- a) There have been several changes since the 2018 report that have improved the understanding of the relevant roles and responsibilities of trustees, community cluster board members and senior staff.

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

- b) In particular the introduction of community cluster boards and abolition of the local governing bodies has sharpened up the line of accountability for academy leaders.
 - c) The self-evaluation results showed strong understanding of roles and responsibilities.
- 3) A good chair**
- a) The current chair, now into his sixth year in the position, has worked well with the CEO and has provided good leadership for the trust.
 - b) The self-evaluation noted two “red” and four “amber” ratings of the trust’s succession planning; trustees have been recruited to replace retirements and to expand the board membership; the next step is to ensure that chair and committee chair positions are renewed to meet the NGA’s recommended term limit of six years.
 - c) Another area for improvement would be the formalisation of annual feedback to trustees on their contribution and commitment to training, which was identified as an improvement opportunity by 12 responses in the self-evaluation.
- 4) Professional clerking**
- a) The trust board is clerked by the PA to the chief executive officer. This arrangement may put this person in a difficult position should a conflict of interest ever arise between the board and the chief executive officer. Ideally, a trust board will have access to independent advice. However, when I tested the trust’s vulnerability on this point, I was assured that colleagues are aware of the potential for difficulties and are vigilant to detect any signs. Independent advice is accessed via NGA GOLD membership.
 - b) The quality of board documents remains high and the positive comments made in the 2018 report are still applicable.
- 5) Good relationships based on trust**
- a) There is good evidence from the self-evaluation, my interviews and my attendance at meetings that the relationships between the trustees and with the senior leaders are based on trust, and that as a result, outcomes are improving.
 - b) The readiness of the trust leaders and trustees to commission external assurance reports across all areas of the trust’s operation demonstrates sound governance practice, and the willingness of all concerned to focus on improving outcomes rather than defending the current position.
- 6) Knowing the school**
- a) The self-assessment identified that the trustee board could improve how it listens to, understands and responds to pupils, parents, staff and local communities across all its academies; five of the respondents gave this question an “amber” rating making it the second weakest response of all 28 questions.
 - b) The role of link trustee is area for further development. In boards where this aspect is more fully developed, trustees are linked to many different aspects of a trust’s operation (e.g. safeguarding, premises, maths/numeracy). In these systems the link trustee has a detailed briefing with the relevant senior leader outside the board meeting and is then able to guide the discussion of the trustee meeting to the important points. This method makes best use of the time trustees spend together in board meetings.
- 7) Committed to asking challenging questions**
- a) There is evidence from the board observation that trustees ask questions and are receiving full replies from senior staff. In the self-assessment 100% of the answers to question 25 were “green”. This is an area of strength.
 - b) One interviewee remarked that trustee challenge to the leadership has significantly improved in recent years.
- 8) Confident to have courageous conversations**
- The trustees and trust leaders are confident to have courageous conversations in the interests of young people. The change from local governing bodies to community cluster boards was not universally welcomed and its implementation tested trustee resolve. Similarly, recent changes in school leadership demonstrate that trust leaders are not shy of intervening in the interests of the pupils.

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

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
Deborah Harris-Ugbomah	3	3
Ayaz Malik	2	3
Rebecca Ali	3	3

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
Deborah Harris-Ugbomah	3	3
Ayaz Malik	2	3
Rebecca Ali	3	3

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	3	3
David Forbes	3	3
Sarah Mortimer	3	3

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	3	3
David Sheridan	3	3

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

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 once in the year. Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Robert Grant	1	1
Patricia Penfold	0	1
David Sheridan (Chair)	1	1

Pay Committee

It has met once in the year. Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Ayaz Malik	1	1
Tichaona Manyika	1	1
Sarah Mortimer	1	1
David Sheridan (Chair)	1	1

Community Cluster Board

Each phase within the trust belongs to a Community Cluster Board. Meetings took place throughout 2020/21.

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 2020 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

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 2020 to 31 August 2021 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;
- 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.

THE SHARED LEARNING TRUST

GOVERNANCE STATEMENT continued

Approved by the order of the members of the Board on 14 December 2021 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 2020.

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 2020.

