

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 2023

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 25
Governance Statement	26 - 29
Statement of Regularity, Propriety and Compliance	30
Statement of Trustees' Responsibilities	31
Independent Auditors' Report on the Financial Statements	32 - 35
Independent Reporting Accountant's Report on Regularity	36 - 37
Statement of Financial Activities Incorporating Income and Expenditure Account	38 - 39
Balance Sheet	40
Statement of Cash Flows	41
Notes to the Financial Statements	42 - 73

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

N Wyrley-Birch
S Pickering
B Hart (resigned 12 November 2023)
Ven B Cooper
M Stouph (resigned 11 July 2023)
K Hammond (appointed 11 July 2023)

Trustees

M Stouph, Chair (resigned 11 July 2023)
K Hammond, Chair (appointed 11 July 2023)
P Clark (resigned 10 November 2022)
J Heaton, CEO and Accounting Officer
C Hodgson (resigned 1 October 2023)
C Inkster
B Jones (appointed 1 February 2023)
M Laidler (appointed 4 January 2023)
S Lymer
P Olsen
L Roberts (appointed 12 September 2023)
D Tolhurst (appointed 1 February 2023)
N Williams (appointed 1 February 2023)
J Brine (appointed 13 November 2023)

Company registered number

07909140

Company name

Northern Lights Learning Trust

Principal and registered office

Benedict Biscop CE Academy
Marcross Drive
Moorside
Sunderland
SR3 2RE

Company secretary

C Henderson (resigned 16 November 2023)
H V Richardson (appointed 16 November 2023)

Chief executive officer

J Heaton

Corporate Senior management team

J Heaton, CEO
H Swinhoe, CFO (COFO until 31 January 2023)

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

L Cockburn, COO (from 1 February 2023)

Independent auditors

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

Bankers

Lloyds Bank Plc
54 Fawcett Street
Sunderland
SR1 1SF

Solicitors

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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates four Church of England academies and three community academies for pupils aged 2-16 years, serving communities in Sunderland, Washington, Hartlepool and Stockton, 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. In November 2022 the trust was also designated as a DfE Early Years Stronger Practice Hub. The hub works across the North East with the whole Early Years sector from birth to pre-reception to improve outcomes for children linked to the Covid Recovery programme.

The academies combined pupil capacity is 3,230 including nursery and had a roll of 3,098 pupils in the school census on 18 May 2023.

Ian Ramsey CE Academy and Venerable Bede CE Academy transferred into the trust from Dayspring Trust on 1 February 2023.

Pupils are admitted in accordance with our Admissions Policy which is ratified annually by the Board of Trustees. 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 academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of 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.

The Teaching School Hub trades as Northern Lights Teaching School Hub and the Early Years Stronger Practice Hub trades as Northern Lights Early Years Stronger Practice Hub.

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

Members' liability

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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Trustees' indemnities

Trustees 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.

Method of recruitment and appointment or election of Trustees

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 Trustees
- 11 Trustees — 1 of whom is the CEO

The Members are responsible for appointing the Trustees 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 Trustees 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. Trustees may approach potential Trustees whose skills appear to meet the requirements of the skills audit. The person applying to be a Trustee 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 Trustee 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 Trustee, any Trustee may be re-appointed or re-elected.

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

Policies and procedures adopted for the induction and training of Directors

All Trustees are provided with an induction pack which provides them with an overview of Northern Lights Learning Trust, and an overview of the academies in the Trust, an understanding of charity aspects, an understanding of the role of a Trustee, 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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

- Nolan Principles
- NLLT Code of Conduct
- Relevant Governance Handbook/DfE documentation

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

Northern Lights Learning Trust Trustees 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)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Organisational structure

The Trust's unified management structure has been reviewed during 2022/23 and consists of 4 levels:

- Board of Trustees
- CEO, CFO and COO
- Executive Leadership Team (CEO, CFO, COO, Exec Headteacher, Director of Education, Headteachers/Heads of Schools)
- Senior Leadership Teams (SLT)

The Trustees 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 Executive Leadership team and SLT teams who follow policies determined and adopted by the Trustees.

