

Company Registration Number: 07909140 (England & Wales)

**NORTHERN LIGHTS LEARNING TRUST**

(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**CONTENTS**

	Page
Reference and Administrative Details	1 - 2
Directors' Report	4 - 20
Governance Statement	21 - 24
Statement on Regularity, Propriety and Compliance	25
Statement of Directors' Responsibilities	26
Independent Auditors' Report on the Financial Statements	27 - 30
Independent Reporting Accountant's Report on Regularity	31 - 32
Statement of Financial Activities Incorporating Income and Expenditure Account	33
Balance Sheet	34 - 35
Statement of Cash Flows	36
Notes to the Financial Statements	37 - 68

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

R Thornkyle (resigned 5 April 2022)  
N Wyrley-Birch (appointed 21 June 2022)  
S Pickering  
B Hart  
Ven B Cooper  
M Stouph

**Directors**

M Stouph, Chairperson<sup>1,2</sup>  
P Clark (resigned 10 November 2022)<sup>2</sup>  
M Emmerson (resigned 15 November 2021)  
K Hammond<sup>2</sup>  
J Heaton, CEO and Accounting Officer<sup>2</sup>  
C Hodgson (appointed 11 January 2022)<sup>2</sup>  
C Inkster<sup>2</sup>  
M Laidler (appointed 4 January 2023)  
S Lymer<sup>1,2</sup>  
P Olsen<sup>1,2</sup>

<sup>1</sup> Member of the Finance, Audit and Risk Committee

<sup>2</sup> Member of the Strategic School Improvement Committee

**Company registered number**

07909140

**Company name**

Northern Lights Learning Trust

**Principal and registered office**

Benedict Biscop Church of England Academy  
Marcross Drive  
Moorside  
Sunderland  
SR3 2RE

**Company secretary**

C Henderson

**Chief executive officer**

J Heaton

**Senior management team**

J Heaton, CEO  
H Swinhoe, Chief Operations and Finance Officer  
S Armstrong, Headteacher Benedict Biscop CE Academy  
K Hill, Headteacher Hart and St Peter's Elwick CofE Primary Schools  
C Bradley, (from 1 May 2022) Headteacher St Helen's Primary School  
S Richards, (from 1 July 2022) Headteacher of Holley Park Academy

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

G Clark, Deputy Headteacher Benedict Biscop CE Academy  
V Wilson, Deputy Headteacher Hart and St Peter's Elwick CofE Primary Schools  
M Newing, (from 1 May 2022) Deputy Headteacher St Helen's Primary School  
R Hunt, Assistant Headteacher Benedict Biscop CE Academy  
M Allison, Assistant Headteacher Benedict Biscop CE Academy  
S Leighton, Assistant Headteacher Hart and St Peter's Elwick CofE Primary Schools  
M Crowe, (from 1 May 2022) Assistant Headteacher St Helen's Primary School  
C Gallant, (from 1 July 2022) Assistant Headteacher of Holley Park Academy

**Independent auditors**

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

**Bankers**

Lloyds Bank Plc  
25 Gresham Street  
London  
EC2V 7HN

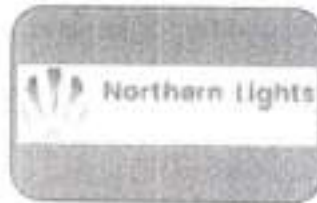
**Solicitors**

Ward Hadaway  
Sandgate House  
102 Quayside  
Newcastle Upon Tyne  
NE1 3DX

NORTHERN LIGHTS LEARNING TRUST  
(A Company Limited by Guarantee)



Benedict  
Bisep C of E  
Academy



St. Helen's  
Primary  
School

St. Peter's  
Elwick C of E  
Primary  
School

Hart  
Primary  
School

Holley Park  
Academy

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Trust operates two Church of England academies and three community academies for pupils aged 2-11 years, serving communities in Sunderland, Washington and Hartlepool, admitting pupils who are wholly or mainly drawn from the areas in which the schools are situated. The academies provide education for pupils of different abilities. The academies have a curriculum satisfying the requirements of Section 1: Academies Act 2010 (broad and balanced curriculum). The academies are at the heart of the communities, working closely in partnership with all stakeholders and promoting British values.

The Trust also is a DfE designated 'Centre of Excellence' Teaching School Hub for the region Sunderland, South Tyneside & Gateshead and also works across the North East in this role.

The academies combined pupil capacity is 1,122 including nursery and had a roll of 1,036 pupils in the school census on 19 May 2022.

St. Helen's Primary School joined the Trust, converting from maintained school status on 1 May 2022.

Holley Park joined the Trust on 1 July 2022, from being a standalone empty MAT, Acer Learning Trust, merging into our Trust.

Pupils are admitted in accordance with our Admissions Policy which is ratified annually by the Board of Directors. Management of Admissions is delegated to the Local Governing Body for each school and each school has its own admissions policy, approved by the Board.

#### **Structure, governance and management**

##### **Constitution**

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Directors of Northern Lights Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Northern Lights Learning Trust.

Details of the Directors 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.

##### **Directors' indemnities**

Directors benefit from indemnity insurance under the Department of Education's risk protection arrangement (RPA) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of trust or breach of duty and provided also that any such instance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as Directors of the Trust. The indemnity is unlimited.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

**Method of recruitment and appointment or election of Directors**

Membership is determined in accordance with the composition set out in Article 12 onwards. In accordance with the Articles, the Academy Trust is comprised as follows:

- 5 Members – 1 of whom is the Chair of the Board of Directors
- 9 Directors – 1 of whom is the CEO

The Members are responsible for appointing the Directors in discussion with the body they represent in accordance with the composition set out in Article 45 onwards. When vacancies arise, the Members are able to appoint Directors where their skills and expertise are deemed beneficial to trust operations. An application and due diligence process will be undertaken to ensure any future board members share the ethos and values of the Trust and to ensure their appointment will bring added value to the trust board. Directors may approach potential Directors whose skills appear to meet the requirements of the skills audit. The person applying to be a Director will complete an application. The Chair of the Board will review this application and nominate the applicant to the members, where appropriate. The term of office for any Director shall be 4 years, save that this time limit shall not apply to the CEO or any post held ex-officio. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

The articles of association require there to be a minimum of three Directors to be responsible for the statutory and constitutional affairs of the Trust and its management.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

**Policies and procedures adopted for the induction and training of Directors**

All Directors are provided with an induction pack which provides them with an overview of Northern Lights Learning Trust, and overview of the academies in the Trust, an understanding of charity aspects, an understanding of the role of a Director, expectations of the role and relevant policies. The documentation provided will always include:

- our governance structure
- terms of reference
- scheme of delegation
- articles of association
- Trust development plan
- annual calendar
- latest Ofsted reports for each of our academies
- latest financial accounts
- latest approved 3-year budget
- Academy Trust Handbook
- NLLT Financial Procedures Policy
- CC3 'The Essential Trustee: What you need to know' and Charities and charity trustees – an induction for school governors
- DfE Governance Handbook
- Nolan Principles
- NLLT Code of Conduct
- Relevant Governance Handbook/DfE documentation

The training and induction provided for new Directors depends on their existing experience so additional documentation may be provided where necessary.

Northern Lights Learning Trust Directors have had access to Confederation of School Trusts (CST) Training, briefings and masterclasses this year alongside a membership of NGA, to ensure they are able to keep up to date with all training.



**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

**Organisational structure**

The Trust's unified management structure has been reviewed during 2021-22 and consists of 4 levels:

- Board of Directors
- CEO and COFO (previously CFO)
- Executive Leader Team (CEO, COFO, Headteachers)
- Senior Leadership Teams (SLT)

The Directors are responsible for strategic, financial, HR, estates, educational and governance responsibilities including determining policy, adopting annual improvement plans following self-evaluation reviews, monitoring the practices and procedures adopted by the Trust, determining strategic direction of the Trust, risk management, governance and senior staff appointments. They delegate the day-to-day operational management to the CEO, COFO, Headteachers and SLT teams who follow policies determined and adopted by the Directors.

The CEO, COFO, Headteachers and Directors are responsible for the authorisation of spending within agreed budgets as stated in the Scheme of Delegation and Finance Policy and the appointment of staff.