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
14 December 2021

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 2020 to 2021;
- 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 14 December 2021 and signed on its behalf by:



David Sheridan
Chair

The Shared Learning Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustees of The Shared Learning Trust

Opinion

We have audited the financial statements of The Shared Learning Trust ('the Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 financial statements section of our report. We are independent of the Trust 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

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

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

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

Other information

The other information comprises the information included in the annual report, other than the 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.

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

We have nothing to report in this regard.

The Shared Learning Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustees of The Shared Learning Trust

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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees (who are also the directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Trust's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;

The Shared Learning Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustees of The Shared Learning Trust

- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Trust.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the Trust through the use of permanent audit file information, updated this year for any changes that have been identified by management or by our own investigations and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020 and UK financial reporting standards as issued by the Financial Reporting Council;
- we obtained an understanding of how the Trust complies with these requirements by discussions with management and those charged with governance and through reviews of relevant accounting and management records;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, based on our work as outlined above;
- we inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations, using associated documentary evidence to better understand items of interest;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. As well as specific audit testing, this included approaching accounting records with an inquisitive and sceptical mind set such that we examined items that were felt to be of interest or of higher risk in this area, and obtaining additional corroborative evidence as required.

To address the risk of fraud through management override of controls, we carried out the following work:

- procedures were undertaken to identify any unusual or unexpected matters, and the rationale behind any such matters was examined;

The Shared Learning Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustees of The Shared Learning Trust

- journal entries were reviewed to identify unusual transactions;
- judgements and assumptions made in determining the accounting estimates set out in the accounting policies were reviewed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Trust'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 any party other than the Trust and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: *20 December 2021*

4 Victoria Square
St Albans
AL1 3TF

The Shared Learning Trust

Independent Reporting Accountant's 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 9 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, 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 2020 to 31 August 2021 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 the 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Shared Learning Trust and the ESFA, for our work, 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's funding agreement with the Secretary of State for Education dated 4 September 2012 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The Shared Learning Trust

Independent Reporting Accountant's Report on Regularity to The Shared Learning Trust and the Education and Skills Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- review of financial records for unusual transactions;
- sample testing expenditure transactions were reasonable, appropriate and appropriately authorised in accordance with the trust's procurement policy;
- review the minutes of the Board meetings;
- review the processes and controls to identify related party transactions and potential conflicts;
- obtaining formal representations from the Board and the accounting officer;
- reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore Kingston Smith LLP.

Date: *20 December 2021*

Moore Kingston Smith LLP
Reporting Accountant

4 Victoria Square
St Albans
AL1 3TF

The Shared Learning Trust

Statement of Financial Activities For the year ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total 2021 £000s	Total 2020 £000s
Income and endowments from:						
Donations and capital grants	2	-	-	758	758	6,604
Charitable activities						
Funding for the Trust's educational operations	3	-	24,486	-	24,486	22,318
Other trading activities	4	112	-	-	112	166
Investment income	5	-	-	-	-	6
Total Income		112	24,486	758	25,356	29,094
Expenditure on:						
Raising funds	6	136	-	-	136	187
Charitable activities:						
Academy trust educational operat	7	-	24,752	2,380	27,132	25,368
Total Expenditure		136	24,752	2,380	27,268	25,555
Net income		(24)	(266)	(1,622)	(1,912)	3,539
Transfers between funds	16	-	-	-	-	-
Other recognised (losses)/gains:						
Actuarial (losses)/gains on defined benefit pension schemes	16, 24	-	(2,042)	-	(2,042)	(2,971)
Net movement in funds		(24)	(2,308)	(1,622)	(3,954)	568
Reconciliation of funds						
Total funds brought forward	16	804	(7,546)	74,731	67,989	67,421
Total funds carried forward		780	(9,854)	73,109	64,035	67,989

