



**THE SHARED LEARNING TRUST
(FORMERLY BARNFIELD ACADEMY TRUST)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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

THURSDAY



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19/05/2016
COMPANIES HOUSE

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

CONTENTS

Item	Page
Reference and Administrative Details	3-4
Trustees' Report	5-11
Governance Statement	12-16
Statement on Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Independent Auditors' Report on the Financial Statements	19-20
Independent Reporting Accountant's Report on Regularity	21-22
Statement of Financial Activities incorporating Income & Expenditure Account	23
Balance Sheet	24
Cash Flow Statement	25
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	26-29
Other Notes to the Financial Statements	30-46

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

REFERENCE and ADMINISTRATIVE DETAILS

Members

<i>Name</i>	<i>Position</i>	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Barnfield Education Partnership Trust			27 February 2015
Lord Mackenzie		14 August 2015	
Rachel McConaghie		27 February 2015	
Sir Eric Peacock		14 August 2015	
Bronwen Philpott	Chair	27 February 2015	
Richard Whitehouse		27 February 2015	

Trustees / Directors

<i>Name</i>	<i>Position</i>	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Catherine Barr			27 February 2015
Andrew Cooper	CEO	05 January 2015	
Victor Cowell**			
Stephen Hall			24 October 2014
Andy Hardy*			27 February 2015
Deborah Harris-Ugbomah**		27 February 2015	/
Paula Martin*	Vice Chair		
Rachael McConaghie**			05 January 2015
Sheila Nolan		27 February 2015	
Bronwen Philpott*	Chair		
David Sheridan**		27 February 2015	/
Craig Smith			
Catherine Burlinson			16 September 2014

* = members of the Finance and General Purposes Committee

** = members of the Audit Committee

<i>Company Secretary</i>	<i>Position</i>	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Lisa Milligan	Company Secretary	1 September 2014	21 May 2015
Janice Webber	Interim Clerk	21 May 2015	

Senior Management Team

Catherine Barr	Principal	
Andy Hardy	Principal	
Carrie Matthews*	Principal	
Rebekah Howe	Principal	24 February 2015
Mark Cronin*	Principal	
Sarah Ainsworth	Finance Director	26 January 2015

* C Matthews and M Cronin became Principals within The Shared Learning Trust upon assimilation of their respective academies on 1 March 2015.

Company Name Principal and Registered Office

The Shared Learning Trust
1-9 York Street
Luton
LU2 0EZ

Company Registration Number

05958361 (England and Wales)

Independent Auditor

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
10 Bricket Road
St Albans
AL1 3JX

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)
REFERENCE and ADMINISTRATIVE DETAILS continued

Bankers

Lloyds Bank
249 Silbury Boulevard
Secklow Gate West, Milton Keynes
MK9 1NA

Solicitors

Eversheds LLP
Senator House
85 Queen Victoria Street
London
EC4V 4JL

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY 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 2014 to 31 August 2015. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Trust operates 5 academy schools across Bedfordshire, currently comprising two secondary schools, two primary schools and one studio school. The academies have a combined pupil capacity of 4,103 and had a roll of 3,541 in the school census of October 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of The Shared Learning Trust are also the Directors of the charitable company for the purposes of company law. The terms 'trustees' and 'directors' are used interchangeably in this document but refer to the same body of people, collectively known as 'the Board'. The directors have a different status to the members of the Trust. The charitable company changed its name on 03 July 2015 from Barnfield Academy Trust to The Shared Learning Trust.

At the beginning of the year, the Trust comprised three schools, Barnfield South Academy, Barnfield West Academy and Barnfield Vale Academy. On 01 March 2015, as part of its separation from Barnfield Education Partnership Trust, two further schools were assimilated into the Trust, being Barnfield Moorlands Free School and Barnfield Studio School.

Details of the members and directors who served during the year are included in the Reference and Administration Details on page 3.

Members' Liability

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

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 Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £4,660 (2014: £2,537).

Method of Recruitment and Appointment or Election of Directors

Historically, the directors were nominated by either the Secretary of State for Education or by Barnfield Education Partnership Trust, the main sponsors of the Trust. On 01 March 2015, the Trust separated from its sponsor, entered into a new funding agreement with the Secretary of State and adopted new Articles of Association.

The Articles of Association require there to be a minimum of 5 members of the charitable company. Members may appoint up to 8 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. Any director may be re-appointed or re-elected subject to their remaining eligible to be a particular type of director.

The directors who have held office in the year ending 31 August 2015 and up to the date of signing the financial statements are listed on page 3, together with their dates of appointment and resignation.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

TRUSTEES REPORT (continued)

Policies and Procedures Adopted for the Induction and Training of Directors

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

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

Method of Recruitment and Appointment of Local Governing Bodies

From 1 September 2015, the Board are supported in their work by Local Governing Bodies. Local governing bodies comprise between 7 and 9 individuals, known as 'governors', drawn from parents or the local community. The Principal of each Academy is an ex officio member and there is an elected staff governor. Governors are recruited through a combination of election (in respect of parent governors and staff governors) and through co-option of members based on a review of appropriate skillsets.

Organisational Structure

The Board meets twice termly. Its role is to set the strategic direction for the Trust ensuring consistency of policy and compliance with legislation. The Board are assisted in the performance of their duties by an Audit Committee, a Remuneration Committee and, from September 2015, individual school governing bodies (LGBs).

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

Matters reserved for Board approval include:

- Appointment of auditors
- Appointment of CEO, CFO, Company Secretary and Principals
- 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.

Connected Organisations including Related Party Relationships

Until 01 March 2015, The Shared Learning Trust comprised Barnfield South Academy, Barnfield West Academy, and Barnfield Vale Academy; but was itself part of the Barnfield Federation which also included Barnfield Studio School, Moorlands Free School, Barnfield College, Barnfield Apprenticeship Training Agency Limited, Barnfield Education Partnership Trust, Barnfield Education Services Limited and Barnfield Shared Services Limited.

The Shared Learning Trust procured business support services from a shared services team within the Barnfield Federation operated by Barnfield Education Services Limited and Barnfield Shared Services Limited. These services substantially ceased on 28 February 2015. Whilst the Trust has largely completed its formal separation from Barnfield Federation, there remain minor transactions with Barnfield College pending complete separation of joint external contracts.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

TRUSTEES REPORT (continued)

During the year, a transaction was conducted with Plain Talking HR Limited, a legal entity in which a director of the Trust, has a business interest.

Details of transactions within the financial year and balances at 31 August 2015 are described in further detail in note 24 to the financial statements.

Objectives and Activities

The Trust currently comprises five academies, each with its own character, but all sharing the same goal: to make the most of our unique family of schools to give every child the best possible opportunity to flourish and develop into a decent, disciplined, well-educated and employable young person.