The CEO, CFO, Headteachers, Department Budgetholders and Trustees are responsible for the authorisation of spending within agreed budgets as stated in the Scheme of Delegation and Finance Policy. The CEO, COO, Headteachers and Trustees are responsible for the appointment of staff.

The Chief Finance Officer is responsible for the management of the financial systems, sourcing additional funds and ensuring efficient and effective use of resources. The Chief 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, Senior Assistant Headteacher and two Assistant Headteachers. Hart Primary and St Peter's Elwick CofE Primary School's Senior Leadership Team consists of an Executive Headteacher across both Schools, with each School having a Head of School and a shared Assistant Headteacher. St. Helen's Senior Leadership Team consists of an Executive Headteacher, a Head of School, Deputy Headteacher and 2 Assistant Headteachers. Holley Park Senior Leadership Team consists of Headteacher, Deputy Headteacher and Assistant Headteacher. Ian Ramsey's Leadership Team consists of Headteacher, Deputy Headteachers, Senior Assistant Headteacher and 5 Assistant Headteachers. Venerable Bede's Leadership Team consists of Headteacher, 2 Deputy Headteachers and 3 Assistant Headteachers. The Senior Leadership Team are responsible for all elements of Teaching and Learning in their schools.

Network meetings take place across the Trust, including:

- Safeguarding network meetings for Trustee Safeguarding link and Safeguarding Links of each individual school
- A wide range of subject specific networks
- DSL meetings
- Core support for Headteachers

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Arrangements for setting pay and remuneration of key management personnel

Trustees 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 also 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 Trustees who decide any pay awards within the identified pay range for individuals. Additional responsibilities are also taken into account.

Additionally, in 2022-23 the trust engaged an external company to complete an independent review of executive team pay providing the trust with recommendations to further inform their pay and remuneration decisions.

a. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £000

Total cost of facility time	-
Total pay bill	11,351
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Related parties and other connected charities and organisations

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

There have been related party transactions within the accounting period. J Heaton is also a trustee of Schools North East and the trust have a partnership agreement with them. The company is not for profit and is therefore deemed to be at cost. S Lymer a trustee, is also a trustee for the Legacy Learning Trust in her role as CEO. The trust has purchased services from schools within the Legacy Learning Trust as party of the DfE funded Stronger Practice Hub. The conditions of the stronger practice hub grant require the services to be at cost.

Business Interests are declared on the website and further detail of transactions during the year can be found in Note 26.

Engagement with employees (including disabled persons)

Over 2022/23 the trust has more than doubled in size in regards to the number of employees who are employed. Various communication methods have been utilized to ensure employees are provided with all information which may be a matter of concern for them. This includes the migration of Microsoft systems, so all staff have access to a global address book and access to shared teams. We developed Our Northern Lights World newsletter which provides information on things happening in each of our schools. All staff were invited to a trust conference as part of their professional development which took place in September 2023. The Trust conducts an annual survey collecting views from all staff on a number of key areas. Working groups have been formed as a method to consult with employees on a range of issues which could impact on the company's performance, for example the publication of new policies.

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all main areas of the academy trust. The policy of the academy trust is to support recruitment and retention of students and employees with disabilities. The academy trust does this by making all required adjustments, by making support resources available and through training and career development. Any applicants meeting the essential criteria are automatically invited to interview in all recruitment processes. The Trust is a registered disability confident employer.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

Objects and aims

The principal objective and activity of the charitable company, Northern Lights Learning Trust, is to provide outstanding education for pupils of all abilities between the ages of 2-16. 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 Seaham, at Central Trust offices. Offices are also held at Benedict Biscop CE Academy in Sunderland.