The Chief Operations and Finance Officer is responsible for the management of the financial systems, sourcing additional funds and ensuring efficient and effective use of resources. The Chief Operations and Finance Officer is responsible for the authorisation of spending up to agreed limits as stated in the Scheme of Delegation and Financial Procedures Policy.

The Senior Leadership Team in Benedict Biscop CE Academy consists of the Headteacher, Deputy Headteacher and two Assistant Headteachers. Hart Primary and St Peter's Elwick CofE Primary School have a shared leadership team which consists of a Headteacher and two Assistant Headteachers. St. Helen's Senior Leadership Team consists of Headteacher, Deputy Headteacher and Assistant Headteacher. Holley Park Senior Leadership Team consists of Headteacher, Deputy Headteacher and Assistant Headteacher. The Senior Leadership Team are responsible for all elements of Teaching and Learning in their schools.

Middle leader network meetings were established in 2020-21 and have continued to be developed throughout 2021-22. In these meetings middle leaders from all schools work collaboratively to explore the curriculum and share best practice. This has ensured that the intent of the curriculum is shared across the Trust and implemented in each school that best suits the individual school and their communities.

**Arrangements for setting pay and remuneration of key management personnel**

The Directors review the pay and remuneration policy annually following the guidance of:

- School Teachers Pay and Conditions (STPC), and
- National Agreement on Pay and Conditions of Service for Local Government Services (Green Book)

This applies to the Trust key management personnel and takes into account any benchmarks, parameters or criteria used in setting their pay. Annual Performance Management reviews (external and internal) recommend pay awards to the Directors who decide any pay awards within the identified pay range for individuals. Additional responsibilities are also taken into account.

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

**Trade union facility time**

There were no Relevant Union Officials during the accounting period, therefore no paid trade union activities were undertaken and no working time was given as facility time or any costs incurred. Instead the Trust pays into a scheme provided by the local authority.

**Related parties and other connected charities and organisations**

Where any Directors declare an interest, procedures are in place to address this. The Trust have adopted a policy such that where any interests are declared, the Director would remove themselves from the decision-making process.

There has been one related party transaction within the accounting period. P Clark is a partner of Jacksons Law who provided HR and employment advice under SLA to the Trust. These services were provided at cost in the accounting period.

Business Interests are declared on the website and further detail of transactions during the year can be found in Note 27.

**Objectives and activities**

**Objects and aims**

The principal objective and activity of the charitable company, The Northern Lights Learning Trust, is to provide outstanding education for pupils of all abilities between the ages of 2-11. In accordance with the Articles of Association, the charitable company has adopted a "Scheme of Governance" approved by the Secretary of State for Education; to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- i. Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- ii. Other academies whether with or without a designated religious character; but in relation to each of the Academies to recognize and support their individual ethos, whether or not designated Church of England.

The Trust Central Team is based in Sunderland, where the original school, Benedict Biscop CE Academy is situated. Two schools in the Trust, Hart Primary School and St Peter's Elwick CofE Primary School joined the trust in 2018. St. Helen's Primary joined May 2022 and Holley Park joined July 2022. Benedict Biscop has an Outstanding Ofsted judgement (2012). Hart Primary has an Outstanding Ofsted judgement (2016). St Peter's Elwick has a Good with Outstanding for Leadership & Management & Behaviour & Safety (2015). Holley Park has a Good judgement (2018) and St. Helen's has a Good Judgement (2019).

All academies are non-selective and offer pupils a broad curriculum. The pupils who attend the academies live mainly in the surrounding areas. To assist academic achievement and to support parents returning to work or part time/full time education, the academies operate some childcare facilities. This is provided when it is viable to run. All academies offer pupils activities and experiences beyond the school day, allowing many pupils of all ages to participate in a variety of experiences which enhance learning and social development. All academies organise various visits and enrichment experiences to develop learning beyond the classroom. These visits and enrichment activities are fully inclusive.

The Trust aims to ensure that our schools remain at the heart of their communities and retain their distinctiveness. Our Trust operates with integrity, a foundation of support and pride in the achievements of our

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Objectives and activities (continued)**

schools. We firmly believe that we are stronger together.

Trust vision: Shining Together, Stronger Together, Children at the heart of everything we do.

Our vision for excellent education is that we work in partnership to raise each other up to the highest aspirational standards. We keep children at the heart of what we do and provide a culture where staff can grow and learn together. Leader, teacher and staff development is what underpins great outcomes. We believe in every child achieving the best they can, in a holistic education through an individualised approach.

'We are standardised in the high expectations of achievement for all our children, but we are autonomous in our approach of how we achieve these.'

We are open to learning and sharing that ensures an open-minded approach and achieves the best for our pupils.

Our vision rests on our Trust values.

**Our Trust values:**

1. **Voice of the child** – This value has great importance for us – we want our children's voices to be heard in all aspects of the work we do in our schools
2. **Community** – We place schools at the heart of their communities, including respecting the individuality of the school communities and understanding that the school communities bring a wealth of local understanding and knowledge.
3. **Support** – We support all pupils and staff to grow, develop and 'be the best they can be'. We also support others in the system including our initial teacher training and our DfE Teaching School Hub
4. **Integrity** – This is central to our actions & decisions. We act with integrity in all decisions that we make
5. **Pride** – We are extremely proud of our pupils, staff and communities

**Our Culture:**

Collaboration and partnership underpins our approach. We believe in the power of relationships. We believe in approachability, humility, equality. We believe in every child as an individual. We are an inclusive Trust. We value people for who they are and support them to be the best version of themselves that they can be – pupils, staff, families.

Northern Lights Learning Trust have experience of school improvement from improving schools with Ofsted judgements of Requires Improvement through to Good and Outstanding.

We are fortunate that our Trust is also a DfE designated Teaching School Hub, along with a designated Science Hub and a number of National and Specialist Leaders of Education. We also have trained Ofsted and SIAMS inspectors in our staff team.

We are evidence-based and research-informed and we make the best decisions for our schools based on this. We judge our schools' effectiveness on our school curriculum intentions, impact and holistic education provided, including the personal development of our pupils.

We believe that the keys to making a difference are:

- Staff development at all levels, including leadership, teaching and support staff
- Clear pathways for staff development
- Understanding of context and our Trust definition of context
- Quality of relationships
- Supportive approach
- Accountability and challenge – including self-accountability
- Clarity in roles and responsibilities

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Objectives and activities (continued)**

- High ambitions
- Focusing on key controllable priorities
- Engagement with pupils, parents/carers, Governors and wider agencies
- Innovative approach, including research and development

**Objectives, strategies and activities**

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

Trust Development Plan Objectives for 2021-22:

Impact on pupil outcomes threads directly through every part of our Trust Development Plan.

Area of development	Outcome to be achieved
<b>Vision and Values</b>	Embed our Trust values and further develop the culture of the Trust as one organisation
	Ensure all schools joining the Trust align with Trust vision & values
	Clearly establish the vision for our Trust & ensure shared with all stakeholders
<b>Central Services</b>	Ensure clarity in roles
	Appoint HR Admin Role
	Develop Apprentice Role to next Level
	Develop the Central Team structure to develop as a Trust, including adapting as we grow
<b>Quality of Education, Curriculum &amp; Pupil Outcomes</b>	Develop standardised language (& where relevant systems) on Assessment & staff appraisal
	Clear monitoring system for CEO to be aware of school quality of education
	Clear curriculum intent, implementation & impact for all schools in the Trust
	Clear strands of progression for all subjects in all schools
	Fidelity to the Reading Framework in all schools
	Clear assessment cycle monitored by Governance
	Clear wider curriculum offer for all schools across the Trust
	Clear supervision system in place for safeguarding
<b>Community</b>	Ensure all of our schools re-engage with activities to bring our communities back into school & place the schools at the heart of the community
<b>Finance</b>	Purchase additional finance capacity to carry out admin work for month end
	Areas from audit to be implemented
	Ensure all buildings are fit for purpose

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

Objectives and activities (continued)

<b>Compliance</b>	Ensure the scheme of delegation continues to provide clarity as the Trust grows and adapts
<b>Governance</b>	Recruit to fill vacancies
	Clear, accurate reporting to the Board that is flexible to the growing Trust and incorporates school performance, compliance, Trust & school self-evaluation
<b>Wider development of Trust</b>	Development of Teaching School Hub & alignment with Trust development
	Grow as an organisation, including ITT, Teaching School Hub, Trust CPD & services offered to the wider sector
<b>Growth of Trust</b>	Trust to grow in a sustainable way to develop further opportunities for our staff and pupils
	Develop a concise, accurate due diligence process with relevant expertise Materials to share with schools to be developed that fit with our culture and values

Directors monitored progress on these priorities through Trust Board meetings, FARM (Finance, Audit and Risk Management) meetings, SSIG (Strategic School Improvement Meetings), additional meetings with key members of the Central Team, including the CEO and the Chairs' Meetings where Chairs of Governors meet with Chair of Board and CEO. CEO reports detailed progress on development priorities.