- Barnfield Moorlands Free School, Luton, age 4-11, judged good by Ofsted in July 2013.
- Barnfield South Academy, Luton, age 11-18, judged good by Ofsted in May 2015
- Barnfield Studio School, Luton, age 14-18, judged requires improvement by Ofsted in October 2014. Monitoring Inspection was in January 2015.
- Barnfield West Academy, Luton, age 11-18, judged good by Ofsted in September 2014.
- Barnfield Vale Academy, Dunstable, age 4-13 is in the process of changing from a middle school to a primary school. It was judged good with behaviour outstanding by Ofsted in September 2014.

Our academies are supported in their work by our Teaching School, based at Barnfield West Academy.

At the heart of what we do is the following:

Developing decent people:

Results and qualifications are important, but they are not the whole story – far from it. Our ultimate goal is to develop well-rounded young people who will make the most of the opportunities open to them in our schools. They will have resilience, zest and passion: people that employers will want to employ; people who will play a part in the communities in which they live and work; people we can be truly proud to say came through one of our schools.

Achieving full potential, no excuses:

We will do all we can to make sure every child gets the chance to reach their full potential. No child should ever get left behind; all have the capacity to learn and to achieve. We'll do this by instilling an acceptance that hard work, effort and application really does pay off. And through effort and application come self-respect, self-esteem, self-belief and success.

Discipline and standards:

It is important to us that our young people demonstrate high standards and that our schools are safe, structured places in which to learn – this will enable inspiring things to happen in the classroom. We will achieve this by expressing our high expectations regularly and frequently and by paying relentless attention to detail. We attach importance to values such as respect: for ourselves, for others, for learning and for the environment.

Great Schools for All:

We want the schools within our Academy Trust to be judged as great schools for all the young people that attend them. This means recruiting outstanding people to work in our schools and offering a curriculum that is engaging, challenging and responsive to individual needs.

Big on Attitude:

We will frequently stand back and reflect on how we can do things differently and better. That doesn't mean latching on to the latest fad: it means being open-minded about trying new ideas; it means acknowledging mistakes but seeing them as an experience from which to learn; it means being aware of what happens beyond our schools so that we can predict future trends and remain in control of our destiny.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

TRUSTEES REPORT (continued)

Strength in Numbers:

Each of our schools is different. Each serves its own community; each has its own history. But at the heart of all our schools is a strength brought about by working together within a multi-academy trust enabling shared resources, shared knowledge, shared experience and shared success. We never forget that we are in the unique position of seeing through a child's education from the first words they read and write, right through to their first job or acceptance into higher education.

Public Benefit

- The Trust is an exempt charity and as such is regulated by the Education Funding Agency 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 Academy Trust gives due regard to the diverse beliefs and backgrounds of its pupils.
- The Trust Board serves as The Trustees and is responsible for defining the strategic aims of the academies and directing the activities of its Principals in the furtherance of these objects. When setting objectives and planning activities, the Board gives careful consideration to the Charity Commission's general guidance on public benefit.
- Attention is also paid to guidance issued by the EFA 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.

STRATEGIC REPORT

Achievements and Performance

Barnfield Moorlands Free School

Our early years foundation stage pupils continue to make excellent progress and achieved a good level of development well above the national average. 79% of our reception pupils achieved a good level of development and 90% of Year 1 pupils passed the phonics screening test (against a national average of 65% at reception and 77% at Year 1).

Barnfield Studio School

The school received a monitoring inspection in January 2015 in which it was judged that 'senior leaders and governors are taking effective action to tackle the areas requiring improvement'. Plans were put in place to extend the curriculum offer through the introduction of The Bridging Course, which is specifically aimed at post-16 students who do not have sufficient qualifications to start sixth form courses at Level 3. This new one year programme has proven to be very popular and along with a bespoke approach to work experience is proving more young people with the opportunity to progress onto further education.

Barnfield South Academy

Despite a dip in the overall number of students achieving five A*-C grades at GCSE level, in terms of previous years, there were big improvements to grades in many subjects. Top grades in physics and chemistry have risen by 15% in GCSE media A*-C grades rose by a 27%. Some notable individual student successes include two Year 11's who each achieved 12 A*-A GCSE passes; 12 A*-A, one who achieved 11 A*-A grades and another who gained 10 A*-A grades. In the Sixth form students have achieved particularly well in forensic science, psychology, sociology and humanities. This contributed to the best ever sets of A Level results, with a higher proportion of students gaining the top A* to C grades than in any previous year (47% of students achieved grades A* to C, which saw an 8% increase on last year). In May 2015 the academy was judged good by Ofsted with the work done to keep students safe rated as outstanding.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

TRUSTEES REPORT (continued)

Barnfield West Academy

The number of students gaining five A*-C grades, including English and maths was 64%, above the national average despite a consecutive year showing an overall dip in GCSE results across the country.

Last summer also saw a rise in the number of top grades increased by our students. Achievement in maths and English was particularly strong, with progress higher than last year's national average and 80% of students gaining A* - C grades in English, an increase of 5% on last year. In the sixth form 68% achieved A* to C grades with 100% of students attaining success in Level 3 vocational subjects with 90% gaining a Distinction grading or above.

Barnfield Vale Academy

There has been a continued rapid improvement in the attainment of reception pupils. 76% of our reception pupils achieved a good level of development (against a national average of 66% and the local average of 61%). Furthermore 79% of Year 1 and 89% of Year 2 pupils passed the phonics screening test.

Key Performance Indicators

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

KPI	14/15 Budget	14/15 Actual*	15/16 Budget	15/16 Actual*
% of pay to restricted income	80.1%	75.4%	80.8%	N/A
Net operating surplus before pension, defects provision & assimilation gains (£'000)	478	1,019	583	N/A
General & unrestricted surplus (£'000)	2,628	1,850	1,664	N/A
Pupil Places – number*	3,621	3,569	3,583	3,541
Pupil Places % of capacity	88.3%	87.0%	87.3%	86.3%

*at school census date in October

Going Concern

After making appropriate enquiries, the Board 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. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

The majority of the Trust's income is in the form of recurrent grants from the Education Funding Agency (EFA), the use of which is restricted to particular purposes. The grants receivable from the EFA during the year ended 31 August 2015 were £19,890,000 (year to 31 August 2014 £18,444,000). These grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In what was a period of some uncertainty across the Trust, spend on buildings maintenance and improvements were scaled back and savings of £700,000 were realised through unfilled positions in the academies and the newly formed central services team. Budgets of £400,000 for the costs of separation from sponsor and formation of the new multi academy trust were not fully utilised in the year. As a result, excluding some exceptional items described below, the Trust made an overall surplus of £1,019,000 against a budget of £478,000.

A number of exceptional items impacted the Trust's financial performance in the year:

- On assimilation of Barnfield Moorlands Free School and Barnfield Studio School into the Trust on 01 March 2015 a net surplus of £609,000 was received into Trust reserves.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

TRUSTEES REPORT (continued)

- A re-evaluation of the recoverability of building defects at Barnfield South and West academies has resulted in a provision of £2,100,000 being made in the year to 31 August 2015. Whilst the Trust are hopeful that the costs of remedying defects will be recovered from third parties, such recoveries will be booked to income on a receivables basis.
- Actuarial losses on defined benefit pension schemes resulted in a £291,000 loss to income and expenditure.