School	When joined Trust	Ofsted	SIAMS
Benedict Biscop CE Academy	2012	Outstanding (2012)	Outstanding (March 2017)
St. Peter's Elwick CofE Primary	2018	Good with Outstanding for Leadership & Management, Behaviour & Attitudes and Personal Development (2023)	Excellent (2022)
Hart Primary	2018	Good (2022)	N/A
St. Helen's Primary	2022	Good (2019)	N/A
Holley Park Primary	2022	Good (2018)	N/A
Venerable Bede CE Secondary Academy	February 2023	Good (2021)	Outstanding (June 2017)
Ian Ramsey CE Secondary Academy	February 2023	Good (2022)	Good (May 2016)

All academies are non-selective and offer pupils a broad curriculum, The pupils who attend the academies live mainly in the surrounding areas. 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 schools. We firmly believe that we are stronger together.

Trust vision: Shining Stronger Together, Children at the heart of everything we do. To support each other to ensure that all pupils in our Trust receive the best holistic education, alongside high-quality staff development, to ensure everyone can be their authentic best self.

Our vision for excellent education is that we work in partnership to raise each other up to the highest

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

aspirational standards. We keep children and young people 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 — Our schools are embedded in their communities and a sense of community is a responsibility as well as a value, embracing belonging, kindness, compassion, respect and the opportunities it brings.
3. Support — The rock upon which we choose to lean or the foundation of help we can give to others in our Trust and in the wider system including our initial teacher training and our DfE Teaching School Hub.
4. Integrity — Doing what we say we will do, retaining authenticity and humility.
5. Pride — We always do the best we can to instil pride and we are proud of what we achieve and the difference we make.

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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

Objectives, strategies and activities

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

Trust Development Plan Objectives for 2022-23

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

1.	To further develop the quality of teaching through the development of all staff understanding of metacognition, impacting on pupil progress and outcomes
2.	To develop the power of pupils' voice to ensure that all of our children's voices are heard in a variety of ways
3.	To further embed the Trust values and the culture of our Trust as one organisation – 'The Northern Lights Way' (including Thrive & CPD workstream)
4.	To review our Growth strategy as the Trust grows, including the alignment with our communication strategy
5.	To standardise our quality assurance, including data collection, performance management and our use of shared language, to ensure clarity and impact on pupil outcomes
6.	To develop our Trust-wide safeguarding approach to ensure effective safeguarding practices across the growing Trust (including attendance)
7.	To ensure effective induction and deployment of central staff and clear systems in place for achieving our core purpose
8.	To further develop the effectiveness of our self-evaluation of Northern Lights as a 'successful strong' Trust

Trustees 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 also implemented a Quality Assurance Group who have met regularly to monitor impact on educational outcomes.

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 previously with 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 £92,425.07. This has been spent on developing our Trust to strengthen it to grow, as a result of the 2 secondary schools joining this year. We have submitted additional TCaF bids which if awarded will be spent to further develop the growth of our Trust in 2023-24.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

Public benefit

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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and Performance

Key performance indicators

Safeguarding All safeguarding arrangements in all academies was effective for 2022-23. 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 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 sit on the Dfe National Recruitment & Retention Advisory Group and the Dfe North East Regional Director Advisory Board. 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: 2022-2023 Statutory Data (primary)

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)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

Good Level of Development

	Good Level of Development	% Phonics Check
Benedict Biscop	80%	96%
Hart	71%	93%
Holley Park	75%	95%
St Helen's	64%	88%
St Peter's Eiwick	87%	100%
Trust Average	75%	94%
National	<i>FFT National 68%</i>	79%

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

Key Stage 1

	Expec + R	WGD R	Expec + W	WGD W	Expec + M	WGD M	Expec+ Combined RWM	WGD % Combined RWB
Benedict Bliscop	93%	37%	90%	40%	96%	33%	87%	20%
Hart	93%	13%	87%	13%	93%	27%	87%	7%
Holley Park	84%	41%	81%	30%	35%	35%	65%	27%
St Helen's	80%	11%	76%	3%	80%	11%	76%	3%
St Peters Elwick	86%	29%	86%	21%	86%	36%	86%	21%
Trust Average	86%	27%	83%	25%	89%	28%	81%	16%
National	68%	19%	60%	8%	70%	16%	51%	6%