We have a detailed growth strategy that details our measured, planned growth and includes detail on our offer of support as a sponsor trust as well as an Associate partnership model for good or better schools interested in working together with us to judge whether the fit is right and if they would be interested in joining our Trust.

Our Associate School model has proved to be an effective model, with 1 primary school, St. Helen's Primary School, joining the Trust after being an Associate Member of the Trust.

This year we have received one TCaF (Trust Capacity Funding) of £94,869.36. This has been spent on developing our Trust to strengthen it to grow, as a result of the 2 primary schools joining this year. We have been successful in a further TCaF bid which will be spent to further develop the growth of our Trust in 2022-2023.

**Public benefit**

The Directors confirm they have complied with their duty to have due regard to the guidance on public benefit as published by the Charity Commission in exercising their powers or duties. The standard of education offered to all pupils is outstanding and is referenced in the following section. All charitable activities are undertaken to develop the education of all pupils in its care and partner organisations in the community.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Strategic report**

**Achievements and performance**

**Key performance indicators**

**Safeguarding:** All safeguarding arrangements in all academies was effective for 2021-2022. The Trust is supported by Safeguarding First.

**Contribution to the wider system:** The Trust continues to contribute to the wider system. The Teaching School Hub is now well established and working with a large number of schools across the region – Early Years settings, Primary, Secondary and Special schools. The Trust provides Initial Teacher Training through a partnership with Durham SCITT. As the Teaching School Hub we deliver the Early Career Framework, act as an Appropriate Body for ECTs and provide the full range of NPQs (partnered with Ambition and Church of England/Catholic Providers) as well as providing support for the region and acting as a signpost to support teacher professional development from ITT to Executive Leadership & in all phases from Early Years to post 16 including special and alternative provision.

The CEO continues to Chair the DfE National Primary Headteacher Reference Group and sit on the Recruitment & Retention Advisory Group. She has also been deployed as an NLE in the region again this year and sits on the Ofsted CEO advisory group. She is a practising Ofsted inspector along with a range of regional partnership roles which contribute to the wider system.

Our Trust has been funded through Trust and School Improvement Funding to support a primary school, which was a successful deployment. The team within our Trust includes trained SIAMS inspector, NLE, SLEs, SEND reviewers, Pupil Premium Reviewers. Our Trust have provided school to school support to a large number of schools across the region this year.

**Academic: 2021 to 2022 Statutory Data**

**Key**

R	<i>Reading</i>
W	<i>Writing</i>
M	<i>Mathematics</i>
Expec+	<i>Working at Expected or higher</i>
WGD	<i>Working at Greater Depth</i>
SPAG	<i>Spelling Grammar and Punctuation</i>
RWM	<i>Reading, Writing, Maths Combined score</i>
Progress	<i>Value Added Progress from KS1 to KS2</i>

Notes on data: Our small schools have small numbers in cohorts that can affect the statistical significance. This is recognised within the Trust.

Due to the small number of Pupil Premium children in some schools across the Trust Pupil Premium data, along with other vulnerable groups, is analysed internally to avoid identification

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

Strategic report (continued)

**Good Level of Development**

	<b>Good Level of Development</b>	<b>% Phonics Check</b>
<b>Benedict Biscop</b>	82%	100%
<b>Hart</b>	87%	86%
<b>Holley Park</b>	63%	86%
<b>St Helen's</b>	62%	68%
<b>St Peter's Elwick</b>	89%	93%
<b>Trust Average</b>	77%	87%
<b>National</b>	<i>Released Nov 2022</i>	75%

**Key Stage 1**

	<b>Expec + R</b>	<b>WGD R</b>	<b>Expec + W</b>	<b>WGD W</b>	<b>Expec + M</b>	<b>WGD M</b>	<b>Expec+ Combined RWM</b>	<b>WGD % Combined RWB</b>
<b>Benedict Biscop</b>	90%	39%	87%	39%	87%	26%	84%	19%
<b>Hart</b>	73%	20%	67%	26%	73%	13%	66%	7%
<b>Holley Park</b>	79%	29%	79%	15%	93%	25%	75%	7%
<b>St Helen's</b>	65%	31%	62%	15%	62%	27%	58%	15%
<b>St Peters Elwick</b>	71%	36%	71%	14%	86%	36%	71%	14%
<b>Trust Average</b>	76%	31%	73%	22%	80%	26%	71%	12%
<b>National</b>	67%	18%	58%	8%	68%	15%	54% (provisional)	11% (2019 National)

**Y4 Multiplication Check**

No standardised pass mark data available therefore % pass based on scores between 22 and 25 based on 18,863 pupils and 30% scored full marks. Mean national score is 20/25 according to Sig Fig Data

National average not published but Holley Park a concern

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

Strategic report (continued)

	<b>% Passed Check</b>
<b>Benedict Biscop</b>	97%
<b>Hart</b>	87%
<b>Holley Park</b>	56%
<b>St Helen's</b>	72%
<b>St Peter's Elwick</b>	83%
<b>Trust Average</b>	79%

Key Stage 2

	Expect+ R	WGD R	Scaled Score R	Progress	Expect+ W	WGD W	Progress
<b>Benedict Biscop</b>	97%	50%	109	1.7	94%	50%	3.5
<b>Hart</b>	86%	29%	107		93%	14%	
<b>Holley Park</b>	79%	30%	104		88%	18%	
<b>St Helen's</b>	81%	33%	105	-0.3	77%	12%	0.4
<b>St Peter's Elwick</b>	100%	40%	108	1.0	93%	33%	2.2
<b>Trust Average</b>	89%	36%	108		89%	25%	
<b>National</b>	74%	28%	105		69%	13%	



NORTHERN LIGHTS LEARNING TRUST  
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

	Expect+ M	WGD M	Scaled Score M	Progress	Expe c+ SPAG	WGD SPAG	Scaled Score SPAG	Expec + Comb RWM	WGD % Comb RWB
Benedict Biscop	94%	44%	107	0.8	94%	59%	110	91%	24%
Hart	93%	21%	107		93%	50%	109	86%	7%
Holley Park	79%	15%	102		82%		105	70%	12%
St Helen's	84%	19%	104	-0.3	84%	21%	103	77%	7%
St Peter's Elwick	100%	47%	109	2.4	100%	40%	110	93%	14%
Trust Average	90%	29%	107		91%		107	83%	13%
National	71%	22%	104		72%		105	59%	7%

KS2 is based on invalidated datasets and could be subject to slight changes.

Validated Progress Scores Are Released in December 2022.

SIAMS St. Peter's Elwick received a SIAMS inspection this year and was judged as 'Excellent' for its overall grade, judged 'Excellent' in The impact of Collective Worship and 'Excellent' in the Effectiveness of religious education.

Attendance:

SCHOOL	ATTENDANCE – 6.9.21 – 15.7.22
Hart Primary	93.54%
St. Peter's Elwick CE	95%
Benedict Biscop	95.12%
St. Helen's	93.36%
Holley Park	94.5%
WHOLE TRUST	94.3%

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Strategic report (continued)**

**Financial**

Key Performance	Benedict Biscop CE	Hart Primary	St Peter's CofE	St Helen's (from 1 May 2022)	Holley Park Academy (from 1 July 2022)	TOTAL
GAG Funding	923,780	510,089	450,602	396,937	176,954	2,458,361
Total revenue	1,508,960	664,053	608,005	965,923	564,246	4,311,187
Total Staffing	1,087,177	480,341	447,327	433,127	189,002	2,636,975
Reserves as at 31/8/22	242,356	122,230	107,653	432,670	334,396	1,239,306
Total costs as a % of total funding	96%	98%	97%	54%	39%	54%
Reserves as % of GAG	26%	24%	24%	109%	189%	54%

**Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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.

**Financial review**

The majority of the 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 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The 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 2019), 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.