After exceptional items described above the Trust reported a net outflow on restricted and unrestricted funds of £690,000. Cash balances however remain healthy at £5,541,000 including £912,000 held in endowment funds.

The Trust is budgeting for a 15/16 operating surplus of £583,000 (year to 31 August 2015: actual £1,019,000). The decrease in surplus reflects significant increases in employer taxes and pension contributions payable by schools, meeting the cost of nationally agreed pay awards and filling positions (both teaching and non-teaching) which were vacant during the year to 31 August 2015.

Reserves Policy

The policy of the Board is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the academies whilst ensuring that excessive funds are not accumulated. The Trust closed the financial year with a balance on restricted general funds and unrestricted general funds of £331,000 (at 31 August 2014: £803,000). These reserves are *after* deduction of £2,100,000 of provisions in respect of building defects. The Trust is optimistic that these costs will be recovered but have provided for the full cost in the financial statements in line with accounting standards.

The Trust also has unspent restricted fixed asset funds of £1,519,000. Following a year of limited investment, the Trust has approved a 15/16 budgeted capital spend of £770,000 to replace/upgrade equipment and software and to automate existing manual processes. A three year IT strategy is under development which will include consideration of how future annual ICT investment will be funded.

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 in the light of widely publicised expectations of real term funding cuts.

Investment Policy

The Trust policy has been to invest surplus cash in low interest bearing current accounts with banking institutions of good standing, with the exception of £912,000 which is held in an endowment fund. The Trust will be evaluating the opportunities to diversify its investments to mitigate institutional risk and generate improved returns but which matches availability of cash funds to our short, medium and longer term needs.

Principal Risks and Uncertainties

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

All academies within the Trust are exposed to increases in staff costs at a time without additional base funding. Budgets for the coming year have been set with careful consideration to the impact of pay changes and the Trust are budgeting for an operational surplus in the year to 31 August 2016.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

TRUSTEES REPORT (continued)

All academies are exposed to fluctuations in pupil numbers and funding levels, particularly Barnfield Vale Academy and Barnfield Studio School which are both operating at close to break-even capacity. Barnfield Vale academy has suffered significant fall in pupil numbers in recent years as a result of transitioning from a middle to a primary school. This transition is largely complete and we anticipate that Barnfield Vale Academy will see growth in pupil numbers going forward. Barnfield Studio School anticipates completion of its refurbishment project (with funding from the EFA) during the year to 31 August 2016 and, alongside improvements to the employer links should see pupil and funding growth over the next few years.

Other key risks identified by the Board include the risks of failing to meet the objectives of the Trust through the provision of high quality education for all pupils. Four out of the five schools within the Trust recently attained 'good' Ofsted ratings with one at 'Requires Improvement' level. Nevertheless, there is scope for improvement in both attainment and progress in some areas and the Board is determined to secure the best educational outcomes for all pupils. To this end, the Board have approved the establishment of a central school improvement function with the aim to drive up standards.

The Trust is exposed to significant premises risks with Barnfield Moorlands Free School moving premises to a new build by September 2016 and with existing 'new builds' at Barnfield South and West academies suffering from significant defects. The Trust is engaging with appropriately qualified and experienced advisors to mitigate the risks and to manage the issues identified.

Risk is a termly agenda item for the Board and Local Governing Bodies with an update on actions against key risk items in the risk register and a re-evaluation of the risk profile.

Plans for Future Years

The key objective for the coming year for our new Trust is to establish our key priorities and core guiding principles. These will represent our strategy over the next three years. Additionally we seek to:

- establish our Key Priorities and Core Principles – these will represent our main actions and strategy over the next three years
- ensure all of our schools show rapid improvement in pupil outcomes. We want to ensure every pupil makes excellent progress
- continue to improve the overall effectiveness of our schools, so that they are consistently and securely good or better
- ensure there is a relentless focus on excellence in teaching and learning, our core purpose; in particular, the sharing of good practice across the Trust
- develop leadership, succession planning and talent management so we build up a workforce that has the capacity to sustain improvement in our schools
- continue to develop strong governance throughout the Trust

All of the above will be underpinned by high quality strategic planning and effective recruitment, retention and development of our staff.

Auditors

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.

PricewaterhouseCoopers LLP have expressed their willingness to be re-appointed for the financial year ended 31 August 2016.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2015 and signed on the Board's behalf by:



Bronwen Philpott
Chair

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY 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.

The Board has delegated the day-to-day responsibility to the Chief Executive as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Shared Learning Trust and the Secretary of State for Education. They are 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.

In February 2014 the Trust was issued with a Financial Notice to Improve (FNTI) by the Secretary of State following allegations of financial irregularity and failures in governance. Since that date the Trust has undergone a substantial restructuring including a significant refresh of the Board of Directors, separation from the sponsor, Barnfield Education Partnership Trust, on 01 March 2015, revised its governance structure, schedule of delegations and implemented appropriate procurement and financial procedures.

Following a review of the steps taken to address the issues previously identified, the Secretary of State lifted the Financial Notice to Improve on 03 July 2015. The challenge for the Board in the coming year is to ensure that the changes to governance structures are effectively implemented and supported and that changes to procedures are successfully embedded within the organisation.

Current governance arrangements

The Board has undergone a substantial refresh of membership and now has eight directors, of whom only one, the ex-officio CEO, has a pecuniary benefit. Seven of the directors are new to the Board in 2014/2015 and were appointed following a review of the appropriate skillsets required. Together, the nine directors bring a range of experience from industry, the accounting profession and the educational sector.

To further strengthen governance, the members of the Trust are entirely non-executive and independent of the directors.

The Board reviewed its governance structure and approved a new framework for the new multi Academy Trust in March 2015 following assimilation and separation from the sponsor. This included a review of the constitution and terms of reference of the committees and as referred to earlier established Local Governing Bodies for each of the academies within the Trust.

The Board meets every half-term with oversight facilitated by two sub committees, the Audit Committee and the Remuneration Committee, and supported by an independent clerk. Both sub committees comprise non-executive directors with relevant experience. The Board has no separate finance committee and the Board, collectively, receives relevant financial reports on a termly basis.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

Governance Statement (continued)

Finance and General Purposes Committee

The Board agreed to combine the role and purpose of the Finance and General Purposes Committee into the agenda of the Board meetings and for the frequency of these meetings to be increased from termly to twice termly after separation and assimilation following a review of its governance structure. The Finance and General Purposes Committee was therefore disbanded and only met once during the autumn term 2014. It had three members as indicated under Reference and Administration Details above. All attended the meeting.