All of the Trust's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

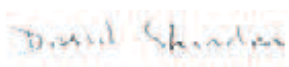
The Shared Learning Trust

Balance Sheet

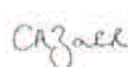
As at 31 August 2021

	Notes	2021 £000s	2020 £000s
Fixed assets			
Intangible assets	12a	-	16
Tangible assets	12b	70,889	72,820
		70,889	72,836
Current assets			
Debtors	14	1,448	1,469
Cash at bank and in hand		7,079	5,598
		8,527	7,067
Liabilities			
Creditors : amounts falling due within one year	15	(1,902)	(1,879)
Net current assets		6,625	5,188
Total assets less current liabilities		77,514	78,024
Net assets excluding pension liability		77,514	78,024
Defined benefit pension scheme liability	24	(13,479)	(10,035)
Total net assets		64,035	67,989
Funds of the academy trust:			
Restricted funds			
Fixed asset fund	16	73,109	74,731
General fund	16	3,625	2,489
Pension reserve	16	(13,479)	(10,035)
Total restricted funds		63,255	67,185
Unrestricted funds	16	780	804
Total funds		64,035	67,989

The financial statements on pages 30 to 53 were approved by the trustees, and authorised for issue on 14 December 2021 and are signed on their behalf by:



David Sheridan
Chair



Catherine Barr
Accounting Officer

Company number 05958361

The Shared Learning Trust

Statement of Cash Flows

For the year ended 31 August 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	1,156	(91)
Cash flows used in investing activities	20	325	43
Change in cash and cash equivalents in the reporting period	21	<u>1,481</u>	<u>(48)</u>
Cash and cash equivalents at 1 September 2020		5,598	5,646
Cash and cash equivalents at 31 August 2021		<u>7,079</u>	<u>5,598</u>

The Shared Learning Trust

Notes to the Financial Statements For the year ended 31 August 2021

1 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.

Company Information

The Shared Learning Trust is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office is The Chalk Hills Academy, Leagrave High Street, Luton,

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 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the academy trust. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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 trustees 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 trustees 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 Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Government grants**

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

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

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

1 Statement of Accounting Policies (continued)

Income (continued)

- **Government grants (continued)**

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

- **Donations**

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

- **Donated fixed assets**

Donated fixed assets are initially measured at fair value on donation, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

- **Expenditure on Charitable Activities**

These are costs incurred on the Trust's educational operations, including support costs and costs relating to 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

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

1 Statement of Accounting Policies (continued)

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.

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	3 years
• Furniture and equipment	5 years
• Buildings	50 years
• Building improvements	10 years

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.

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

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

1 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 and the assets are held separately from those of the Trust.

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 14. Prepayments are not financial instruments.

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

1 Statement of Accounting Policies (continued)

Financial Instruments (continued)

- **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 15. 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 trustees.

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

Restricted pension reserves are resources or liabilities relating to the trust's obligations to the Local Government Pension Schemes, of which some of its employees are members.

Restricted general funds comprise grants from the ESFA and other donors which are to be used for specific purposes as set out in note 16.

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 Judgment

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.

Local Government Pension Scheme

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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 (continued)

For the year ended 31 August 2021

2 Donations and capital grants

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2021 £000s	Total 2020 £000s
Capital grants	-	758	758	1,029
Other donations	-	-	-	5,575
	<u>-</u>	<u>758</u>	<u>758</u>	<u>6,604</u>
2020 total	<u>-</u>	<u>6,604</u>	<u>6,604</u>	

3 Funding for the Academy Trust's educational operations

	2021 £000s	2020 £000s
Restricted funds		
DfE / ESFA grants		
General Annual Grant (GAG)	19,841	18,189
Other DfE/ESFA grants		
Pupil premium	1,238	1,236
Free school meals	182	173
Teachers pay	239	230
Teachers pension	676	649
Others	199	263
	<u>22,375</u>	<u>20,741</u>
Other Government grants		
Local authority grants	1,073	946
Covid-19 additional funding (DfE/ESFA)		
Catch-up premium	278	-
Other DfE/ESFA Covid-19 funding	275	-
Other income from the academy trust's education operations	485	631
	<u>24,486</u>	<u>22,318</u>

The academy received £278k of funding for catch-up premium and costs incurred in respect of this funding totalled £87k, with the remaining £191k to be spent in 2021/22.

