

Company Registration Number: 07659444 (England & Wales)

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

J B Armstrong
L C Goodwin
D Holmes
P Rhatigan (resigned 12 June 2019)
M Donoghue (appointed 6 December 2018)
N Lindsay (appointed 11 June 2019)

Trustees

J B Armstrong, Chair to 20 July 2019 (resigned 20 July 2019)¹
D Dodds, Vice Chair¹
J R Barrigan¹
J Gainsborough, Interim Chair from 21 July 2019 (appointed 6 December 2018)
J Ford, Staff Trustee
D J Fraser, Staff Trustee (resigned 20 September 2019)
L C Goodwin¹
J W Earley, Parent Elected Trustee
S R Hirst Caraher, Principal and Accounting officer¹
J McKellar
A S Rowcroft
H A Hebden, Parent Elected Trustee

¹ member of the Business and Audit Committee

Company registered number

07659444

Company name

Shared Vision Learning Trust

Principal and registered office

West Park Academy
Alderman Leach Drive
Darlington
County Durham
DL2 2GF

Company secretary

E Campbell

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Senior management team

S R Hirst Caraher, Principal
J Ford, Deputy Principal
J Gibson, Assistant Principal
S Savage, Assistant Principal
V Harrison, Assistant Principal (to 31 August 2019)
A Nelson, Inclusion Lead (from 1 September 2019)
S Roberts, Finance Director (to 20 December 2018)
E Campbell, Finance Manager (from 1 January 2019)

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Bankers

Lloyds Bank plc
21 – 23 Northgate
Darlington
County Durham
DL1 1TL

SHARED VISION LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

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

The academy trust operates an academy for pupils aged 3 to 11 serving a catchment area in Darlington. It has a pupil capacity of 480 and had a roll of 465 in the school census on 17 January 2019.

The Board of Trustees of Shared Vision Learning Trust is the Admissions Authority for this school. The Admissions Policy Criteria is applied on an Equal Preference basis and works in association with the Co-ordinated Scheme for Darlington Borough Council. The Board of Trustees intends to admit up to 60 pupils to the Reception year group in September 2020. This number will apply to the Reception Year and to every other year group in the school.

After the admission of children with a statement of special educational need where West Park Academy is named on the statement and where there are insufficient places available to meet all parental preferences, priority will be given to applications in the following order:

- Priority 1 - Looked After Children
- Priority 2 - State Care outside of England
- Priority 3 - Medical Reasons
- Priority 4 - Family Links
- Priority 5 - West Park Academy Nursery
- Priority 6 - Distance
- Priority 7 - West Park Academy Staff Members

Structure, governance and management

Constitution

The academy 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 academy trust. The Trustees of Shared Vision Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Shared Vision Learning Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The academy trust has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy trust business. Further details are provided in note 12.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Method of recruitment and appointment or election of Trustees

Under the Articles of Association, the academy trust shall have the following Trustees:

Up to 11 Trustees
Up to 3 Staff Trustees
A minimum of 2 Parent Trustees
The Principal

The Trustees should be appointed as follows:

- The Members may appoint up to 11 Trustees
- The Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Trustees
- The Principal shall be treated for all purposes as being an ex officio Trustee
- The Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when they are elected.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Principal or any post held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

In order to get a variety of skills, the Trustees use the Governors for Schools*, Academy Ambassadors, the local business community and parents.

*Governors for Schools is an independent charity dedicated to recruiting skilled and committed volunteers to serve on school governing bodies across England.

Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the academy and the chance to meet with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Organisational structure

During the year the academy trust continued to operate a unified management structure. The structure consists of three levels: The Trustees, the Senior Leadership Team and the Middle Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, monitoring the academy by the use of budgets and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

The Senior Leadership Team consists of the Principal, Deputy Principal, three Assistant Principals and the Finance Director. The Finance Director was replaced by the Finance Manager from 01 January 2019. The Senior Leadership Team control the Academy at an executive level implementing policies laid down by the Trustees and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff for posts in the Senior Leadership Team, through appointment boards which contain at least one Trustee.

The Trustees shall appoint the Chief Executive Officer and the Principal of the Academy.

The Middle Management of the Academy includes three managers with teaching and learning responsibilities. These middle managers are responsible for the day to day operation of the Academy, in particular:

- developing and implementing the curriculum
- developing and implementing PSHCE and SMSC including behavior and ensure that they support the vision of the academy
- developing School Direct pupils into highly effective qualified teachers
- ensuring the NQTs are inducted and well supported within their first year of teaching
- leading Maths across the academy, inspiring and motivating other staff showcasing Maths teaching across the academy and beyond

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting pay and remuneration of key management personnel are carried out in line with Shared Vision Learning Trust's Pay Policy and Appraisal Policy.