In addition, the Trust had other income grants from the ESFA, funding from Local Authorities including Early Years Funding and High needs top up funding for children with Special Educational Needs. The Trust have additional income from providing wraparound care in the form of breakfast, after school and paid nursery education.

During the year ended 31 August 2022, the trust have continued to feel the further impact of COVID-19 with increased staff absence which resulted in increased supply staff costs partially covered by staff absence insurance.

The financial position of the trust is subject to risks which may have an adverse effect on the financial performance of the trust including increased premises costs, the energy crisis, the increased inflation costs and both the teaching and support staff pay awards. These risks are managed by the Finance, Audit and Risk Management committee through regular budget monitoring and can be met by the positive levels of reserve the trust has.

During the year ended 31 August 2022, total expenditure of £4,480,000 was in excess of recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding pension reserve movements and restricted fixed asset funds) was £512,000.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Trust's objectives.

At 31 August 2022 net book value of fixed assets was £5,588,000 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 students 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 £67,000 recognised on the Balance Sheet.

The Trust held fund balances as at 31 August 2021 of £6,793,000 comprising £33,000 of restricted general funds, £5,613,000 of restricted fixed asset funds, a pension deficit of £67,000 and £1,214,000 of unrestricted funds.

**Reserves policy**

The Directors are responsible for determining the level of financial reserves to be carried forward at the end of any financial period. The Directors have delegated the monitoring of potential period end reserves to the Finance, Audit and Risk Management Committee as part of their terms of reference.

The Directors will ensure that the levels of reserves that can be carried forward at the end of the financial period will be in line with the guidance received from the ESFA on the treatment of General Annual Grant (GAG) income and other grants.

The Directors will always try to match income with expenditure in the current period and will only carry forward reserves that it considers are necessary for future periods' expenditure. The Directors will consider the School Development Plans for capital developments required. The Directors may accumulate reserve funds raised from private sources for the benefit of the schools in future years, and this is discussed annually.

The Trust is aiming to maintain a reserve of approximately £400,000 over a 5-year period. This is approximately 1 month of staffing salary costs. The Trust has a policy of replacing and improving the buildings for the benefit of the pupils currently within the academies and consider this to be a reasonable amount. When the Trust expands, this figure will grow in proportion.

There are no funds materially in deficit.

Funds cannot be realised by disposing of tangible fixed assets.

The amount of reserves shown is above the 5-year target of £400,000. This has been realised through prudent financial planning and is currently £1,338,000.

The reserves policy is reviewed annually.

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Investment policy**

The Trust has made no investments throughout the 2021-22 financial year. The Trust have continued to investigate potential investments. Interest rates will be reviewed prior to any investment. Any investments outside of the deposit account would be on a low-risk basis taking ethical considerations into account and would need prior Trust approval.

Our aim is to spend the publicly funded monies with which we are entrusted for the direct educational benefit of students as soon as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of best practice as and when circumstances allow.

The Trust will prepare such budgets and cash flow forecasts as are required by legislation and best practice, to ensure the visibility and sustainability of the activities of the Trust. From time to time, operational and strategic decisions related to the education of pupils will result in substantial cash balances at the bank over a sustained period. These periods are identified by the Chief Operations and Finance Officer as part of the normal forecasting activity and, when identified, will result in the Trust making an investment in accordance with any guidance provided in the Trust's Financial Handbook.

Prior to investing funds, the CEO and the Finance, Audit and Risk Management Committee must be satisfied that the cash flow predictions provided are accurate and that the amount and time period of the investment will not compromise the viability and sustainability of the activities of the schools.

**Principal risks and uncertainties**

The Trust maintains a risk register which is reviewed regularly by the Finance, Audit and Risk Management Committee to ensure satisfactory arrangements are in place to manage the risk.

In February 2015, the Trust adopted the Risk Protection Arrangements provided by the ESFA. This has continued annually.

There is an annual internal review of all risk management issues led by various staff e.g. Site Manager, Chief Operations and Finance Officer and teaching staff. However, there is also ongoing reviews in response to situations or new legislation or information.

During 2021-22, an internal Health and Safety audit indicated minimum risks and best practice. The Trust compliance system is utilised effectively to ensure compliance across the academies. This system will be further developed over the following period to streamline risk assessments.

The Trust considers all risks and the Directors have implemented a number of systems to assess risks that may impact the Trust, especially in operational areas e.g. in relation to teaching, management of IT security, safeguarding, health and safety, educational school visits, and in relation to the control of finance. They use systems, including operational procedures and internal financial controls. The Directors are satisfied that systems are in place to mitigate exposure to major risks.

A risk management review by the RPA showed no areas of major concern. The Trust and the academies have implemented the final recommended improvements over the 2021-22 financial year.

The Trust understands that the Coronavirus pandemic will continue to bring a number of risks and the Directors have ensured that the risks are monitored and addressed through risk management of the Trust, including the risk register and the internal and external reviews and audits. The principal risks identified, and managed, in Northern Lights Learning Trust include:

- Potential risk of financial irregularity and non-compliance has been mitigated by the growth of the central team removing a single point of failure of the Chief Operations and Finance officer role.
- Potential financial risk due to increased staffing costs, e.g. cover for staff who test positive for COVID-19 and follow guidance which advises them to stay at home for 5 days. Mitigated through careful management of staffing, staff absence insurance, robust contingency plans and use of remote education and continued IT

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

infrastructure investment.

- Potential risk of reliance on LA and diocese approved contractors mitigated within 2021-22 year by implementation of a shared trust approved contractors list.

### **Fundraising**

The Directors operate effective control over the Trust's fundraising by:

- acting in the best interests of the Trust.
- managing individual academy resources responsibly, which includes protecting and safeguarding its assets.
- acting with reasonable care and skill.

The Trust manages all of its own fundraising. This is used:

- to provide additional resources for the pupils, which might not otherwise be available.
- to support charitable causes linked to the school e.g., Cancer related charities, Children in Need, etc.

The means used to fundraise are kept within school populations and include raising funds through pupils taking part in school-led sponsored events which includes families and friends contributing to events such as cake sales, Christmas fayres and non-uniform days. Where possible, the Trust use this as an opportunity to develop social awareness and a responsibility for "giving". All pupils take part in these activities, but we are aware that some are vulnerable and therefore there is no obligation to contribute financially.

The management of fundraising is responsible, with all monies banked and accounted for. Where possible, a receipt from the Charity is always requested. The complaints and Whistleblowing policies would ensure all complaints and concerns are dealt with appropriately.

### **Plans for future periods**

The Trust has a comprehensive growth strategy and is committed to growth. We are working in partnership with the Regional Trustee and Diocese to grow and develop our Trust. We are a Trust identified by the Diocese to grow. We are in conversation with schools, interested in joining Northern Lights.

We are currently exploring a merger with Dayspring Trust, a Church of England Multi Academy Trust of 2 Church of England secondary schools. We have applied for TCAF funding to strengthen our Trust to develop as cross-phase.

We are sourcing additional office space for our growing central team, after quotes for building work proved not best value for money.

To review our Growth Strategy to ensure it matches our current position, including in light of the potential merger.

### **Funds held as custodian on behalf of others**

The Trust and its Directors do not act as the Custodian Trustees of any other charity organisation.

NORTHERN LIGHTS LEARNING TRUST  
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022

Disclosure of information to auditors

Insofar as the Directors are aware:

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

The Directors' Report was approved by order of the Board of Directors, as the company directors, on 24 January 2023 and signed on its behalf by



Mark Stouph  
Chair of Trustees

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

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

The Board of Directors has delegated the day-to-day responsibility to the CEO, 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 Northern Lights Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 7 times during the year and held their Annual General Meeting.

Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
M Stouph, Chairperson	6	7
P Clark, resigned 10 November 2022	4	7
M Emmerson, resigned 15 November 2021	0	1
K Hammond	5	7
J Heaton, CEO and Accounting Officer	6	7
C Hodgson, appointed 11 January 2022	3	4
C Inkster	4	7
S Lymer	5	7
P Olsen	7	7

Northern Lights Learning Trust manages conflicts of interest by requesting declarations of interest from all Directors and SLT personnel at the beginning of the academic year. Declarations of interest are also a standing agenda item at each governance meeting and all members are fully aware of the requirement to be transparent and open about any possible conflicts. Northern Lights Learning Trust does not have any ownership or control of subsidiaries, joint ventures or associates.

**Governance reviews:**

A 5-year strategic plan is in place for Northern Lights Learning Trust. This is reviewed annually with a clear continued focus on growing the Trust, strengthening governance and ensuring there are appropriate systems and procedures to sustain measured growth.

An additional committee for the governance of the Teaching School Hub and a working group focusing on Due Diligence, has been formed this year and added to the Board structure as a result of the Trust Growth Plans.

The Finance, Audit and Risk Management Committee is a sub-committee of the main Board of Directors. Its purpose is to ensure effective use of resources whilst seeking ways to ensure outstanding and sustainable provision and managing any proposed risks.

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
----------	-------------------	-------------------

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

P Olsen, Chair	5	5
M Stouph	5	5
S Lymer	3	5
J Heaton (observer only)	4	5

**Review of value for money**

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

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

- Continuing the contract for sports coaching under SLA saving on lunchtime supervisory costs, whilst developing healthy physical activity, reducing incidents of poor behaviour.
- Due to Covid-19, procedures were introduced to allow staff to work from home, this has continued when possible following the wider opening of schools to maximise working hours and minimise staff absence.
- Continual review of SLA's to negotiate savings and to streamline contracts across the Trust.
- Further investment in IT to continue the commitment for staff to be able to deliver outstanding remote education to all pupils.
- Appointment of apprentices to build capacity and invest in staff development.
- Collaborative working across the Trust to reduce duplication.
- Covering temporary maternity vacancies by segregating and redistributing responsibilities across existing staff giving savings across staffing.
- Covering temporary staff absences internally by relocating staff to achieve savings across the trust
- Reviewing central team structure and outsourcing operational finance rather than recruiting a full-time position to ensure savings on salary and building in contingency for absences.

**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 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 Northern Lights Learning Trust since 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Directors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

**The risk and control framework**

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



**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors
- regular reviews by the Finance, Audit and Risk Management 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 Directors has decided to buy-in an internal audit service from Azets.

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

- testing risks from previous reports
- testing of accounts and reconciliations systems
- testing of risk management processes
- testing of purchasing systems
- testing of payroll systems
- testing of corporate governance
- testing of income recording systems
- testing of control of the trust bank accounts

On a termly basis, the auditor reports to the Board of Directors, through the Finance, Audit and Risk Management Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities and annually prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress. Work was performed as per the agreed schedule of work.

Following the internal reviews in 2021-22, policies have been reviewed, amended and communicated with staff via the electronic compliance system. New staff inductions have been streamlined centrally and a training

**Review of effectiveness**

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the 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 Finance, Audit and Risk Management committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

NORTHERN LIGHTS LEARNING TRUST  
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Directors on 24 January 2023 and signed on their behalf by:



**M Stouph**  
Chair of Trustees



**J Heaton**  
Accounting Officer

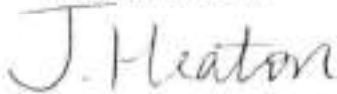
**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Northern Lights Learning Trust I have considered my responsibility to notify the Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Trust Board of Directors are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2021.

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



**J Heaton**  
Accounting Officer  
Date: 24 January 2023

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2022**

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

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- 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 Directors 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 Directors 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 Directors 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 Directors on 24 January 2023 and signed on its behalf by:



**M Stouph**  
Chair of Trustees

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
NORTHERN LIGHTS LEARNING TRUST**

**Opinion**

We have audited the financial statements of Northern Lights Learning Trust (the 'academy') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

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

**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

NORTHERN LIGHTS LEARNING TRUST  
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
NORTHERN LIGHTS LEARNING TRUST (CONTINUED)

**Use of our report**

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 25/1/23



**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

In accordance with the terms of our engagement letter dated 18 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northern Lights Learning Trust during the year 1 September 2021 to 31 August 2022 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 Northern Lights Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northern Lights 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 Northern Lights Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Northern Lights Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Northern Lights Learning Trust's funding agreement with the Secretary of State for Education dated 23 January 2012 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- 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.

NORTHERN LIGHTS LEARNING TRUST  
(A Company Limited by Guarantee)

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

- 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;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

**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 2021 to 31 August 2022 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  
Clive Owen LLP  
140 Coniscliffe Road  
Darlington  
County Durham  
DL3 7RT

Date: *25/1/23*

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<b>Income from:</b>						
Donations and capital grants:	3					
Transfer from local authority on conversion		437	(791)	2,163	1,809	-
Acquired from existing academy trust		48	168	1,783	1,999	-
Other donations and capital grants		2	17	74	93	23
Other trading activities		175	-	-	175	104
Charitable activities:						
Academy educational operations		141	3,370	-	3,511	2,585
Teaching school hub		-	287	-	287	80
<b>Total income</b>		<u>803</u>	<u>3,051</u>	<u>4,020</u>	<u>7,874</u>	<u>2,792</u>
<b>Expenditure on:</b>						
Raising funds		2	-	-	2	-
Charitable activities		37	4,327	114	4,478	2,960
<b>Total expenditure</b>		<u>39</u>	<u>4,327</u>	<u>114</u>	<u>4,480</u>	<u>2,960</u>
<b>Net movement in funds before other recognised gains/(losses)</b>		764	(1,276)	3,906	3,394	(168)
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	2,612	-	2,612	(95)
<b>Net movement in funds</b>		<u>764</u>	<u>1,336</u>	<u>3,906</u>	<u>6,006</u>	<u>(263)</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		450	(1,370)	1,707	787	1,050
Net movement in funds		764	1,336	3,906	6,006	(263)
<b>Total funds carried forward</b>		<u>1,214</u>	<u>(34)</u>	<u>5,613</u>	<u>6,793</u>	<u>787</u>

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07909140**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	13	5,588	1,691
		<u>5,588</u>	<u>1,691</u>
<b>Current assets</b>			
Debtors	16	1,309	153
Cash at bank and in hand		489	719
		<u>1,798</u>	<u>872</u>
Creditors: amounts falling due within one year	17	(526)	(319)
<b>Net current assets</b>		1,272	553
<b>Total assets less current liabilities</b>		<u>6,860</u>	<u>2,244</u>
<b>Net assets excluding pension liability</b>		6,860	2,244
Defined benefit pension scheme liability	24	(67)	(1,457)
<b>Total net assets</b>		<u><u>6,793</u></u>	<u><u>787</u></u>


**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)  
REGISTERED NUMBER: 07909140

**BALANCE SHEET (CONTINUED)**  
AS AT 31 AUGUST 2022

	Note		2022 £000	2021 £000
<b>Funds of the Academy Trust</b>				
<b>Restricted funds:</b>				
Fixed asset funds	18	5,613	1,707	
Restricted income funds	18	33	87	
		<hr/>	<hr/>	
Restricted funds excluding pension asset	18	5,646	1,794	
Pension reserve	18	(67)	(1,457)	
		<hr/>	<hr/>	
<b>Total restricted funds</b>	18		5,579	337
Unrestricted income funds	18		1,214	450
			<hr/>	<hr/>
<b>Total funds</b>			<u>6,793</u>	<u>787</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 33 to 68 were approved by the Directors, and authorised for issue on 24 January 2023 and are signed on their behalf, by:



**M Stough**  
Chair of trustees

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £000	2021 £000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	(281)	92
<b>Cash flows from investing activities</b>	21	51	(10)
<b>Change in cash and cash equivalents in the year</b>		(230)	82
Cash and cash equivalents at the beginning of the year		719	637
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<u>489</u>	<u>719</u>

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**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, 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Going concern**

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

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

Donations are recognised on a receivable basis (where there 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 year it is receivable and to the extent the Trust has provided the goods or services.