4 Other trading activities

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2021 £000s	Total 2020 £000s
Hire of Facilities	111	-	111	164
Uniform Sales	1	-	1	2
	<u>112</u>	<u>-</u>	<u>112</u>	<u>166</u>
2020 total	<u>166</u>	<u>-</u>	<u>166</u>	

The Shared Learning Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2021

5 Investment income

	Unrestric Funds £000s	Restrict Funds £000s	Total 2021 £000s	Total 2020 £000s
Bank interest	-	-	-	6
	<u>-</u>	<u>-</u>	<u>-</u>	<u>6</u>
2020 total	<u>6</u>	<u>-</u>	<u>6</u>	

6 Expenditure

	Staff Costs £000s	Non Pay Premises £000s	Expenditure Other Costs £000s	Total 2021 £000s	Total 2020 £000s
Expenditure on raising funds					
Allocated support costs	82	42	12	136	187
Academy's educational operations					
Direct costs	15,628	2,346	1,499	19,473	17,780
Allocated support costs	3,405	1,747	2,507	7,659	7,588
	<u>19,115</u>	<u>4,135</u>	<u>4,018</u>	<u>27,268</u>	<u>25,555</u>
2020 total	<u>17,719</u>	<u>3,571</u>	<u>4,265</u>	<u>25,555</u>	

Net income/(expenditure) for the period includes:

	2021 £000s	2020 £000s
Operating lease rentals	39	44
Depreciation and amortisation	2,380	2,085
Fees payable to auditor:		
Audit	17	32
Non-audit services:	8	-
	<u>25</u>	<u>176</u>

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

7 Charitable activities

	Total 2021 £000s	Total 2020 £000s
Direct costs - educational operations	19,473	17,780
Support costs - educational operations	7,659	7,588
	27,132	25,368

	Total 2021 £000s	Total 2020 £000s
Direct costs - educational operations		
Teaching and educational support staff costs	15,036	13,851
Depreciation and loss on disposals of fixed assets	2,346	2,055
Technology costs	381	305
Educational supplies	746	636
Examination fees	226	249
Staff development	143	98
Educational consultancy	3	6
Supply staff costs	592	568
Other direct costs	-	12
	19,473	17,780

	Total 2021 £000s	Total 2020 £000s
Support costs - educational operations		
Support staff costs	3,391	3,225
Depreciation	34	30
Technology costs	105	102
Recruitment and support	134	130
Maintenance of premises & equipment	503	512
Cleaning	454	433
Rent & rates	161	210
Heat & light	432	366
Insurance	74	43
Security & transport	58	7
Catering	360	1,006
Supply staff costs	14	9
Other support costs	507	573
Current pension cost of LGPS net of employer contributions (note 24)	1,402	938
Governance costs	31	4
	7,660	7,588

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

8 Staff

a. Staff costs

Staff costs during the period were:

	Total 2021 £000s	Total 2020 £000s
Wages and salaries	14,328	13,435
Social security costs	1,456	1,289
Operating costs of defined benefit pension schemes	2,682	2,397
	18,466	17,121
Supply staff costs	606	577
Staff restructuring costs	43	21
	19,115	17,719
Staff restructuring costs comprise:		
Redundancy payments	40	22
Severance payments	3	2
	43	24

b. Severance

Included in staff restructuring costs is one non-statutory/non-contractual severance payment totalling £3,241 (2020: one totalling £1,924).

c. Staff numbers

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

	2021 No.	2020 No.
Charitable Activities		
Teachers	218	216
Administration and support	255	255
Management	18	15
	491	486

d. Higher paid staff

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

	2021 No.	2020 No.
£60,001 - £70,000	5	9
£70,001 - £80,000	7	3
£80,001 - £90,000	2	2
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£140,001 - £150,000	1	1

e. Key management personnel

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 £1,169,064 (2020: £1,066,292).

The Shared Learning Trust

Notes to the Financial Statements (continued) For the year ended 31 August 2021

9 Central Services

The academy 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.

The trust charges for these services at a flat percentage of GAG income, at 5.5% (2020: 5.5%)

The actual amounts charged during the year were as follows:

	2021 £000s	2020 £000s
The Chalk Hills Academy	445	400
The Stockwood Park Academy	441	396
The Vale Academy	109	102
The Linden Academy	87	94
The Rushmere Park Academy	31	33
	<u>1,113</u>	<u>1,025</u>

10 Related Party Transactions - Trustees' Remuneration & 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 (CEO and Director):	
Remuneration	£145,000 - £150,000 (2020: £140,000 - £145,000)
Employer's pension contributions	£30,000 - £35,000 (2020: £30,000 - £35,000)

During the year ended 31 August 2021, £1,008 expenses were reimbursed to two trustees (2020: £1,276).