The Board of Trustees is committed to taking decisions in accordance with the "key principles of public life": objectivity, openness and accountability. It recognises the requirement for a fair and transparent policy to determine the pay grading for all staff employed at the academy, which takes account of the conditions of service under which staff are employed and relevant statutory requirements.

The Board of Trustees recognises its responsibilities under relevant legislation including the Equality Act 2010, the Employment Relations Act 1999, the Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, the Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, and will ensure that all pay related decisions are taken equitably and fairly in compliance with statutory requirements.

The Board of Trustees operates a whole school approach to pay issues. Pay decisions will take account of the resources available to the academy. The academy staffing structure will support the school improvement plan. The Board of Trustees will exercise its discretionary powers using fair, transparent and objective criteria in order to secure a consistent approach in academy pay decisions.

The Board of Trustees recognises the requirement that all pay progression decisions for all teaching staff must be linked to annual appraisal of performance. The procedures set out in this policy seek to ensure that this is achieved in a fair equitable and transparent way. The Board of Trustees also recognises the importance of annual appraisal of performance for support staff.

Trade union facility time

There are no employees who were relevant union officials during the period 1 September 2018 to 31 August 2019.

Related parties and other connected charities and organisations

There are no connected organisations.

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of West Park Academy and to provide education for pupils of different abilities between the ages of 3 and 11. Its vision is to inspire a love of education where children are valued for their individuality and thrive within an enriched learning environment. We value the dispositions of curiosity, flexibility of thought and risk taking and seek to develop resilience and self-belief.

In accordance with the Articles of Association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Objectives, strategies and activities

The main objectives of the academy during the year ended 31 August 2019 are encompassed in its mission statement. To this end the key priorities for the year ended 31 August 2019 include:

- Embedding consistent approaches to the teaching and learning in reading
- Develop positive attitudes and dispositions to learning through a broad and aspirational enquiry-based curriculum
- Ensure that the use of ICT supports an innovative, enquiry based curriculum

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for pupils between the ages of 3 and 11.

Public benefit

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy trust should undertake.

Strategic report

Achievements and performance

Key performance indicators

Achievements and performance 2018-19

EYFS

59% of children achieved a "Good Level of Development" This is below the National at 72%. 57% of Disadvantaged pupils achieved the expected standard.

Year 1 Phonics

84% of pupil passed the Phonics Screening Check compared to 82% Nationally. 79% of Disadvantaged pupils achieved the expected standard.

End of Key Stage 1

Reading

The percentage of pupils achieving the expected standard or above is 73%. Overall this cohort is in line with the National average The percentage of pupils working at greater depth is 25%. Overall this cohort is in line with the National average. 58% of Disadvantaged pupils achieved the expected standard.

Writing

The percentage of pupils achieving the expected standard or above is 60%. Overall this cohort is below the National average. The percentage of pupils working at greater depth is 17%. Overall this cohort is in line with the National average. 50% of Disadvantaged pupils achieved the expected standard.

Maths

The percentage of pupils achieving the expected standard or above is 72%. Overall this cohort is slightly below the National average. The percentage of pupils working at greater depth is 18%. Overall this cohort is below the National average. 58% of Disadvantaged pupils achieved the expected standard.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

End of Key Stage 2

Reading

The percentage of pupils achieving the expected standard or above is 78%. Overall this cohort is above the National average. The percentage of pupils working at greater depth / achieved a high score is 22%. Overall this cohort is below the National average. 75% of Disadvantaged pupils achieved the expected standard.

Writing

The percentage of pupils achieving the expected standard or above is 91%. Overall this cohort is above the National average. The percentage of pupils working at greater depth is 47% and is well above National. 95% of Disadvantaged pupils achieved the expected standard.

Maths

The percentage of pupils achieving the expected standard or above is 84%. Overall this cohort is above the National average. The percentage of pupils working at greater depth / achieved a high score is 34%. Overall this cohort is above the National average. 75% of Disadvantaged pupils achieved the expected standard.

Reading Writing and Maths Combined

The percentage of pupils achieving the expected standard or above is 69%. Overall this cohort is above the National average. Reading, Writing & Maths combined Greater Depth / High Score-Overall this cohort is above the National average.

Key Performance Indicators for the academic year 2017/2018 are as follows:

Key Performance Indicators	2015/16 actual	2016/17 actual	2017/18 actual
Teaching staff % expenditure	52%	54%	45%
Educational support staff % expenditure	32%	32%	23%
Admin staff % expenditure	6%	7%	8%
Total staff % expenditure	76.5%	70%	75%
Average teacher cost	£50,625	£55,250	£61,329
Pupil teacher ratio	25:1	29:1	26:1
Total reserves per pupil	£1,800	£1,191	£1,140

The data has been taken from the Annual Accounts Returns (AAR) for the periods ended August 2016, 2017 and 2018 together with corresponding funding allocation pack data (excluding nursery pupils).