• **Transfer on conversion**

Where assets and liabilities are received by the Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

• **Transfer of existing academies into the Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within 'Income from Donations and Capital Grants' to the net assets acquired.



**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**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.

All resources expended are inclusive of irrecoverable VAT.

• **Charitable activities**

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

**1.5 Tangible fixed assets**

Assets costing £500 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:

Leasehold land	- 125 years straight line
Leasehold buildings	- 40 years straight line
Leasehold buildings improvements	- 40 years straight line
Fixtures, fittings & equipment	- 5-8 years straight line
Computer equipment	- 3 years straight line

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**1. Accounting policies (continued)**

**1.6 Liabilities**

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

**1.7 Operating leases**

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

**1.8 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. 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 17. Taxation and social security are not included in the financial instruments disclosure definition.

**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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**1. Accounting policies (continued)**

**1.10 Pensions benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

**1.11 Fund accounting**

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

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 Education and Skills Funding Agency, Department for Education and Local Authority.

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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.

Goodwin - The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £4,000 which has been assessed to be immaterial to the financial statements.

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 £114,000.

Critical areas of judgement:

Land – Land is held under 125 year lease(s) from Sunderland City Council and Hartlepool Borough Council. These assets are included on the balance sheet of the Trust due to the significant risks and rewards of ownership belonging to the academy, 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 could use them without major modification.

Buildings - Buildings at Hart, St Helen's and Holley Park are held under 125 year lease(s) from Sunderland City Council and Hartlepool Borough Council. These assets are included on the balance sheet of the Trust due to the significant risks and rewards of ownership belonging to the academy, 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 could use them without major modification.

The buildings at Benedict Biscop and St Peter's are owned by the Durham Diocese Board of Finance (the DDBF). The academy trust occupies the buildings under a mere licence. The licence delegates aspects of the management of the buildings to the academy trust for the time being, but does not vest any rights over the buildings to the academy trust. The Durham Diocese Board of Finance has given an undertaking to the Secretary of State that they will not give academy trust less than two years notice to terminate the occupation of the buildings. Having considered the factual matrix under which the academy trust is occupying the buildings the Directors have concluded that the value of the buildings occupied by the academy trust at the date of conversion to an academy will not be recognised on the balance sheet of the academy trust. In addition, whilst the occupation constitutes a donation in kind to the academy trust, the Trustees consider that the cost of obtaining a valuation for such a donation outweighs the expense and therefore no such donation and related expense are included in the Statement of Financial Activities. Additions since conversion funded by grant bids or from GAG have been capitalised as leasehold improvements and written off over their economic life.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**3. Income from donations and capital grants**

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<b>Donations</b>					
Income on Conversion	437	(791)	2,163	1,809	-
Income on transfer	48	168	1,783	1,999	-
<b>Subtotal detailed disclosure</b>	<u>485</u>	<u>(623)</u>	<u>3,946</u>	<u>3,808</u>	<u>-</u>
Other Donations	2	17	-	19	2
Capital Grants	-	-	74	74	21
<b>Subtotal</b>	<u>2</u>	<u>17</u>	<u>74</u>	<u>93</u>	<u>23</u>
	<u>487</u>	<u>(606)</u>	<u>4,020</u>	<u>3,901</u>	<u>23</u>
<b>Total 2021</b>	<u>-</u>	<u>2</u>	<u>21</u>	<u>23</u>	

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**4. Funding for the Academy's charitable activities**

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<b>Academy's educational operations</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	2,458	2,458	1,811
<b>Other DfE/ESFA grants</b>				
Start Up Grants	-	25	25	-
Pupil Premium	-	107	107	65
PE and Sport Premium	-	52	52	52
UIFSM	-	101	101	67
Rates	-	7	7	9
Insurance	-	2	2	-
Teachers' pay grant	-	2	2	22
Teachers' pension grant	-	6	6	68
Other DfE/ESFA grants	-	148	148	15
	-	2,908	2,908	2,109
<b>Other Government grants</b>				
SEN	-	47	47	74
Early Years Funding	-	332	332	268
Local authority grants	-	56	56	4
Other government grants	-	2	2	-
	-	437	437	346
<b>Other income from the academy trust's educational operations</b>	141	-	141	90
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up Premium	-	8	8	32
Other DfE/ESFA COVID-19 funding	-	2	2	1
	-	10	10	33
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Other COVID-19 funding	-	15	15	7
	-	15	15	7
	141	3,370	3,511	2,585

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**4. Funding for the Academy's charitable activities (continued)**

**Teaching school hub**

DfE/ESFA grants	-	170	170	-
Other Government grants	-	-	-	80
Other income	-	117	117	-
	<u>-</u>	<u>287</u>	<u>287</u>	<u>80</u>
	<u>141</u>	<u>3,657</u>	<u>3,798</u>	<u>2,665</u>
<b>Total 2021</b>	<u>90</u>	<u>2,575</u>	<u>2,665</u>	

**5. Income from other trading activities**

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Non student catering income	1	1	1
Rental and lettings income	5	5	4
Receipts from Supply Teacher Insurance claims	7	7	20
Other	162	162	79
	<u>175</u>	<u>175</u>	<u>104</u>
<b>Total 2021</b>	<u>104</u>	<u>104</u>	

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**6. Expenditure**

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000	Total 2021 £000
Expenditure on fundraising trading activities:					
Allocated support costs	-	-	2	2	-
Academy's educational operations:					
Direct costs	2,244	-	721	2,965	2,028
Allocated support costs	918	316	21	1,255	852
Direct costs - Teaching school hub:					
Direct costs	123	-	4	127	54
Allocated support costs	46	8	77	131	26
	<u>3,331</u>	<u>324</u>	<u>825</u>	<u>4,480</u>	<u>2,960</u>
Total 2021	<u>2,184</u>	<u>-</u>	<u>776</u>	<u>2,960</u>	

In 2022 of the total expenditure, £243,000 (2021: £66,000) was to unrestricted funds and £4,392,000 (2021: £2,894,000) was to restricted funds.

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

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

**7. Analysis of expenditure by activities**

	Direct Costs 2022 £000	Support costs 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Academy's educational operations	2,965	1,255	4,220	2,880
Direct costs - Teaching school hub	127	131	258	80
	<u>3,092</u>	<u>1,386</u>	<u>4,478</u>	<u>2,960</u>
Total 2021	<u>2,082</u>	<u>878</u>	<u>2,960</u>	





**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**7. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Academy's educational operations 2022 £000	Teaching school hub 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Staff costs	2,754	123	2,877	1,933
Educational supplies	150	-	150	105
Staff development	28	-	28	14
Technology costs	3	-	3	12
Educational consultancy	20	-	20	12
Staff expenses	-	-	-	4
Transport	7	-	7	-
Other direct costs	3	4	7	2
	<u>2,965</u>	<u>127</u>	<u>3,092</u>	<u>2,028</u>
Total 2021	<u>2,028</u>	<u>54</u>	<u>2,082</u>	

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Academy's educational operations 2022 £000	Teaching school hub 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Pension finance costs	33	-	33	19
Support staff costs	408	46	454	251
Depreciation	114	-	114	76
Technology costs	68	-	68	37
Staff expenses	8	1	9	-
Supply insurance	31	-	31	34
Transport	1	-	1	-
Premises costs	66	-	66	63
Cleaning	42	-	42	70
Other premises costs	48	-	48	33
Energy	68	-	68	34
Rent and rates	7	8	15	9
Insurance	12	-	12	10
Operating lease rentals	5	-	5	9
Catering	148	-	148	111
Legal costs - other	60	-	60	7
Security	2	-	2	4
Other support costs	118	76	194	89
Governance costs	16	-	16	22
	<u>1,255</u>	<u>131</u>	<u>1,386</u>	<u>852</u>
Total 2021	<u>852</u>	<u>26</u>	<u>878</u>	

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2022 £000	2021 £000
Operating lease rentals	5	9
Depreciation of tangible fixed assets	114	76
Loss on disposal of fixed assets	-	3
Fees paid to auditors for:		
- audit	10	9
- other services	1	1
	1	1

**9. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2022 £000	2021 £000
Wages and salaries	2,252	1,524
Social security costs	212	140
Pension costs	813	515
	3,277	2,179
Agency staff costs	18	5
Staff restructuring costs	38	-
	3,331	2,184

Included in operating costs of defined pension schemes is a charge of £358,000 (2021: £195,000) relating to the pension deficit actuarial adjustment.