11 Trustees' 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)
For the year ended 31 August 2021

12 a. Intangible Fixed Assets

	Computer Software £000s	Total £000s
Cost		
At 1 September 2020 and 31 August 2021	<u>103</u>	<u>103</u>
Amortisation		
At 1 September 2020	87	87
Charged in period	16	16
At 31 August 2021	<u>103</u>	<u>103</u>
Net book values		
At 31 August 2021	<u>-</u>	<u>-</u>
At 1 September 2020	<u>16</u>	<u>16</u>

12 b. Tangible Fixed Assets

	Freehold Land and Buildings £000s	Leasehold Land and Buildings £000s	Furniture & Equipment £000s	Computer Equipment £000s	Total £000s
Cost					
At 1 September 2020	5,609	80,186	1,213	2,717	89,725
Additions	-	-	309	124	433
At 31 August 2021	<u>5,609</u>	<u>80,186</u>	<u>1,522</u>	<u>2,841</u>	<u>90,158</u>
Depreciation					
At 1 September 2020	903	13,072	426	2,504	16,905
Charged in period	114	1,774	355	121	2,364
At 31 August 2021	<u>1,017</u>	<u>14,846</u>	<u>781</u>	<u>2,625</u>	<u>19,269</u>
Net book values					
At 31 August 2021	<u>4,592</u>	<u>65,340</u>	<u>741</u>	<u>216</u>	<u>70,889</u>
At 1 September 2020	<u>4,706</u>	<u>67,114</u>	<u>787</u>	<u>213</u>	<u>72,820</u>

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)
For the year ended 31 August 2021

13 Investments

	2021 £000s	2020 £000s
Barnfield South Academy (at cost)	-	-
	<u>-</u>	<u>-</u>

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 was wound-up and dissolved in the year on 5 January 2021.

14 Debtors

	2021 £000s	2020 £000s
VAT recoverable	251	204
Trade debtors	13	14
Accrued income and other debtors	811	900
Prepayments	373	351
	<u>1,448</u>	<u>1,469</u>

Included in the above are prepayments due greater than one year of £7,652 (2020: £17,324). There are no other debtors due after more than one year.

15 Creditors: Amounts falling due within one year

	2021 £000s	2020 £000s
Trade creditors	613	605
Other taxation and social security	376	324
Other creditors	325	292
Accruals	196	275
Deferred income	392	383
	<u>1,902</u>	<u>1,879</u>

Deferred income

	2021 £000s	2020 £000s
Deferred Income at 1 September 2020	383	273
Released from previous years	(383)	(273)
Resources deferred in the year	392	383
Deferred Income at 31 August 2021	<u>392</u>	<u>383</u>

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)

For the year ended 31 August 2021

16 Funds

	Balance at 1 September 2020 £000s	Incoming Resources £000s	Resources Expended £000s	Gains, Losses & Transfers £000s	Balance at 31 August 2021 £000s
Restricted general funds					
General Annual Grant (GAG)	2,489	19,841	(19,063)	-	3,267
Pupil Premium	-	1,238	(1,238)	-	-
Covid-19 Catch-up premium	-	278	(87)	-	191
Other DfE/ESFA Covid-19	-	275	(108)	-	167
Other DfE/ESFA grants	-	1,296	(1,296)	-	-
Local Authority grants	-	1,073	(1,073)	-	-
Other income	-	485	(485)	-	-
Pension Reserve	(10,035)	-	(1,402)	(2,042)	(13,479)
	<u>(7,546)</u>	<u>24,486</u>	<u>(24,752)</u>	<u>(2,042)</u>	<u>(9,854)</u>
Restricted fixed asset funds					
Unspent funds	1,508	-	-	-	1,508
School Condition Allowance	387	680	-	(355)	712
Trust capital assets	72,836	78	(2,380)	355	70,889
	<u>74,731</u>	<u>758</u>	<u>(2,380)</u>	<u>-</u>	<u>73,109</u>
Total Restricted Funds	67,185	25,244	(27,132)	(2,042)	63,255
Unrestricted funds	804	112	(136)	-	780
Total funds	67,989	25,356	(27,268)	(2,042)	64,035

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

Restricted general funds

This includes all monies received from the ESFA to carry out the objectives of the Trust. It includes the GAG fund which 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 a limit on the amount of GAG that it could carry forward at 31 August 2021.