Our latest Ofsted Inspection (March 2019) confirmed that we are a Good School. Please see the report on our website for further details: www.westparkacademy.org.uk

Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Financial review

Review of the year

Most of the academy trust's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2019, total expenditure of £2,363,000 was in excess of recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding pension reserve movements and restricted fixed asset funds) was £10,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives.

At 31 August 2019 net book value of fixed assets was £4,245,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a deficit of £1,167,000 recognised on the Balance Sheet.

The academy trust held fund balances as at 31 August 2019 of £3,559,000 comprising £146,000 of restricted general funds, £4,245,000 of restricted fixed asset funds, a pension deficit of (£1,167,000) and £335,000 of unrestricted funds.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

Reserves policy

The academy holds restricted and unrestricted funds (the attached financial statements detail these funds).

Unrestricted funds are held to cover ongoing costs in relation to the running of the academy trust including catering provisions, school trips and resources.

The level of reserves is reviewed by Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy trust is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it is prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of £170,000.

This is considered sufficient to cover four weeks' worth of expenditure, both in terms of salaries and invoices.

The academy trust's current level of free reserves are in surplus by £335,000 and therefore are considered to be above the level of reserves required for the ongoing needs of the academy trust. The Trustees continue to consider additional activities related to the academy trust's objectives to which the excess reserves may be applied.

Investment policy

The academy trust invests surplus funds through Lloyds Bank higher interest accounts. Interest rates are reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

Principal risks and uncertainties

The Trustees have assessed the major risks, to which the academy trust is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy trust, and its finances including:

- The principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA
- In addition, the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of significant deficit on the academy balance sheet
- Where significant financial risk still remains the trustees have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement
- Trustees are already aware of the Government's intention to introduce a 'national fairfunding formula' (NFF). The NFF has been further delayed and will therefore continue to operate as a 'soft formula' during 2019/20 and 2020/21. The DfE has again used the published NNF factor values to calculate notional school and academy budget allocations for 2019/20 and will continue to do so in 2020/21. Each local authority, in conjunction with its schools forum, has then set a local formula for schools and academies in their area. Although the government has stated the intention to operate a hard NFF from 2021/22, no confirmation of this or the funding levels has been announced and this remains an uncertainty
- Information Security Risk - GDPR in place with school wide procedures and training; procedures in ICT Policy
- Key person loss / succession risk - Succession Planning in place
- Health and Safety Risk - Health and Safety Policy and Risk Assessments applied rigorously. External Competent Person appointed
- Low staff morale risk - monitored by Senior Leadership Team
- Trust objects risk – Regular review of Trust evaluations, Principal's targets, data scrutiny and School Improvement Partner peer review
- Safeguarding Risk - The academy has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection

The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy trust is subject to a number of risks and uncertainties in common with other academies. The academy trust has in place procedures to identify and mitigate financial risks.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

Employee Consultation

The following policies have been consulted on with staff during the year:

- Code of Conduct
- Appraisal Policy
- Pay Policy
- Recruitment and Selection Policy
- Change Management Restructuring Policy
- Maternity, Adoption, Paternity and Shared Parental Leave Policy

Fundraising

We explore different opportunities to generate additional income including the hire of facilities; we identify funding streams and work with local businesses on small scale projects to improve provision for children.

Plans for future periods

Our aim is to secure the future of the Trust through:

- Building a reputation for academic success and high standards of pupil behaviour and personal development
- Ensuring that the facilities are able to accommodate the number and needs of the children through the continuous improvement of the school environment
- Marketing and branding to achieve positive interaction with the local community, business and parents
- Responding to changing demographics, in order to maintain our role as principal providers of primary education in the area
- Succession planning for key members of staff and trustees – ensuring a robust system in place to ensure continuity of high calibre staff and trustees
- Recruiting on an annual basis a trainee teacher through 'School Direct'
- We are also looking to collaborate with partners who do not require sponsoring.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2019 and signed on its behalf by:



J Gainsborough
Interim Chair of Trustees

SHARED VISION LEARNING TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Shared Vision 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 of Trustees has delegated the day-to-day responsibility to the Principal, 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 Shared Vision Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year including a Strategic Trustees Away Day.

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

Trustee	Meetings attended	Out of a possible
J B Armstrong, Chair to 20 July 2019	6	6
D Dodds, Vice Chair	6	6
J R Barrigan	4	6
J Gainsborough, Interim Chair from 21 July 2019	4	4
J Ford, Staff Trustee	5	6
D J Fraser, Staff Trustee	6	6
L C Goodwin	3	6
J W Earley, Parent Elected Trustee	2	6
S R Hirst Caraher, Principal and Accounting officer	6	6
J McKellar	4	6
A S Rowcroft	5	6
H A Hebden, Parent Elected Trustee	4	6

The Board of Trustees use an external governance services provider who provides induction training and support with strategic planning. During 2018-19, the Trustees held a Strategic Away Day where they:

- Reviewed positive developments that had taken place over the course of the last academic year
- Identified areas where they felt that further work was required
- Identified key areas for development and improvement
- Reviewed Safeguarding procedures
- Reviewed curriculum development

The work of the Teaching and Learning Committee ensures the Senior Leadership is provided with support and challenge in the area of the curriculum and target setting.