Local Governing Bodies

In March 2015, the Board approved a new governance structure to include the formation of individual Local Governing Bodies for each school to replace the existing Academy Advisory Boards. It was considered that establishment of Local Governing Bodies would provide additional support and challenge to each academy as well as support the Board in its role to oversee the strategic direction of the Trust and compliance with statutory requirements. All local governing bodies have been successfully formed and held their first meetings in the autumn term of 2015.

Governance Review

A comprehensive review of governance was undertaken as part of completion of action plans approved by the Education Funding Agency. As a result of this, the composition of the Board was changed. Seven of the eight directors are new to the Trust Board and were appointed following a review of skillsets. Together the directors bring extensive experience from industry, the accounting profession and education. The Board agreed further changes to governance structures (as described above) in March 2015.

Each director has been provided with extensive material on their role as directors and trustees and the regulatory requirements for academies. Formal training has been provided on changes to Ofsted reviews and on interpreting academy data.

The effectiveness of the new governance structure will be explored during the coming 2015/16 financial year to assess the completeness of the changes agreed in March 2015, and the effectiveness of the new model for delivering appropriate challenge, support and strategic oversight. A skills review will be conducted annually.

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 available.

The restructuring of the organisation, including separation from the sponsor, has enabled the Trust to place achievement of value for money at the heart of the organisation. Prior to separation from the sponsor the academies contributed 16% of their GAG income to funding central services of the Barnfield Education Partnership Trust (covering finance, facilities, IT, H&S, marketing and governance/oversight).

Separation from the sponsor has enabled the Trust to put in place its own central team including CEO, CFO, HR Manager and Financial Controller at appropriately benchmarked salaries. Not only were savings achieved in central team staffing costs, but staff have been recruited with specialist academy experience. As a result central services now represent approximately 10% of GAG income and services and decisions are focussed on initiatives that deliver benefit to academies rather than to the further education sector; for example the Trust has been able to acquire a license for a Health and Safety management system which is tailored specifically for academies, rather than a generic system to suit a broader user group.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

Governance Statement (continued)

The Board has formally met 11 times during the year. Attendance during the year at meetings of the Board was as follows:

Director	Meetings attended	Out of a possible
Catherine Barr	8	8
Andrew Cooper	4	4
Victor Cowell	10	11
Stephen Hall	3	4
Andy Hardy	8	8
Deborah Harris-Ugbomah	3	3
Paula Martin	9	11
Rachael McConaghie	2	6
Sheila Nolan	0	3
Bronwen Philpott	11	11
David Sheridan	3	3
Craig Smith	7	11
Catherine Burlinson	0	0

Within the Board meeting cycle for 2014/2015 there were 5 resignations; Stephen Hall, Rachel McConaghie, Catherine Burlinson, Catherine Barr and Andy Hardy. Catherine Burlinson resigned on the date of the first Board meeting of the academic year and therefore did not attend any meetings in the year.

The Board reduced in size following separation from the sponsor and assimilation of Barnfield Moorlands Free School and the Barnfield Studio School and adoption of new Articles of Association with effect from 27 February 2015. New appointments were made to the reconstituted Board after this date.

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. The Audit Committee met twice in the year. Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Victor Cowell	2	2
Deborah Harris-Ugbomah	1	1
David Sheridan	1	1
Rachel McConaghie	0	1

Rachel McConaghie resigned as director of the Trust on 5 January 2015.

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 Company. The membership of the Remuneration Committee was increased from two to three. It has met twice. Attendance at meetings was as follows:

Director	Meetings attended	Out of a possible
Bronwen Philpott	2	2
Paula Martin	2	2
Craig Smith	1	1

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

Governance Statement (continued)

Improving the suitability of services is a key contributor to the overall achievement of value for money although this is difficult to quantify in monetary terms.

Other initiatives to achieve value for money include:

- the creation of a central school improvement function to help deliver increases to attainment levels and maximise the sharing of expertise across the academies in the Trust
- improvements to financial reporting and analysis which supports effective decision making, advance planning of structural changes and identifies funding shortfalls
- development of a program of ICT investment and an ICT strategy to provide, not just equipment for teaching and learning, but to automate business support functions in delivering timely, relevant information and to enhance the way we use technology to get the most benefit from what we spend
- appointment of procurement specialists to support the development of a procurement strategy which balances the requirements for compliance with procurement regulations and effective and efficient procurement processes. The procurement specialists are supporting us with review of key spend areas and tendering processes

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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

The Trust has undergone significant restructuring over the past 2 years making substantial changes to governance structures, appointment of a dedicated executive team and central services together with implementing new procedures and systems. The Trust has conducted a comprehensive review of compliance with internal financial regulations and the requirements under our funding agreement as outlined in the Academies Financial Handbook. The Trust believes it is materially compliant with the principles, but have identified some improvements for development in the coming year including:

- improve consistency, completeness and awareness of policies across the academies, including the development of disaster recovery and business continuity plans
- upgrade the academy and Trust websites to contain the new reporting requirements of the Academies Financial Handbook 2015 which came into effect from 01 September 2015

Capacity to Handle Risk

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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

Governance Statement (continued)

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 of Trustees;
- 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 advice on financial matters and performing a range of checks on the Trust's financial systems. On a termly basis, the internal auditor reports to the Board, through the Audit Committee, on the operation of the systems of control and on the discharge of the Board's financial responsibilities.

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 financial management and governance self-assessment performed
- the work of the Finance Director who has responsibility for the development and maintenance of the internal control framework.

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

Approved by the order of the members of the Board on 14 December 2015 and signed on its behalf:



Bronwen Philpott
Chair



Andrew Cooper
Accounting Officer

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

Statement on Regularity, Propriety and Compliance

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

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

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

ARC

Andrew Cooper
Accounting Officer
14 December 2015

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY 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 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:

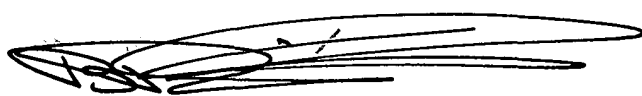
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/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 2015 and signed on its behalf by:



Bronwen Philpott
Chair

Independent auditors' report to the members of The Shared Learning Trust

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the charitable company's (the "Academy Trust") affairs as at 31 August 2015 and of its incoming resources and application of resources , including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The charitable company financial statements (the "financial statements"), which are prepared by The Shared Learning Trust, comprise:

- the charitable company balance sheet as at 31 August 2015;
- the charitable company income and expenditure account and statement of total recognised gains and losses for the year then ended;
- the charitable company cash flow statement for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Academy Trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the Academy Trust's financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.


Responsibilities for the financial statements and the audit

Our responsibilities and those of the trustees

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Academy Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Andrew Hodgekins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

15 December 2015

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

Independent Reporting Accountant's Assurance Report on Regularity to The Trustees of The Shared Learning Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 12 October 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, 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 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them, as set out in the Academies Accounts Direction 2014 to 2015.

This report is made solely to The Shared Learning Trust and the EFA 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 EFA 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 or liability to anyone other than The Shared Learning Trust and the EFA, for our work, for this report, or for the conclusion we have formed, save where expressly agreed in writing.