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

Y4 Multiplication Check

	% Passed Check	Mean Score
Benedict Biscop	68%	24.3
Hart	33%	21.0
Holley Park	58%	23.1
St Helen's	58%	21.8
St Peter's Elwick	60%	24.4
National	29%	20.2
Trust Average	55.4%	22.9

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

Key Stage 2

	Expec+ R	WGD R	Scaled Score R	Progress	Expec+ W	WGD W	Progress
Benedict Biscop	88%	31%	107	-1.9	91%	47%	2.2
Hart	63%	38%	106	-1.3	75%	6%	-1.1
Holley Park	86%	35%	107	-0.4	81%	16%	0.4
St Helen's	89%	26%	105	-0.4	79%	16%	1.2
St Peter's Elwick	100 %	50%	109	1.1	100%	43%	3.4
Trust Average	86%	33%	107	0.58	84%	26%	1.4
National Average	73%	29%	105	n/a	71%	13%	n/a

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

	Expe c+ M	WGD M	Scaled Score M	Progress	Expe c+ SPAG	WGD SPAG	Scaled Score SPAG	Expec + Comb RWM	WGD % Comb RWB
Benedict Biscop	88%	28%	107	-1.1	88%	47%	109	84%	13%
Hart	63%	25%	104	-1.1	81%	38%	105	50%	6%
Holley Park	83%	16%	105	-1.2	83%	35%	107	72%	5%
St Helen's	81%	16%	104	-0.4	80%	40%	106	79%	0%
St Peter's Elwick	100%	59%	110	3.1	100%	50%	109	100%	29%
Trust Average	83%	24%	106	1	84%	41%	107	77%	11%
National	73%	24%	104	n/a	72%	30%	105	59%	8%

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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

Academic: 2022-2023 Statutory Data (secondary)

**Results 2022-
23**

		IR	VB	2022 Nat
P8	All	-0.18	-0.96	-0.03
	Boys	-0.36	-1.1	-0.21
	Girls	0	-0.85	0.15
	<i>Gender Gap</i>	<i>0.36</i>	<i>-0.25</i>	<i>0.36</i>
	Disadvantaged	-0.44	-1.35	-0.55
	Other	-0.09	-0.82	0.15
	Disad Gap	<i>0.35</i>	<i>-0.53</i>	<i>0.7</i>
	SEN E	-4.23	0.8	-1.35
	SEN K	-0.72	-1.33	-0.48
	% Positive P8	37.80%	23.70%	
A8	All	44.9	41.9	48.7
	Boys	44.3	39.5	46.2
	Girls	45.5	43.8	51.3
	Disadvantaged	38.5	35.3	37.5
	Other	47.2	44.2	
	SEN E	3	23	14.3
	SEN K	30.3	27.2	34.8
Basics & EBacc	4+ Eng & Maths	68.20%	59.00%	68.6
	5+ Eng & Maths	43.20%	35.00%	49.6
	EBacc Pass	12.70%	23.00%	26.7
	EBacc Good Pass	4.70%	17.00%	20.2
	EBacc Entry	43.20%	39.00%	38.7
	EBacc APS	3.8	3.68	4.27
	Prior Attainment	0	107	-

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

Attendance:

SCHOOL	ATTENDANCE — Sept 2022-July
Hart Primary	94.4%
St. Peter's Elwick CE	96.3%
Benedict Biscop	96.5%
St. Helen's	94.0%
Holley Park	94.5%
Ian Ramsey	90.4%
Venerable Bede	87.5%
PRIMARY WHOLE TRUST Data	95.1%
Secondary Whole Trust Data	89.2%

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and Performance (continued)