The work of the Business and Audit Committee has enabled the Academy to continue having very robust financial systems and ensure value for money is achieved in all areas.

The next review of governance and self-evaluation will be held on 7th November 2019.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Business and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is:

- To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound financial management of the academy's resources including proper planning, monitoring and probity
- To advise on the adequacy and effectiveness of the academy's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money)
- To make appropriate comments and recommendations on such matters to the Board of Trustees on a regular basis. Major issues will be referred to the Board of Trustees for ratification.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J B Armstrong (resigned 20 July 2019)	4	5
D Dodds, Vice Chair	5	5
J R Barrigan, Chair	5	5
L C Goodwin	4	5
S R Hirst Caraher, Principal and Accounting officer	5	5

The Teaching and Learning Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Address standards in teaching & learning and other areas relating to the curriculum, plus pupil welfare, behaviour, safeguarding, and staff professional development.
- Assist the decision making of the Board of Trustees by enabling a more detailed consideration be given to the best means of fulfilling the academy's responsibility to ensure that all pupils make the best possible progress and attain the highest standards possible according to their individual potential and ability.
- Advise on the adequacy and effectiveness of the academy's processes to support teaching and learning and makes best use of any funding received specifically for the purposes of improving outcomes for pupils.

The following are addressed through this committee:

- School Improvement Development Plan
- Ofsted IDSR – Inspection Data Summary Report
- Quality of teaching
- Curriculum development
- Use of ICT

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J B Armstrong (resigned 20 July 2019)	1	3
J McKellar, Chair	2	3
A S Rowcroft, Vice Chair	3	3
J W Earley, Parent Elected Trustee	1	3
H A Hebden, Parent Elected Trustee	2	3
J Gainsborough (appointed 6 December 2018)	2	2
J Ford, Staff Trustee	3	3
D J Fraser, Staff Trustee	3	3
S R Hirst Caraher, Principal - ex officio	3	3

SHARED VISION LEARNING TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

Improving Educational Results: Trustees and the Senior Leadership Team regularly review the staffing structure in conjunction with the budget and school development plan. Staff are deployed efficiently to ensure that educational standards continue to improve, including teaching assistants and classroom assistants who provide additional support to individual pupils and small groups. This is monitored termly and impact measures identified and tracked.

Collaboration: the academy regularly works and engages other educational providers and experts with local primary and secondary schools to share good practice and achieve best value. We continue to work with different initiatives including taking part in the School Direct programme and developing support staff through apprenticeship programmes.

Procurement is carried out using frameworks where applicable to ensure the academy gets best value for money.

For more information on pupil achievement and progress, please look at the Achievements and Performance section on pages 7 and 8.

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 Shared Vision Learning Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

SHARED VISION LEARNING TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The academy 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 Finance and General Purposes Committee 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 or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Clive Owen LLP, the external auditors, to perform additional checks.

The external auditors' role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of Regularity, Payment Procedures and Procurement
- testing of Payroll Systems
- testing of Risk Management and Insurance
- testing of Purchasing and Payment Systems.

On a bi-annual basis, the external auditors report to the Board of Trustees through the Business and Audit Committee committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

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

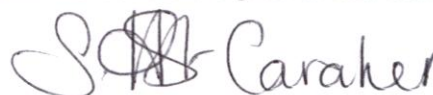
- the work of the external auditors;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 5 December 2019 and signed on their behalf by:



J Gainsborough
Interim Chair of Trustees



S R Hirst Caraher
Accounting Officer

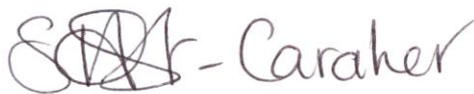
SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Shared Vision Learning Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

A handwritten signature in black ink, appearing to read 'S Hirst Caraher'. The signature is stylized, with the first part being a cursive 'S' followed by 'Hirst' and 'Caraher' in a more legible script.