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 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them, as set out in the Academies Accounts Direction 2014 to 2015.

Approach

We conducted our limited assurance engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. 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 as described above.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

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 reasonable assurance opinion.

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

The work undertaken to draw to our conclusion includes:

- Enquiry of management
- Review of board minutes
- Review of the appropriateness of expenditure and detailed testing on a sample basis
- Obtaining and reviewing articles of association and financial regulations
- Independent confirmation of funding body income received
- Review of financial memorandum for any specific terms and conditions imposed

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 2014 to 31 August 2015 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them, as set out in the Academies Accounts Direction 2014 to 2015.

PricewaterhouseCoopers LLP

For and on behalf of PricewaterhouseCoopers LLP (Reporting Accountant)

Date: *15 December 2015*

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 AUGUST 2015 (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £000s	Restricted funds £000s	Restricted fixed asset fund £000s	Endowment fund £000s	Total 2015 £000s	Total 2014 £000s
<u>Incoming Resources</u>							
Incoming Resources from generated funds:							
- Voluntary income	1	16	609	3,674	-	4,299	24
- Activities for generating funds	2	297	45	-	-	342	1,060
- Investment income	3	12	-	-	-	12	11
Incoming resources from charitable activities:							
- Funding for the Trust's educational operations	4	-	20,459	-	-	20,459	18,716
Total incoming resources		325	21,113	3,674	-	25,112	19,812
<u>Resources Expended</u>							
Cost of generating funds:							
- Cost of activities for generating funds		(115)	-	-	-	(115)	(137)
Charitable activities:							
- Academy's education operations	5	-	(22,000)	(1,718)	-	(23,718)	(22,018)
Governance costs	7	-	(55)	-	-	(55)	(171)
Total resources expended		(115)	(22,055)	(1,718)	-	(23,888)	(22,326)
Net incoming/(outgoing) resources before transfers		210	(942)	1,956	-	1,224	(2,514)
Gross transfers between funds		(30)	(1)	31	-	-	-
Net Income/(Expenditure) for the year		180	(943)	1,987	-	1,224	(2,514)
<u>Other recognised gains and losses</u>							
Actuarial losses on defined benefit pension schemes		-	(874)	-	-	(874)	(362)
Net Movement in funds		180	(1,817)	1,987	-	350	(2,876)
Fund balances b/fwd at 1 September		309	(945)	66,725	912	67,001	69,877
Fund balances carried forward at 31 August		489	(2,762)	68,712	912	67,351	67,001

All of the Trust's activities derive from acquired and continuing operations. The comparative is made up of the activities of the three academies in the Trust in 2014. 2015 includes the activities of the academies transferred on assimilation.


THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)


BALANCE SHEET AS AT 31 AUGUST 2015

Company number: 05958361

	Note	2015 £000s	2014 £000s
Fixed Assets			
Tangible assets	12	67,193	65,189
		67,193	65,189
Current Assets			
Debtors	13	1,618	3,044
Cash at bank and in hand		5,541	3,507
		7,159	6,551
Creditors: Amounts falling due within one year	14	(4,397)	(3,300)
Net Current Assets		2,762	3,251
Net assets excluding pension liability		69,955	68,440
Pension Scheme Liability	23	(2,604)	(1,439)
Net Assets including pension liability		67,351	67,001
The funds of the Trust:			
Endowment Funds	15	912	912
Restricted funds			
Restricted fixed asset fund	15	68,712	66,725
General fund	15	(158)	494
Pension reserve	23	(2,604)	(1,439)
Total restricted funds		65,950	65,780
Unrestricted income funds			
General fund		489	309
Total unrestricted income funds		489	309
TOTAL FUNDS		67,351	67,001

The financial statements on pages 23 to 46 were approved and authorised by the directors on 14 December 2015 and signed on their behalf by:


 Bronwen Philpott
 Chair


 Andrew Cooper
 Accounting Officer

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £000s	2014 £000s
Net cash inflow/(outflow) from operating activities	18	2,074	(1,721)
Returns on investment and servicing of finance	19	12	11
Capital expenditure	20	(52)	(161)
Increase/(Decrease) in cash in the year	21	2,034	(1,871)
Reconciliation of net cash flow movement in net funds			
Net funds at 1 September	21	3,507	5,378
Increase/(Decrease) in cash in the year		2,034	(1,871)
Net funds at 31 August	21	5,541	3,507

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

STATEMENT of ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

These financial statements are prepared on a going concern basis. The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

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

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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.

- **Sponsorship income**

Sponsorship income provided to the Trust, which amounts to a donation, is recognised in the Statement of Financial Activities in the year in which it is receivable, where there is certainty of receipt and it is measurable.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

- **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with 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.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

STATEMENT of ACCOUNTING POLICIES continued

Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of Generating Funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **Charitable Activities**

These are costs incurred on the Trust's educational operations.

- **Governance costs**

Governance costs include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the cost attributable to bringing the asset to its working condition for its intended use.

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to receive the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy 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 the term of the lease.

Assets costing less than £1,000 are written off in the year of acquisition. All other assets are capitalised.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The estimated useful lives used for other assets are:

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

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

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

STATEMENT of ACCOUNTING POLICIES continued

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.

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.

Endowment funds provided by the sponsor and other benefactors are treated as a restricted fund. The balance at the year-end is shown at market value.

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.

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

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Local Government Pension Scheme

Non-teaching members of staff are offered membership of the Local Government Pension Scheme (LGPS). The LGPS is a funded scheme and the assets are held separately from those of the 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

STATEMENT of ACCOUNTING POLICIES continued

Fund accounting

A fund is a pool of unexpended resources, held and maintained separately from other pools because of the way in which the resources were originally received or the way in which they have subsequently been treated. A fund may be unrestricted, restricted, designated or endowed as described below:

- 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 funds comprise grants from the EFA and other donors which are to be used for specific purposes as set out in note 15; and
- Endowed funds are received for particular projects and expenditure is restricted to that particular project. Income from the funds may be expended only in line with the objects of the respective fund.

Agency Arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA 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 25.

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS

1. VOLUNTARY INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2015 £000s	Total 2014 £000s
Capital Grants	-	426	426	24
Other Donations	9	-	9	-
Transfer on Assimilation (note 26)	7	3,857	3,864	-
	16	4,283	4,299	24

2. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2015 £000s	Total 2014 £000s
Hire of Facilities	296	-	296	210
Uniform Sales	1	-	1	1
Sundry Income	-	35	35	849
Insurance Claim	-	10	10	-
	297	45	342	1,060

3. INVESTMENT INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2015 £000s	Total 2014 £000s
Bank Interest	12	-	12	11
	12	-	12	11

4. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2015 £000s	Total 2014 £000s
EFA Grants				
General Annual Grant (GAG)	-	18,101	18,101	17,073
Other DfE/EFA grants	-	1,789	1,789	1,371
	-	19,890	19,890	18,444
Other Government Grants				
Local Authority Grants	-	306	306	272
Other Income				
	-	263	263	-
	-	20,459	20,459	18,716

2015 income and expenditure reflects 12 month's activities for the continuing three members of the Trust and 6 month's activities for the two academies assimilated during the year.