Staff restructuring costs comprise:

	2022 £000	2021 £000
Severance payments	38	-
	38	-

The academy trust paid 1 Severance payment during the year. This payment was in the £25,001 to £50,000 band.

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are special severance payments totalling £25,000. This related to one

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**9. Staff (continued)**

**b. Non-statutory/non-contractual staff severance payments (continued)**

individual payment of £25,000.

**c. Staff numbers**

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

	2022 No.	2021 No.
Teacher	30	19
Administration and Support	49	40
Management	5	9
	84	68
	84	68

**d. Higher paid staff**

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-
	1	-
	1	-

**e. Key management personnel**

The key management personnel of the Academy comprise the Directors and the senior management 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 was £806,000 (2021 - £591,000).

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**10. Central services**

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

- HR advice and tribunal insurance
- payroll
- finance (accounting/audit services, budgeting software)
- MAT governance
- safeguarding
- health and safety
- trust website hosting
- DPO SLA
- ICO registration
- CEO performance management
- school improvement

The Academy charges for these services on the following basis:

- flat percentage of GAG income 6%

The actual amounts charged during the year were as follows:

	2022 £000	2021 £000
Hart Primary School	33	30
St Peter's Elwick C of E Primary School	29	26
Benedict Biscop C of E Academy	64	53
St Helens Primary School	16	-
Holley Park Academy	11	-
	153	109

**11. Directors' remuneration and expenses**

One or more Directors has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Directors 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 Directors' remuneration and other benefits was as follows:

		2022 £000	2021 £000
J Heaton, (Accounting Officer, CEO)	Remuneration	80 - 85	75 - 80
	Pension contributions paid	15 - 20	15 - 20

During the year, trustees were reimbursed £1,000 (2021: £nil) in travel expenses. No other expenses were reimbursed to trustees.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**12. Directors' and Officers' insurance**

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

**13. Tangible fixed assets**

	Leasehold land and buildings £000	Leasehold buildings improvements £000	Computer equipment £000	Furniture, fittings & equipment £000	Total £000
<b>Cost</b>					
At 1 September 2021	1,446	299	208	373	2,326
Additions	-	-	60	5	65
Transfer from existing academy trust	1,765	-	15	3	1,783
Acquired on conversion	2,163	-	-	-	2,163
At 31 August 2022	5,374	299	283	381	6,337
<b>Depreciation</b>					
At 1 September 2021	93	39	160	343	635
Charge for the year	63	7	40	4	114
At 31 August 2022	156	46	200	347	749
<b>Net book value</b>					
At 31 August 2022	5,218	253	83	34	5,588
At 31 August 2021	1,353	260	48	30	1,691

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

14. Transfer of existing academies into the academy

Holley Park Academy

	Value reported by transferring trust £000	Transfer in recognised £000
<b>Intangible assets</b>		
<b>Tangible fixed assets</b>		
Long-term leasehold property	1,765	1,765
Furniture and equipment	3	3
Computer equipment	15	15
<b>Current assets</b>		
Debtors due within one year	49	49
Cash at bank and in hand	312	312
<b>Liabilities</b>		
Creditors due within one year	(105)	(105)
<b>Pensions</b>		
Pensions - pension scheme liabilities	(40)	(40)
<b>Net assets</b>	1,999	1,999

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**15. Conversion to an academy trust**

On 1 May 2022 St Helens Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Northern Lights Learning Trust from Hartlepool Borough Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	-	-	2,163	2,163
<b>Current assets</b>				
Cash - representing budget surplus on LA funds	437	-	-	437
Pension liability	-	(791)	-	(791)
<b>Net assets/(liabilities)</b>	<u>437</u>	<u>(791)</u>	<u>2,163</u>	<u>1,809</u>

**16. Debtors**

	2022 £000	2021 £000
<b>Due within one year</b>		
Trade debtors	87	41
Prepayments and accrued income	1,089	59
Vat recoverable	133	53
	<u>1,309</u>	<u>153</u>



**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**17. Creditors: Amounts falling due within one year**

	2022	2021
	£000	£000
Trade creditors	143	82
Other taxation and social security	77	33
Other creditors	83	96
Accruals and deferred income	223	108
	526	319
	526	319
	2022	2021
	£000	£000
Deferred income at 1 September 2021	39	40
Resources deferred during the year	98	39
Amounts released from previous periods	(39)	(40)
<b>Deferred income at 31 August 2022</b>	<b>98</b>	<b>39</b>
	<b>98</b>	<b>39</b>

At the year end the academy was holding universal infant free school meals and rates relief grants relating to the next academic year.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**18. Statement of funds**

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Unrestricted funds</b>					
General Funds	450	803	(39)	-	1,214
<b>Restricted general funds</b>					
General Annual Grants(GAG)	80	2,458	(2,538)	-	-
Pupil Premium	-	107	(107)	-	-
Other DfE/ESFA Grants	7	343	(350)	-	-
Other Government Grants	-	390	(390)	-	-
SEN	-	47	(47)	-	-
Other DfE/ ESFA COVID-19 funding	-	10	(10)	-	-
Other COVID-19 Funding	-	15	(15)	-	-
Teaching Hub	-	287	(254)	-	33
Donations	-	17	(17)	-	-
Transfer from existing academy trust	-	208	(208)	-	-
Pension reserve	(1,457)	(831)	(391)	2,612	(67)
	<u>(1,370)</u>	<u>3,051</u>	<u>(4,327)</u>	<u>2,612</u>	<u>(34)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	1,353	3,738	(60)	-	5,031
DfE group capital grants	89	43	(17)	-	115
Capital expenditure from GAG	265	189	(27)	-	427
Local authority capital grants	-	50	(10)	-	40
	<u>1,707</u>	<u>4,020</u>	<u>(114)</u>	<u>-</u>	<u>5,613</u>
<b>Total Restricted funds</b>	<u>337</u>	<u>7,071</u>	<u>(4,441)</u>	<u>2,612</u>	<u>5,579</u>
<b>Total funds</b>	<u><u>787</u></u>	<u><u>7,874</u></u>	<u><u>(4,480)</u></u>	<u><u>2,612</u></u>	<u><u>6,793</u></u>

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**18. Statement of funds (continued)**

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

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

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant.

Teaching Hub income is for the establishment of a teaching hub and its ongoing costs.

Other Government grants include Early Years funding for three and four year old children, funding for pupils with Special Educational Needs and other income from the local authority.

Covid-19 funding is income received to enable the Trust to cover ongoing costs of catch-up learning for the pupils.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 24.

The 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.

Unrestricted funds include the income from uniform sales, school trips and catering 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 it could carry forward at 31 August 2022.

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**18. Statement of funds (continued)**

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
<b>Unrestricted funds</b>						
General Funds	320	196	(66)	-	-	450
<b>Restricted general funds</b>						
General Annual Grants(GAG)	110	1,811	(1,819)	(22)	-	80
Pupil premium	-	65	(65)	-	-	-
Other DfE/ ESFA Grants	12	233	(238)	-	-	7
Other Government grants	16	272	(288)	-	-	-
SEN	-	74	(74)	-	-	-
COVID19 catch-up premium	-	32	(32)	-	-	-
Other DfE/ ESFA Covid funding	-	1	(1)	-	-	-
Other Covid funding	-	7	(7)	-	-	-
Teaching School Pension reserve	(1,148)	-	(214)	-	(95)	(1,457)
	<u>(1,010)</u>	<u>2,575</u>	<u>(2,818)</u>	<u>(22)</u>	<u>(95)</u>	<u>(1,370)</u>
<b>Restricted fixed asset funds</b>						
Inherited on conversion	1,357	-	(34)	-	-	1,353
DfE group capital grants	85	21	(17)	-	-	89
Capital expenditure from GAG	268	-	(25)	22	-	265
	<u>1,740</u>	<u>21</u>	<u>(76)</u>	<u>22</u>	<u>-</u>	<u>1,707</u>

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**18. Statement of funds (continued)**