S Hirst Caraher
Accounting Officer
Date: 5 December 2019

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 5 December 2019 and signed on its behalf by:



J Gainsborough
Interim Chair of Trustees



S R Hirst Caraher
Accounting Officer

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHARED VISION LEARNING TRUST**

Opinion

We have audited the financial statements of Shared Vision Learning Trust (the 'academy trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHARED VISION LEARNING TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHARED VISION LEARNING TRUST (CONTINUED)**

Responsibilities of trustees

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

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

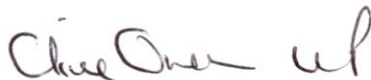
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Kevin Shotton BA FCA (Senior Statutory Auditor)
for and on behalf of
Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

5 December 2019

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 19 September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Shared Vision Learning Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Shared Vision Learning Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Shared Vision Learning Trust's funding agreement with the Secretary of State for Education dated 1 July 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

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

Approach (continued)

The work undertaken to draw to our conclusion includes:

- Review of Board of Trustees and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Trustees;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts; and
- Review an instance of gifts/hospitality to ensure in line with policy.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clive Owen LLP
Reporting Accountant
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date: 5 December 2019

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

		Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
	Note					
Income from:						
Donations and capital grants	3	11	-	26	37	13
Charitable activities	4	57	2,016	-	2,073	2,010
Other trading activities	5	31	-	-	31	40
Investments	6	2	-	-	2	-
Total income		101	2,016	26	2,143	2,063
Expenditure on:						
Charitable activities		96	2,138	129	2,363	2,296
Total expenditure		96	2,138	129	2,363	2,296
Net income/ (expenditure)		5	(122)	(103)	(220)	(233)
Transfers between funds	16	-	(27)	27	-	-
Net movement in funds before other recognised gains/(losses)		5	(149)	(76)	(220)	(233)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	21	-	(286)	-	(286)	163
Net movement in funds		5	(435)	(76)	(506)	(70)
Reconciliation of funds:						
Total funds brought forward		330	(586)	4,321	4,065	4,135
Net movement in funds		5	(435)	(76)	(506)	(70)
Total funds carried forward		335	(1,021)	4,245	3,559	4,065

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07659444

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	13	4,245	4,321
		<u>4,245</u>	<u>4,321</u>
Current assets			
Debtors	14	207	199
Cash at bank and in hand		353	401
		<u>560</u>	<u>600</u>
Creditors: amounts falling due within one year	15	(79)	(129)
Net current assets		<u>481</u>	<u>471</u>
Total assets less current liabilities		<u>4,726</u>	<u>4,792</u>
Net assets excluding pension liability		<u>4,726</u>	<u>4,792</u>
Defined benefit pension scheme liability	21	(1,167)	(727)
Total net assets		<u><u>3,559</u></u>	<u><u>4,065</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	16	4,245	4,321
Restricted income funds	16	146	141
		<u>4,391</u>	<u>4,462</u>
Restricted funds excluding pension asset	16	4,391	4,462
Pension reserve	16	(1,167)	(727)
Total restricted funds	16	<u>3,224</u>	<u>3,735</u>
Unrestricted income funds	16	<u>335</u>	<u>330</u>
Total funds		<u><u>3,559</u></u>	<u><u>4,065</u></u>

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 24 to 52 were approved by the Trustees, and authorised for issue on 05 December 2019 and are signed on their behalf, by:

A handwritten signature in purple ink, consisting of a stylized 'J' followed by a series of loops and a long horizontal stroke.

J Gainsborough
Interim Chair of Trustees

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Net cash used in operating activities	18	(21)	(159)
Cash flows from investing activities	19	(27)	(61)
Change in cash and cash equivalents in the year		(48)	(220)
Cash and cash equivalents at the beginning of the year		401	621
Cash and cash equivalents at the end of the year	20	<u>353</u>	<u>401</u>

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Shared Vision Learning Trust meets the definition of a public benefit entity under FRS 102.

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

Expenditure on charitable activities are costs incurred on the academy trust's educational operations, including support costs and those costs relating to the governance of the academy trust appointed to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going Concern

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

1.6 Operating leases

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

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.8 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long term leasehold land	- over 125 years
Long term leasehold buildings	- over 45 years and 20 years
Fixtures and fittings	- over 4 years
Computer equipment	- over 3 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

1.9 Taxation

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

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

1.10 Debtors

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

1.11 Cash at bank and in hand

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

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.12 Liabilities and Provision

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

SHARED VISION LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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FOR THE YEAR ENDED 31 AUGUST 2019

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £129,000.

Critical areas of judgment:

LGPS - There are two recent court cases which could impact on the future liabilities associated with the LGPS scheme, McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

McCloud

In 2015 the government introduced reforms to public sector pensions resulting in most public sector workers being transferred to a new scheme. In December 2018, the Court of Appeal ruled that the 'transitional protections' offered to some members of the judges and firefighter schemes as part of the reforms amounted to unlawful discrimination. While the judgement was not in relation to the LGPS it is reasonable to expect that it will need to be applied to this scheme by the government. Actuaries have estimated that the additional liabilities associated with this to be around 3-4% of active liabilities. As this has been considered to be potentially material to the financial statements the year end valuation performed by the actuary has included an approximate calculation of the McCloud valuation. This has increased the LGPS liability by £82,000 as at 31 August 2019.