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. RESOURCES EXPENDED

	Staff costs £000s	Non Pay Premises £000s	Expenditure Other £000s	Total 2015 £000s	Total 2014 £000s
Costs of activities for generating funds	42	49	24	115	137
Academy's educational operations					
Allocated support costs	2,473	3,258	2,038	7,769	6,281
Direct costs	11,598	1,708	2,643	15,949	15,737
	14,113	5,015	4,705	23,833	22,155
Governance costs including allocated support costs	-	-	55	55	171
	14,113	5,015	4,760	23,888	22,326

Incoming/outgoing resources for the year include:

	2015 £000s	2014 £000s
Operating leases	29	-
Fees payable to auditor		
Audit	23	44
Other services	1	2
	53	46

6. CHARITABLE ACTIVITIES

	Total 2015 £000s	Total 2014 £000s
Direct Costs – educational operations		
Teaching and educational support staff costs	11,598	10,579
Depreciation and loss on disposals of fixed assets	1,708	1,880
Technology costs	236	-
Educational supplies	926	1,042
Examination fees	308	254
Staff development	86	97
Educational consultancy	125	105
Other direct costs	962	1,780
	15,949	15,737

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. CHARITABLE ACTIVITIES (continued)

	Total 2015 £000s	Total 2014 £000s
Allocated Support Costs		
Support staff costs	2,473	1,633
Depreciation	10	-
Technology costs	73	127
Recruitment and support	173	19
Maintenance of premises & equipment	2,509	459
Cleaning	173	151
Rent & rates	188	151
Heat & lights	370	295
Insurance	153	172
Security & transport	42	75
Catering	309	297
Bank interest and charges	2	-
Other support costs	1,294	2,902
	7,769	6,281
Total direct and support costs	23,718	22,018

7. GOVERNANCE COSTS

	Total 2015 £000s	Total 2014 £000s
Support costs	-	10
Legal and professional fees	31	117
Audit fees	24	44
	55	171

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. STAFF COSTS

a. Staff costs

Staff costs during the year were:

	2015 £000s	2014 £000s
Wages and Salaries	11,713	10,531
Social security costs	898	791
Other pension costs	1,502	856
	14,113	12,178
Supply staff costs	1,053	301
	15,166	12,479

b. Severance

No severance payments were made during the year (2014: £52,000).

c. Staff numbers

The average number of persons employed by the Trust during the year expressed as full time equivalent was as follows:

	2015 No.	2014 No.
Charitable Activities		
Teachers	197	193
Administration and support	168	138
Management	13	-
	378	331

d. Higher paid staff

The number of employees whose emoluments exceeded £60,000 in the financial year was:

	2015 No.	2014 No.
£60,001 - £70,000	5	4
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£90,001 - £100,001	2	-
£100,001 - £110,000	1	2
	10	7

Nine of the above employees participated in the Teachers' Pension Scheme. One did not participate in a pension scheme.

9. CENTRAL SERVICES

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

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

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

The Trust does not levy a fixed 'top slice' from individual academy budgets to fund central services, capital investment and oversight. Instead each academy is charged with a share of the budgeted central services apportioned across the schools in proportion to their GAG income.

In the year to 31 August 2015, central costs amounted to £1,530,000 representing 8.8% of GAG. The budgeted central costs for the year to 31 August 2016 represent 10.5% of GAG, following establishment of a central school improvement function and enhancements to the provision of financial analysis.

The Trust recognises that this level of central services is high compared with sector norms (recommended range is 5%-10%); however the Trust operates fully centralised finance, IT and HR functions, not typical in many multi academy trusts. These centralised functions enable significant economies of scale to be achieved. On an annual basis, the Trust prepares a proposed central services budget and presents these proposals to Principals. Following consultation, a recharge (based on the final central services proposed budget and proposed central capex spend) is included within the individual academy budgets for review by the Local Governing Bodies. The Trust Board reviews and approves the central services budget and individual academy budgets, following recommendation of the Local Governing Bodies.

The actual amounts charged during the year were as follows:

	2015	2014
	£000s	£000s
Barnfield West Academy	691	923
Barnfield South Academy	691	863
Barnfield Vale Academy	125	245
Moorlands Free School	192	-
Barnfield Studio School	58	-
Total	1,757	2,031

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive Officer and principals only receive remuneration in respect of the services they provide undertaking the roles of Chief Executive Officer and principals, and not in respect of their services as trustees. Other trustees 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 trustees' remuneration was as follows:

Andrew Cooper (CEO and Trustee)*:	£90,400	
Catherine Barr (Principal and Trustee)*:	£50,000	(2014: £100,001 - £110,000)
Andy Hardy (Principal and Trustee)*:	£54,000	(2014: £100,001 - £110,000)

* pro-rata for the period in which they were trustee.

During the year ended 31 August 2015, £464 of travel and subsistence expenses were reimbursed to the trustees (2014: £nil).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £4,660 (2014: £2,537).

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. TANGIBLE FIXED ASSETS

	Land & Buildings £000s	Assets under construction £000s	Furniture & Equipment £000s	Computer Equipment & Software £000s	Total £000s
Cost					
At 1 September 2014	68,756	-	193	2,830	71,779
Transferred on assimilation	3,253	-	110	184	3,547
Additions	20	247	12	200	479
Disposals	-	-	-	-	-
At 31 August 2015	72,029	247	315	3,214	75,805
Accumulated Depreciation					
At 1 September 2014	3,948	-	103	2,540	6,591
Transferred on assimilation	107	-	51	143	301
Charged in year	1,458	-	43	219	1,720
On Disposals	-	-	-	-	-
At 31 August 2015	5,513	-	197	2,902	8,612
Net Book Values					
At 31 August 2015	66,516	247	118	312	67,193
At 31 August 2014	64,808	-	90	290	65,188

13. DEBTORS

	2015 £000s	2014 £000s
VAT recoverable	294	517
EFA grants receivable	80	10
Trade Debtors	71	98
Other debtors	770	990
Prepayments	403	1,429
	1,618	3,044

Included in the above are prepayments due greater than one year of £28,000.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £000s	2014 £000s
Trade creditors	923	396
Taxation and social security	287	315
Other creditors	226	1,684
Accruals	510	790
Provision for rectification of defects (note 15)	2,100	-
Deferred income	351	115
	4,397	3,300

THE SHARED LEARNING TRUST (FORMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

Deferred income

	2015 £000s
Deferred income at 1 September 2014	115
Resources deferred in the year	351
Amounts released from previous years	(115)
Deferred income at 31 August 2015	351

At the balance sheet date, the Trust was holding monies due to the EFA in respect of GAG income clawed back and trips that are due to take place in the next year.