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
<b>Total Restricted funds</b>	730	2,596	(2,694)	-	(95)	337
<b>Total funds</b>	1,050	2,792	(2,960)	-	(95)	787

**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows.

	2022 £000	2021 £000
Hart Primary School	122	142
St Peter's Elwick C of E Primary School	108	118
Benedict Biscop C of E Academy	242	251
St Helens Primary School	433	-
Holley Park Academy	243	-
Teaching hub	33	-
Central services	66	26
<b>Total before fixed asset funds and pension reserve</b>	1,247	537
Restricted fixed asset fund	5,613	1,707
Pension reserve	(67)	(1,457)
<b>Total</b>	6,793	787

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**18. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
Hart Community Primary School	433	48	29	141	651	659
St Peter's Elwick C of E School	400	48	28	113	589	553
Benedict Biscop C of E Academy	965	123	63	304	1,455	1,268
St Helens Primary School	408	26	28	55	517	-
Holley Park Academy	135	55	2	26	218	-
Central services	414	108	-	158	680	324
Teaching hub	122	46	-	88	256	80
<b>Academy</b>	<b>2,877</b>	<b>454</b>	<b>150</b>	<b>885</b>	<b>4,366</b>	<b>2,884</b>

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	5,588	5,588
Current assets	1,740	33	25	1,798
Creditors due within one year	(526)	-	-	(526)
Provisions for liabilities and charges	-	(67)	-	(67)
<b>Total</b>	<b>1,214</b>	<b>(34)</b>	<b>5,613</b>	<b>6,793</b>

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	1,691	1,691
Current assets	450	406	16	872
Creditors due within one year	-	(319)	-	(319)
Provisions for liabilities and charges	-	(1,457)	-	(1,457)
<b>Total</b>	<b>450</b>	<b>(1,370)</b>	<b>1,707</b>	<b>787</b>

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

	2022 £000	2021 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	3,394	(168)
<b>Adjustments for:</b>		
Depreciation	114	76
Capital grants from DfE and other capital income	(116)	(21)
Defined benefit pension scheme obligation inherited	831	-
Defined benefit pension scheme cost less contributions payable	358	195
Defined benefit pension scheme finance cost	33	19
Increase in debtors	(925)	(65)
(Decrease)/increase in creditors	(24)	53
Loss on disposal	-	3
Assets inherited on conversion	(2,163)	-
Assets transferred from existing academy trust	(1,783)	-
<b>Net cash (used in)/provided by operating activities</b>	<b>(281)</b>	<b>92</b>

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**21. Cash flows from investing activities**

	2022 £000	2021 £000
Purchase of tangible fixed assets	(65)	(31)
Capital grants from DfE Group	116	21
<b>Net cash provided by/(used in) Investing activities</b>	<b>51</b>	<b>(10)</b>

**22. Analysis of cash and cash equivalents**

	2022 £000	2021 £000
Cash in hand and at bank	489	719
<b>Total cash and cash equivalents</b>	<b>489</b>	<b>719</b>

**23. Analysis of changes in net debt**

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash at bank and in hand	719	(230)	489
	<b>719</b>	<b>(230)</b>	<b>489</b>

**24. Pension commitments**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £82,000 were payable to the schemes at 31 August 2022 (2021 - £38,000) and are included within creditors.



**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**24. Pension commitments (continued)**

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £329,000 (2021 - £234,000).

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

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**24. Pension commitments (continued)**

**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 2022 was £174,000 (2021 £119,000), of which employer's contributions totalled £126,000 (2021 - £86,000) and employees' contributions totalled £48,000 (2021 - £33,000). The agreed contribution rates for future years are 17.5% for employers and 5.5% - 12.5% for employees

As described in note 15 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

**Principal actuarial assumptions**

**Teesside Pension Fund**

	2022	2021
	%	%
Rate of increase in salaries	4.05	3.6
Rate of increase for pensions in payment/inflation	3.05	2.6
Discount rate for scheme liabilities	4.25	1.7
Inflation assumption (CPI)	3.05	2.6
Commutation of pensions to lump sums	80.00	80.00
	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:

	2022	2021
	Years	Years
Retiring today		
Males	21.7	21.9
Females	23.5	23.6
Retiring in 20 years		
Males	22.9	23.3
Females	25.3	25.4
	25.3	25.4

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**24. Pension commitments (continued)**

Tyne and Wear Pension Fund

	2022	2021
	%	%
Rate of increase in salaries	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.6
Discount rate for scheme liabilities	4.0	1.7
Inflation assumption (CPI)	2.7	2.6
Commutation of pensions to lump sums	75.00	75.00
	75.00	75.00

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

	2022	2021
	Years	Years
Retiring today		
Males	21.8	21.9
Females	25.0	25.1
Retiring in 20 years		
Males	23.5	23.6
Females	26.7	26.9
	26.7	26.9

**Sensitivity analysis**

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022	2021
	£000	£000
Discount rate +0.1%	(122)	(102)
Discount rate -0.1%	125	105
Mortality assumption - 1 year increase	(130)	(123)
Mortality assumption - 1 year decrease	130	125
CPI rate +0.1%	102	88
CPI rate -0.1%	(102)	(87)
	(102)	(87)

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**24. Pension commitments (continued)**

**The academy trust's share of the assets in the scheme**

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

	2022 £000	2021 £000
Equities	2,321	1,157
Government bonds	39	25
Corporate bonds	450	238
Property	538	141
Cash and other liquid assets	249	99
Other assets	318	154
<b>Total market value of assets</b>	<u>3,915</u>	<u>1,814</u>

The actual return on scheme assets was £64,000 (2021 - £290,000).

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

	2022 £000	2021 £000
Current service cost	(484)	(281)
Interest income	38	25
Interest cost	(69)	(44)
<b>Total amount recognised in the Statement of Financial Activities</b>	<u>(517)</u>	<u>(300)</u>

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

	2022 £000	2021 £000
<b>At 1 September 2021</b>	3,271	2,569
Conversion of academy trusts	1,522	-
Transferred in on existing academies joining the trust	1,180	-
Current service cost	464	281
Interest cost	69	44
Employee contributions	48	33
Actuarial (gains)/losses	(2,584)	360
Benefits paid	(8)	(16)
<b>At 31 August 2022</b>	<u>3,982</u>	<u>3,271</u>

**NORTHERN LIGHTS LEARNING TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**24. Pension commitments (continued)**

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

	2022 £000	2021 £000
<b>At 1 September 2021</b>	1,814	1,421
Conversion of academy trusts	731	-
Transferred in on existing academies joining the trust	1,140	-
Interest income	36	25
Actuarial gains	28	265
Employer contributions	126	86
Employee contributions	48	33
Benefits paid	(8)	(16)
<b>At 31 August 2022</b>	<b>3,915</b>	<b>1,814</b>

**25. Operating lease commitments**

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £000	2021 £000
Amounts due within one year	2	5
Amounts due in two and five years	-	2
	<b>2</b>	<b>7</b>

**26. Members' liability**

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

**NORTHERN LIGHTS LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**27. Related party transactions**

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

Expenditure related party transactions

Jacksons Law — a company in which P Clark was a partner;

- The academy trust purchased HR and employment advice from Jacksons law totalling £944 (2021: £4,500) during the period. The amount outstanding at 31 August 2022 was £nil (2021: £nil)
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which P Clark neither participated in, nor influenced
- In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021

Schools North East— a business in which J Heaton is a Director;

- The academy trust purchased HR and employment advice from Schools North East totalling £714 (2021: £nil) during the period. The amount outstanding at 31 August 2022 was £nil (2021: £nil)
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which J Heaton neither participated in, nor influenced
- In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021

Emmerson Marketing - a business in which M Emmerson, a Trustee until 15 November 2021, holds an interest.

- The academy trust purchased HR and employment advice from Emmerson Marketing totalling £2,200 (2021: £nil) during the period. The amount outstanding at 31 August 2022 was £nil (2021: £nil)
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which M Emmerson neither participated in, nor influenced
- In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021

Income related party transactions

- During the year the academy trust received £85 from Schools North East, a business in which J Heaton is a Director.

In entering into these transactions, the academy trust has complied with the requirements of the Academy Trust Handbook 2021.