The pension reserve represents the Trust's share of the deficit in the Bedford Borough Council Pension Fund.

Restricted fixed asset funds

DfE capital grants represent unspent funds restricted to ICT investment.

School Condition Allowance funding is a capital grant received from the EFSA for renovation works at the trust.

Trust capital assets represents all fixed assets owned by the Trust. It includes grants received from the DfE and other sources to finance the Trust's fixed assets, and the annual charges for depreciation of these assets.

Unrestricted funds

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

The Shared Learning Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2021

16 Funds (continued)

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

	Balance at 1 September 2019 £000s	Incoming Resources £000s	Resources Expended £000s	Gains, Losses & 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)
	<u>(3,726)</u>	<u>22,318</u>	<u>(23,283)</u>	<u>(2,855)</u>	<u>(7,546)</u>
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
	<u>70,328</u>	<u>6,604</u>	<u>(2,085)</u>	<u>(116)</u>	<u>74,731</u>
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

Analysis of funds by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £000s	2020 £000s
Centrally held revenue funds	4,405	3,293
Total before fixed assets and pension reserve	4,405	3,293
Restricted fixed asset fund	70,889	72,836
Restricted fixed asset fund held as cash	2,220	1,895
Pension reserve	(13,479)	(10,035)
	<u>64,035</u>	<u>67,989</u>

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).

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

16 Funds (continued)

During the year to 31 August 2021, 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.

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Educational Supplies £000s	Other Costs (excluding Depreciation) £000s	Total 2021 £000s
The Chalk Hills Academy	5,992	943	269	1,475	8,680
The Linden Academy	1,358	195	48	271	1,871
The Stockwood Park Academy	6,078	901	253	1,513	8,744
The Vale Academy	1,682	267	74	254	2,277
The Rushmere Park Academy	515	187	34	104	841
Central Services	3	994	68	7	1,072
Academy Trust	15,628	3,487	746	3,623	23,485

	Teaching and Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Educational Supplies £000s	Other Costs (excluding Depreciation) £000s	Total 2020 £000s
The Chalk Hills Academy	5,392	926	222	1,672	8,212
The Linden Academy	1,441	195	37	318	1,991
The Stockwood Park Academy	5,509	805	258	1,594	8,166
The Vale Academy	1,538	249	27	204	2,018
The Rushmere Park Academy	468	174	19	109	770
Central Services	71	950	73	1,217	2,311
Academy Trust	14,419	3,299	636	5,114	23,468

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

17 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Restricted Pension Funds £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total Funds £000s
Tangible fixed assets	-	-	70,889	70,889
Current assets	-	6,307	2,220	8,527
Current liabilities	-	(1,902)	-	(1,902)
Pension scheme liability	(13,479)	-	-	(13,479)
Total net assets	(13,479)	4,405	73,109	64,035

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

	Restricted Pension Funds £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total Funds £000s
Tangible fixed assets	-	-	72,820	72,820
Current assets	-	5,156	1,911	7,067
Current liabilities	-	(1,879)	-	(1,879)
Pension scheme liability	(10,035)	-	-	(10,035)
Total net assets	(10,035)	3,277	74,731	67,973

18 Commitments under operating leases

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000s	2020 £000s
Plant and Machinery		
Amounts due within one year	24	32
Amounts due between one and five years	32	21
	56	53

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

	2021 £000s	2020 £000s
Net income for the reporting period (as per the statement of financial activities)	(1,912)	3,539
Adjusted for:		
Depreciation and amortisation (note 12)	2,380	2,085
Inherited fixed assets	-	(5,575)
Interest receivable (note 5)	-	(6)
Capital Grants from DfE and other capital income	(758)	(604)
Defined benefit pension scheme cost less contributions payable (note 24)	1,402	938
Decrease/(Increase) in debtors	21	(278)
Increase/(Decrease) in creditors	23	(190)
Net Cash provided by operating activities	1,156	(91)

The Shared Learning Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2021

20 Cash flows from investing activities

	2021 £000s	2020 £000s
Interest from investments	-	6
Purchase of tangible fixed assets	(433)	(567)
Capital grants from DfE/ESFA	758	604
Net cash used in investing activities	325	43

21 Analysis of cash and cash equivalents

	2021 £000s	2020 £000s
Cash in hand and at bank	7,079	5,598
	7,079	5,598

22 Analysis of change in net debt

	At 1 September 2020 £000s	Cash flows £000s	At 31 August 2021 £000s
Cash in hand and at bank	5,598	1,481	7,079
	5,598	1,481	7,079

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 2019.