15. FUNDS

	Balance at 1 September 2014 £000s	Incoming resources £000s	Resources expended £000s	Gains, losses and transfers £000s	Balance at 31 August 2015 £000s
Restricted General Funds					
General Annual Grant	481	18,101	(18,758)	(1)	(177)
Other DfE/EFA Grants	13	1,789	(1,783)	-	19
Local Authority Grants	-	306	(306)	-	-
Other incoming resources	-	917	(917)	-	-
Endowment funds	912	-	-	-	912
Pension reserve	(1,439)	-	(291)	(874)	(2,604)
	(33)	21,113	(22,055)	(875)	(1,850)
Restricted Fixed Asset Funds					
DfE/EFA capital grants	-	426	-	(54)	372
Capital expenditure from GAG	66,725	3,248	(1,718)	85	68,340
	66,725	3,674	(1,718)	31	68,712
Total Restricted Funds	66,692	24,787	(23,773)	(844)	66,862
Unrestricted funds	309	325	(115)	(30)	489
Total funds	67,001	25,112	(23,888)	(874)	67,351

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

Restricted general funds

The GAG fund of £177,000 (overdrawn) is the recurrent funding to be used for educational purposes in accordance with the Trust's Funding Agreement with the DfE.

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. FUNDS (continued)

The Trust is carrying a deficit on this fund due to a provision for rectification of defects on the buildings of Barnfield South Academy and Barnfield West Academy of £2,100,000. A provision has been made on the basis that defects within the buildings need to be rectified to ensure the buildings are compliant with health and safety regulations and in accordance with the original building specification. The Trust is hopeful that monies will be recovered, but in accordance with UK GAAP no provision has been made for this recovery.

Under the funding agreement with the Secretary of State the Trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2015.

The pension reserve of £2,604,000 (overdrawn) represents the Trust's share of the deficit in the Bedford Borough Council Pension Fund.

The remaining restricted funds represent grants received from other organisations for the Trust's operational activities and development.

Restricted ICT and fixed asset funds

Capital expenditure from GAG represents funding received for fixed assets of the Trust, including funds restricted to ICT investment. The fund balance carried forward consists of the net book value of fixed assets (excluding assets under construction) and unspent funds of £1,394,000.

DfE/EFA capital grants represents funding received for the Moorlands Free School, devolved formula capital and other capital funding from the EFA.

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows.

	Restricted general and unrestricted funds Balance at 31 August 2015 £000s	Unspent ICT and fixed asset funds Balance at 31 August 2015 £000s	Total available funds Balance at 31 August 2015 £000s
Moorlands Free School	891	21	912
Barnfield West Academy	(102)*	771	669
Barnfield South Academy	(647)*	655	8
Barnfield Vale Academy	-	-	-
Barnfield Studio School	3	19	22
Central services	186	53	239
Total before fixed assets and pension reserve	331	1,519	1,850
Endowment Fund	-	-	912
Restricted fixed asset fund	-	-	67,193
Pension Reserve	-	-	(2,604)
Total	331	1,519	67,351

* Barnfield West and Barnfield South academies reserves include provisions of £850,000 and £1,250,000 respectively in respect of building defects. The Trust is optimistic of recovery of the costs but have provided for the full amount in accordance with accounting standards. Recoveries of the costs will be credited back to the reserves of South and West academies when recovery is virtually certain.

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. FUNDS (continued)

The Trust does not pool reserves across its academies but funds central services and central investment in technology (to support effective central services such as HR and finance) by way of annual recharges charged against academy income and expenditure accounts or reserves (in respect of capital expenditure).

Cumulative deficits have arisen over some years in some of the academies within the Trust (totalling £1,200,000) representing historic capital investment decisions and from scaling up of staff resource. These decisions were made on their behalf by the central management team of the previous sponsor - in anticipation of future pupil growth and surpluses which have not materialised. The Trust operated a central bank account and these decisions and resulting deficits were funded from the surpluses of schools with positive reserves without formalisation of the terms of their use.

The Trust supports academies which fall into short term difficulties, but has an overarching responsibility for the maintenance of adequate reserves of the Trust, ensuring value for money in the provision of educational services, to ensure 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 Trust has implemented the following steps.

At 31 August 2015 the historic deficits of individual academies have been permanently written off to enable budgetary decisions to be made in the best interests of the educational outcomes of current pupils rather than to reflect the need to repay historic overspending. The reserve balances disclosed above represent the position after deficits have been written off. Going forward all academies within the Trust are expected to operate a balanced budget, making suitable surpluses to fund ICT investment and to provide emergency reserves.

To support this, the Trust has strengthened its financial reporting and projections to provide more timely information, with termly reforecasts of in year results and more thorough longer term projections with risks to the financial projections added to the risk register to ensure these are followed up. Reserve balances are now reported on a monthly basis and form part of the budget and medium term projections on an individual academy basis.

All academies in the Trust are budgeting for breakeven or a surplus in the year to 31 August 2015 and reforecasts are undertaken on a termly basis. Going forward, where an academy projects a deficit budget or reforecast, immediate steps will be taken to establish a deficit management 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

During the period of recovery, an appropriate level of funds will be transferred from general reserves on a pro-rata basis from academies with a surplus into an 'internal loan reserve' to finance the deficit in affected academies.

This transfer and the additional steps above to work with academies in deficit will protect the reserves of the Trust as a whole whilst providing assurance to individual academies that their funds are being effectively managed and will be returned.

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. FUNDS (continued)

Analysis of academies by cost

	Teaching and Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Educational Supplies £000s	Other Costs (excluding depreciation) £000s	Total £000s
Moorlands Free School	555	88	32	143	818
Barnfield South Academy	4,835	531	403	2,963	8,732
Barnfield Studio School	220	73	39	135	467
Barnfield Vale Academy	1,230	219	95	355	1,899
Barnfield West Academy	4,758	625	357	2,753	8,493
Central services	-	1,270	-	491	1,761
	11,598	2,806	926	6,840	22,170

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2015 are represented by:

	Endowment Fund £000s	Unrestricted Funds £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Total £000s
Tangible fixed assets	-	-	-	67,193	67,193
Current assets	912	507	4,185	1,555	7,159
Current liabilities	-	(18)	(4,343)	(36)	(4,397)
Pension scheme liability	-	-	(2,604)	-	(2,604)
	912	489	(2,762)	68,712	67,351

17. FINANCIAL COMMITMENTS

Operating Leases

At 31 August 2015 the Trust had annual commitments under non-cancellable operating leases as follows:

	2015 £000s	2014 £000s
Plant and Machinery		
Expiring within one year	1	-
Expiring within one to two years	9	-
Expiring within two to five years	-	-
	10	-

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £000s	2014 £000s
Net income/(expense)	1,224	(2,514)
Depreciation (note 12)	1,720	1,880
Interest receivable (note 3)	(12)	(11)
Capital grants from DfE and other capital income	(426)	-
FRS 17 pension cost less contributions payable (note 23)	291	36
Decrease/(increase) in debtors	1,426	(1,274)
Increase in creditors	1,097	162
Assets transferred on assimilation	(3,246)	-
Net cash inflow/(outflow) from operating activities	<u>2,074</u>	<u>(1,721)</u>

19. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015 £000s	2014 £000s
Interest received	<u>12</u>	<u>11</u>

20. CAPITAL EXPENDITURE

	2015 £000s	2014 £000s
Purchase of tangible fixed assets	(478)	(161)
Capital grants from DfE/EFA	426	-
Net cash outflow from capital expenditure	<u>(52)</u>	<u>(161)</u>

21. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2014 £000s	Cash Flows £000s	At 31 August 2015 £000s
Cash in hand and at bank	3,507	2,034	<u>5,541</u>

22. 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.