GMP

This case related to the equalisation for men and women of guaranteed minimum pension (GMP) for those who were contracted out of the State Second Pension between 6 April 1978 and 6 April 1997. In October 2018 the High Court ruled that equalisation of GMP was required. This case was in relation to Lloyds Bank and HM Treasury have since gone on record to state public sector schemes have a method to equalise GMP already. There is however some judgement in how this equalisation works and is reflected in the LGPS valuations. Actuaries have estimated that the impact of GMP indexation to be around 0.3% of total liabilities. Based on this estimate it would increase liabilities by £8,000 which has been assessed to be immaterial to the financial statements.

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2. Critical accounting estimates and areas of judgment (continued)

Land and buildings – Land and buildings are held under a 125 year lease from Darlington Borough Council. These assets are included on the Balance Sheet of the academy trust due to the significant risks and rewards of ownership belonging to the academy trust, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy trust could use them without major modification.

3. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Donations	11	-	11	4
Capital Grants	-	26	26	9
Total 2019	11	26	37	13
Total 2018	4	9	13	

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the academy trust's educational operations

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,439	1,439	1,426
Pupil Premium	-	144	144	143
PE Teacher Grant	-	20	20	19
UIFSM	-	62	62	62
Rates	-	12	12	14
Other DfE/ESFA Grants	-	14	14	-
NCTL grants	-	9	9	9
	-	1,700	1,700	1,673
Other Government grants				
SEN	-	156	156	143
Early Years Funding	-	136	136	97
Other Government grants	-	17	17	39
	-	309	309	279
Other funding				
Non Government grants	-	7	7	6
Student Trips	20	-	20	17
Student Catering	37	-	37	35
Total 2019	57	2,016	2,073	2,010
Total 2018	52	1,958	2,010	

5. Income from other trading activities

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Hire of facilities	11	11	8
Non student catering income	-	-	1
Staff absence insurance	-	-	4
Other	20	20	27
Total 2019	31	31	40

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities (continued)

All income from other trading activities were attributable to unrestricted funds in 2018.

6. Investment income

	Total funds 2019 £000
Bank interest	2

All investment income was attributable to unrestricted funds in 2018 and 2019.

7. Expenditure

	Staff Costs 2019 £000	Premises 2019 £000	Other costs 2019 £000	Total 2019 £000	Total 2018 £000
Academy's educational operations:					
Direct costs	1,647	-	54	1,701	1,651
Allocated support costs	189	237	236	662	645
Total 2019	<u>1,836</u>	<u>237</u>	<u>290</u>	<u>2,363</u>	<u>2,296</u>
Total 2018	<u>1,725</u>	<u>242</u>	<u>329</u>	<u>2,296</u>	

In 2019, of the total expenditure £96,000 (2018 - £77,000) was to unrestricted funds and £2,267,000 (2018 - £2,219,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:

Compensation payments
Gifts made by the academy
Fixed asset losses
Stock losses
Unrecoverable debts
Cash losses

There were no ex-gratia payments made in the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Academy's educational operations	1,701	662	2,363	2,296
Total 2018	1,651	645	2,296	

Analysis of direct costs

	Total funds 2019 £000	Total funds 2018 £000
Staff costs	1,647	1,548
Educational supplies	51	98
Educational consultancy	3	5
	1,701	1,651

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £000	Total funds 2018 £000
Net interest cost on pension scheme	19	19
Staff costs	189	177
Depreciation	129	154
Staff development	12	9
Technology costs	37	41
Staff expenses	1	1
Maintenance of premises	38	25
Cleaning	36	40
Other premises costs	12	12
Energy	24	24
Rent & rates	12	13
RPA fees	10	10
Catering	53	53
Other insurance premiums	-	2
Operating lease rentals	2	2
Other costs	40	18
Governance costs	48	45
	<u>662</u>	<u>645</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £000	2018 £000
Operating lease rentals	2	2
Depreciation of tangible fixed assets	129	154
Fees paid to auditors for:		
- audit	6	6
- other services	2	2
	<u>137</u>	<u>164</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £000	2018 £000
Wages and salaries	1,357	1,319
Social security costs	105	104
Operating costs of defined benefit pension schemes	359	278
	<u>1,821</u>	<u>1,701</u>
Agency staff costs	15	24
	<u>1,836</u>	<u>1,725</u>

Included within operating costs of defined benefit pension schemes is £135,000 (2018: £73,000) in respect of the movement in the LGPS deficit.

b. Staff numbers

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

	2019 No.	2018 No.
Teaching	19	19
Admin and support staff	49	55
Management	6	3
	<u>74</u>	<u>77</u>

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

d. Key management personnel

Key management personnel of the academy trust comprises the Trustees and Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £399,000 (2018: £381,000).