Contributions amount to £322,562 were payable to the schemes at 31 August 2021 (2020: £275,796) and are included within other creditors payable within one year.

Teachers' Pension Scheme

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

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

21 Pension and Similar Obligations (continued)

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration 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 employer's pension costs paid to TPS in the period amounted to £1,651,020 (2020: £1,668,317).

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

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,039,000 (2020: £967,000), of which employer's contributions totalled £790,000 (2020: £729,000) and employees' contributions totalled £249,000 (2020: £238,000). The agreed contribution rates for future years is 20.3% for employers, with employee rates 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.

The Shared Learning Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2021

24 Pension and Similar Obligations (continued)

Principal Actuarial Assumptions

	At 31 August 2021	At 31 August 2020
Rate of increase for pensions in payment/inflation	2.90%	2.25%
Rate of increases in salaries	3.90%	3.25%
Discount rate of scheme liabilities	1.65%	1.60%
Inflation assumption (CPI)	2.90%	2.25%

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 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.9 years	22.2 years
Females	24.3 years	24.3 years
<i>Retiring in 20 years</i>		
Males	22.9 years	23.4 years
Females	26.0 years	26.1 years

Sensitivity Analysis

Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2021 are set out below:

	At 31 August 2021 £000s	At 31 August 2020 £000s
Adjustment to discount rate	+0.1%	+0.1%
Present value of total obligation	28,798	23,066
Projected service cost	2,312	1,832
Adjustment to long term salary increase	+0.1%	+0.1%
Present value of total obligation	29,637	23,742
Projected service cost	2,399	1,895
Adjustment to pension increases and deferred revaluation	+0.1%	+0.1%
Present value of total obligation	30,329	24,293
Projected service cost	2,485	1,957
Adjustment to life expectancy assumptions	+1 year	+1 year
Present value of total obligation	30,812	24,475
Projected service cost	2,505	1,954

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

24 Pension and Similar Obligations (continued)

The Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2021 £000s	Fair value at 31 August 2020 £000s
Equity instruments	11,248	9,327
Bonds	3,004	2,210
Property	1,499	1,300
Cash	354	824
Total market value of assets	16,105	13,661

The actual return on scheme assets was £1,632,000 (2020: £761,000)

Amount recognised in the statement of financial activities	2021 £000s	2020 £000s
Current service cost	1,983	1,549
Net interest cost	155	109
Gain/(Loss) on settlement	41	-
Administration expenses	13	9
Total amount recognised in the SOFA	2,192	1,667

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

	2021 £000s	2020 £000s
At 1 September	23,696	18,307
Current service cost	1,983	1,549
Interest cost	380	349
Employee contributions	249	238
Actuarial (gain)/loss	4,199	2,439
Change in demographic assumptions	(269)	734
Experience loss/(gain) on defined benefit obligation	(481)	174
Benefits paid	(394)	(94)
Liabilities assumed on settlements	221	-
At 31 August	29,584	23,696

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

	2021 £000s	2020 £000s
At 1 September	13,661	12,181
Interest income	225	240
Return on plan assets (excluding net interest on the net defined pensi	1,407	521
Other actuarial gains/(losses)	-	(145)
Employee contributions	249	238
Employer contributions	790	729
Administration expenses	(13)	(9)
Benefits paid	(394)	(94)
Settlement prices received/(paid)	180	-
At 31 August	16,105	13,661

The Shared Learning Trust

Notes to the Financial Statements (continued)

For the year ended 31 August 2021

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 £4,153 (2020: £24,586) was brought forward as at 1 September 2020 and in the year it received £24,065 (2020: £15,663) and disbursed £13,667 (2020: £36,096) with therefore £14,551 (2020: £4,153) repayable to the ESFA at 31 August 2021 included in creditors.