23. 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 2012 and of the LGPS 31 March 2013.

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. PENSION and SIMILAR OBLIGATIONS (continued)

Contributions amounting to £214,000 (2014: £213,000) were payable to the schemes at 31 August 2015 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as of 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- An employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- The assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The total contribution made for the year ended 31 August 2015 was £1,762,000 (2014: £1,625,000), of which employer's contributions totalled £1,055,000 (2014: £973,000) and employees' contributions totalled £707,000 (2014: £652,000).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TFS 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.

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. PENSION and SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2015 was £754,000 (2014: £548,000) of which the employers contribution totalled £559,000 (2014: £421,000) and the employees' contributions totalled £195,000 (2014: £127,000). The agreed contribution rates for future years are 17.5 per cent for employers, employee rates were banded according to salary.

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

Principal Actuarial Assumptions

Year Ended:	31 August 2015 % p.a	31 August 2014 % p.a
Rate of increase for pensions in payment/inflation	2.7%	2.7%
Rate of increases in salaries	3.6%	3.5%
Discount Rate of scheme liabilities	3.8%	3.7%
Expected Return on Assets	3.8%	5.4%

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

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 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.4	22.4
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	24.4	24.4
Females	26.8	26.4

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. PENSION and SIMILAR OBLIGATIONS (continued)

	Expected return at 31 August 2015	Fair value at 31 August 2015 £000s	Expected return at 31 August 2014	Fair Value at 31 August 2014 £000s
Equities	3.8%	4,577	6.3%	2,896
Bonds	3.8%	1,229	3.3%	797
Property	3.8%	751	4.5%	378
Cash	3.8%	273	3.3%	126
Total market value of assets		6,830		4,197
Present value of scheme liabilities				
- Funded		(9,434)		(5,636)
- Unfunded				
(Deficit) in the scheme		(2,604)		(1,439)

The expected rates of return are set equal to the discount rate.

The actual return on scheme assets was £47,000 (2014: £422,000).

Analysis of the amount charged to Statement of Financial Activities

	2015 £000s	2014 £000s
Employer service cost (net of employee contributions)	872	458
Total operating charge	872	458

Analysis of pension finance costs

Expected return on pension scheme assets	(302)	(222)
Interest on pension liabilities	280	221
Pension finance costs	(22)	(1)

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £916,000 loss (2014: £829,000 loss).

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. PENSION and SIMILAR OBLIGATIONS (continued)

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

	2015 £000s	2014 £000s
At 1 September	5,636	4,528
Current Service Cost	872	458
Interest Cost	280	221
Contributions by Members	195	127
Actuarial Losses / (Gains)	(169)	302
Liabilities assumed in Business combination	2,634	-
Estimated Benefits Paid	(14)	-
At 31 August	9,434	5,636

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

	2015 £000s	2014 £000s
At 1 September	4,197	3,487
Expected Return on Assets	302	222
Contributions by Members	195	127
Contributions by Employer	559	421
Actuarial Losses	(256)	(60)
Assets Acquired in a Business Combination	1,847	-
Benefits Paid	(14)	-
At 31 August	6,830	4,197

The estimated value of employer contributions for the year ended 31 August 2016 is £581,000.

Five year history of experience adjustments is as follows:

	2015 £000s	2014 £000s	2013 £000s	2012 £000s	2011 £000s
Present value of defined benefit obligations	(9,434)	(5,636)	(4,528)	(3,440)	(2,481)
Fair value of share of scheme assets	6,830	4,197	3,487	2,536	2,124
Deficit in the scheme	(2,604)	(1,439)	(1,041)	(904)	(357)
Experience adjustment on share of scheme assets:					
Amount £000s	(256)	(60)	164	42	50
Experience adjustments in scheme liabilities:					
Amount £000s	25	175	-	(13)	107

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. RELATED PARTY TRANSACTIONS

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

The Trust purchased various goods and services from Barnfield College totalling £34,000 (2014: £177,000) and provided goods and services to Barnfield College totalling £nil (2014: £80,000). £53,000 was owed to the trust by the college at 31 August 2015 (2014: £59,000 creditor).

The Trust purchased services from Plain Talking HR Limited, a company in which B Philpott, Chair of the Board, is a Director totalling £711. There were no amounts outstanding at 31 August 2015.

No services were purchased from Barnfield Education Services (BES) (2014: £1,640,000) or provided to BES (2014: £461,000) during the year. However, £339,000 was owed to the Trust at 31 August 2015 (2014: £518,000).

No services were purchased from Barnfield Shared Services (BSS) (2014: £850,000) or provided to BSS (2014: £13,000) during the year. However, £139,000 was owed to the Trust at 31 August 2015 (2014: £196,000).

25. AGENCY ARRANGEMENTS

The Trust administers the disbursements of the new discretionary support for learners, 16-19 bursary funds, on behalf of the EFA. In the year it received £22,889 and disbursed £10,868 with therefore £12,021 repayable to the EFA at 31 August 2015 included in creditors.

26. TRANSFER ON ASSIMILATION

On 1 March 2015 Moorlands Free School assimilated into the Trust and all the operations and assets and liabilities were transferred to The Shared Learning Trust from Moorlands Free School for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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

	Unrestricted funds £000s	Restricted general funds £000s	Restricted fixed asset funds £000s	Total 2015 £000s
Tangible fixed assets	-	-	70	70
Current assets	5	885	-	890
Current liabilities	-	-	(2)	(2)
Net assets	5	885	68	958

THE SHARED LEARNING TRUST (FOMERLY BARNFIELD ACADEMY TRUST)

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. TRANSFER ON ASSIMILATION (continued)

On 1 March 2015 Barnfield Studio School assimilated into the Trust and all the operations and assets and liabilities were transferred to The Shared Learning Trust from Barnfield Studio School for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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

	Unrestricted funds £000s	Restricted general funds £000s	Restricted fixed asset funds £000s	Total 2015 £000s
Tangible fixed assets	-	-	3,176	3,176
Current assets	2	432	3	437
Current liabilities	-	(707)	-	(707)
Net assets	2	(275)	3,179	2,906