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NOTES TO THE FINANCIAL STATEMENTS
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11. Trustees' remuneration and expenses

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

		2019 £000	2018 £000
S R Hirst Caraher, Principal and Accounting officer	Remuneration	75 - 80	70 - 75
	Pension contributions paid	10 - 15	10 - 15
D J Fraser, Staff Trustee	Remuneration	35 - 40	25 - 30
	Pension contributions paid	5 - 10	5 - 10
J Ford, Staff Trustee	Remuneration	45 - 50	35 - 40
	Pension contributions paid	5 - 10	5 - 10
H Dummett	Remuneration	-	50 - 55
	Pension contributions paid	-	5 - 10

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year ended 31 August 2019, no Trustees received any reimbursement of expenses (2018 £NIL to Trustees).

12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

	Long-term leasehold property £000	Furniture and fixtures £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2018	4,889	149	232	5,270
Additions	28	-	25	53
At 31 August 2019	4,917	149	257	5,323
Depreciation				
At 1 September 2018	626	145	178	949
Charge for the year	93	2	34	129
At 31 August 2019	719	147	212	1,078
Net book value				
At 31 August 2019	4,198	2	45	4,245
At 31 August 2018	4,263	4	54	4,321

14. Debtors

	2019 £000	2018 £000
Due within one year		
Trade debtors	8	6
VAT recoverable	21	21
Prepayments and accrued income	46	40
Short term investments	132	132
	207	199

15. Creditors: Amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	8	64
Accruals and deferred income	71	65
	79	129

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NOTES TO THE FINANCIAL STATEMENTS
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15. Creditors: Amounts falling due within one year (continued)

	2019 £000	2018 £000
	2019 £000	2018 £000
Deferred income at 1 September 2018	43	74
Resources deferred during the year	43	43
Amounts released from previous periods	(43)	(74)
Deferred income at 31 August 2019	<u>43</u>	<u>43</u>

Deferred income relates to free school meals income and trip income received in advance.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
Unrestricted general funds	285	62	(69)	-	-	278
School fund	45	35	(27)	-	-	53
Unrestricted fixed assets	-	4	-	-	-	4
	<u>330</u>	<u>101</u>	<u>(96)</u>	<u>-</u>	<u>-</u>	<u>335</u>
Restricted general funds						
General Annual Grant (GAG)	128	1,439	(1,394)	(27)	-	146
Pupil Premium	-	144	(144)	-	-	-
National College for Teaching and Leadership	-	9	(9)	-	-	-
Other DfE/ESFA grants	13	108	(121)	-	-	-
Other Government grants	-	309	(309)	-	-	-
Other grants	-	7	(7)	-	-	-
Pension reserve	(727)	-	(154)	-	(286)	(1,167)
	<u>(586)</u>	<u>2,016</u>	<u>(2,138)</u>	<u>(27)</u>	<u>(286)</u>	<u>(1,021)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	51	26	(7)	-	-	70
GAG capital expenditure	309	-	(39)	27	-	297
Assets inherited on conversion	3,961	-	(83)	-	-	3,878
	<u>4,321</u>	<u>26</u>	<u>(129)</u>	<u>27</u>	<u>-</u>	<u>4,245</u>

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16. Statement of funds (continued)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Total Restricted funds	3,735	2,042	(2,267)	-	(286)	3,224
Total funds	4,065	2,143	(2,363)	-	(286)	3,559

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

General Annual Grant (GAG) must be used for the normal running costs of the academy trust including salaries and related costs, overheads, repairs and maintenance and insurance.

Pupil Premium was provided to deliver additional learning support to deprived children as the academy trust sees fit.

National College for Teaching and Leadership grant is funding provided for each qualifying trainee on School Direct (salaried) courses.

SEN funding was provided to cover the costs of supporting students with additional learning requirements.

Other DfE/ESFA grants include monies received in relation to Universal Infant Free School Meals grant to provide free school meals for infants.

PE Teacher grant is funding towards covering teacher salaries.

Other Government grants comprise council funding for nursery places, Graduate Teacher Programme funding, and GBS Health money spend on educating pupils in a healthy lifestyle.

Nursery education funding was provided to cover the cost of the nursery years within the academy trust.

Restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 21.

A transfer of £27,000 has been made to capital expenditure from GAG funding to reflect those items included within fixed assets which have been purchased using GAG monies.

Unrestricted funds include the income from lettings, school trips, catering and other sundry income with the relevant costs allocated accordingly.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

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16. Statement of funds (continued)

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

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
Unrestricted general funds	272	65	(52)	-	-	285
School fund	39	31	(25)	-	-	45
	<u>311</u>	<u>96</u>	<u>(77)</u>	<u>-</u>	<u>-</u>	<u>330</u>
Restricted general funds						
General Annual Grant (GAG)	219	1,426	(1,456)	(61)	-	128
Pupil Premium	-	143	(143)	-	-	-
National College for Teaching and Leadership	-	9	(9)	-	-	-
Other DfE/ESFA grants	-	95	(82)	-	-	13
Other Government grants	-	283	(283)	-	-	-
Other grants	-	2	(2)	-	-	-
Pension reserve	(800)	-	(90)	-	163	(727)
	<u>(581)</u>	<u>1,958</u>	<u>(2,065)</u>	<u>(61)</u>	<u>163</u>	<u>(586)</u>

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16. Statement of funds (continued)

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Restricted fixed asset funds						
DfE/ESFA capital grants	57	9	(15)	-	-	51
GAG capital expenditure	297	-	(49)	61	-	309
Assets inherited on conversion	4,044	-	(83)	-	-	3,961
Donations	1	-	(1)	-	-	-
Community covenant grant	6	-	(6)	-	-	-
	<u>4,405</u>	<u>9</u>	<u>(154)</u>	<u>61</u>	<u>-</u>	<u>4,321</u>
Total Restricted funds	<u>3,824</u>	<u>1,967</u>	<u>(2,219)</u>	<u>-</u>	<u>163</u>	<u>3,735</u>
Total funds	<u>4,135</u>	<u>2,063</u>	<u>(2,296)</u>	<u>-</u>	<u>163</u>	<u>4,065</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	4,245	4,245
Current assets	341	219	-	560
Creditors due within one year	(6)	(73)	-	(79)
Provisions for liabilities and charges	-	(1,167)	-	(1,167)
Total	<u>335</u>	<u>(1,021)</u>	<u>4,245</u>	<u>3,559</u>

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	4,321	4,321
Current assets	335	265	-	600
Creditors due within one year	(5)	(124)	-	(129)
Provisions for liabilities and charges	-	(727)	-	(727)
Total	330	(586)	4,321	4,065

18. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £000	2018 £000
Net expenditure for the year (as per Statement of Financial Activities)	(220)	(233)
Adjustments for:		
Depreciation	129	154
Capital grants from DfE and other capital income	(26)	(9)
Defined benefit pension scheme	135	71
Defined benefit pension scheme finance cost	19	19
Increase in debtors	(8)	(54)
Decrease in creditors	(50)	(107)
Net cash used in operating activities	(21)	(159)

19. Cash flows from investing activities

	2019 £000	2018 £000
Purchase of tangible fixed assets	(53)	(70)
Capital grants from DfE Group	26	9
Net cash used in investing activities	(27)	(61)

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20. Analysis of cash and cash equivalents

	2019 £000	2018 £000
Cash in hand	353	401
Total cash and cash equivalents	353	401

21. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £122,000 (2018 - £120,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £137,000 (2018 - £120,000), of which employer's contributions totalled £101,000 (2018 - £85,000) and employees' contributions totalled £ 36,000 (2018 - £35,000). The agreed contribution rates for future years are 15.6 per cent for employers and 5.5 to 12.5 per cent for employees.

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

	2019 %	2018 %
Rate of increase in salaries	3.50%	3.50%
Rate of increase for pensions in payment/inflation	2.00%	2.00%
Discount rate for scheme liabilities	1.90%	2.80%
Inflation assumption (CPI)	2.00%	2.00%
Commutation of pensions to lump sums	80.00%	80.00%

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	22.3	23.3
Females	23.8	25.0
<i>Retiring in 20 years</i>		
Males	24.0	25.5
Females	25.7	27.3

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21. Pension commitments (continued)

Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	2,691	2,030
Discount rate -0.1%	2,828	2,133
Mortality assumption - 1 year increase	2,667	2,021
Mortality assumption - 1 year decrease	2,852	2,141
CPI rate +0.1%	2,797	2,110
CPI rate -0.1%	2,721	2,052

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

	At 31 August 2019 £000	At 31 August 2018 £000
Equities	802	657
Government bonds	409	339
Corporate bonds	186	177
Property	115	92
Cash and other liquid assets	80	89
Total market value of assets	1,592	1,354

The actual return on scheme assets was £148,000 (2018 - £51,000).

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

	2019 £000	2018 £000
Current service cost	(154)	(156)
Past service cost	(82)	-
Interest income	39	31
Interest cost	(58)	(50)
Total amount recognised in the Statement of Financial Activities	(255)	(175)

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21. Pension commitments (continued)

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

	2019 £000	2018 £000
At 1 September	2,081	1,993
Current service cost	154	156
Interest cost	58	50
Employee contributions	36	35
Actuarial losses/(gains)	395	(143)
Benefits paid	(47)	(10)
Past service costs	82	-
At 31 August	<u>2,759</u>	<u>2,081</u>

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

	2019 £000	2018 £000
At 1 September	1,354	1,193
Expected return on assets	39	31
Actuarial gains	109	20
Employer contributions	101	85
Employee contributions	36	35
Benefits paid	(47)	(10)
At 31 August	<u>1,592</u>	<u>1,354</u>

22. Operating lease commitments

At 31 August 2019 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £000
Not later than 1 year	1
Later than 1 year and not later than 5 years	1
	<u>2</u>

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23. Related party transactions

Owing to the nature of the academy 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 a Trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.