Key Performance	Benedict Biscop CE	Hart Primary	St Peter's CofE	St Helen's	Holly Park Academy	Ian Ramsey from 1 Feb 2023	Venerable Bede from 1 Feb 2023	TOTAL
GAG Funding	£994k	£535k	£490k	£1,178k	£1,071k	£3,862k	£3,024k	£11,159k
Total revenue income	£1,648k	£749k	£680k	£1,824k	£1,471k	£5,426k	£3,835k	£15,633k
Total Staffing	£1,209k	£531k	£491k	£1,381k	£1,132k	£3,578k	£2,867k	£11,190k
Total expenditure	£1,564k	£705k	£643k	£1,784k	£1,374k	£4,586k	£3,585k	£14,241k
Reserves as at 31/8/23	£260k	£132k	£114k	£398k	£273k	£647k	£100k	£1,924k
Reserves as % of GAG	26%	25%	23%	34%	25%	10%	2%	17%

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The majority of the Trust's income is 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 2023 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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

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.

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 reserves the Trust has.

During the year ended 31 August 2023, total expenditure of £16,025,000 was in excess of recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding pension reserve movements and restricted fixed asset funds) was £904,000.

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

At 31 August 2023 net book value of fixed assets was £6,483,000 and movements in tangible fixed assets are shown in note 14 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 £- recognised on the Balance Sheet.

The Trust held fund balances as at 31 August 2023 of £9,397,000 comprising £58,000 of restricted general funds, £6,939,000 of restricted fixed asset funds, a pension deficit of £- and £2,400,000 of unrestricted funds.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The Trustees are responsible for determining the level of financial reserves to be carried forward at the end of any financial period. The Trustees 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 Trustees 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 Trustees 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 Trustees will consider the School Development Plans for capital developments required. The Trustees 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 £1,500,000 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, his figure will grow in proportion.

Funds cannot be realised by disposing of tangible fixed assets.

The amount of reserves shown is above the 5-year target of £1,500,000. This has been realised through prudent financial planning and is currently £2,458,000.

The reserves policy is reviewed annually and consideration given to how any excess funds should be utilised.

Investment policy

The Trust has made no investments throughout the 2022-23 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 viability 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 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.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 are regular internal reviews of all risk management issues led by various staff e.g. Director of Estates, Chief Operating Officer and Chief Finance Officer and teaching staff. However, there is also ongoing reviews in response to situations or new legislation or information.

The Trust considers all risks and the Trustees 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, data protection and in relation to the control of finance. They use systems, including operational procedures and internal financial controls. The Trustees are satisfied that systems are in place to mitigate exposure to major risks.

The trust identified risks with regard to the merger of a primary and secondary trust and have mitigated the risk by appointing to the board trustees with secondary education experience and knowledge of the schools transferring in. Appointments of a Director of Education for Secondary and a Director of Quality Assurance and School Improvement will further mitigate the risk in the future.

Fundraising

The Trustees 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 in addition to Local charities 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.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 have recently been approved for Grange Primary School in Hartlepool to convert and join our trust and are exploring the transfer of St Aidan's CE Academy into the trust a Church of England secondary school within Darlington. We have applied for TCAF funding to strengthen our Trust to further develop. We will continue to monitor and review our growth strategy.

Funds held as custodian on behalf of others

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

Auditors

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 28 December 2023 and signed on its behalf by:



K Hammond
Chair of Trustees

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees 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 Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year and held their Annual General Meeting.

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

Trustee	Meetings attended	Out of a possible
Katie Hammond (Chair)	6	6
Mark Stouph (Chair to July23)	6	6
Peter Olsen	4	6
Sarah Lymer	3	6
Michael Laidler (appointed 4th Jan 2023)	3	3
Rev David Tolhurst (appointed 1st Feb 2023)	1	3
Neil Williams (appointed 1st Feb 2023)	3	3
Beverley Jones (appointed 1st Feb 2023)	3	3
Christine Inkster	6	6
Catherine Hodgson	2	6
Jo Heaton (CEO and Accounting Officer)	6	6

Northern Lights Learning Trust manages conflicts of interest by requesting declarations of interest from all Trustees 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 developing 5-year 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.

There are additional committees for the governance of the Teaching School Hub and Early Years Stronger Practice Hub and a working group focusing on Due Diligence has continued this year.

In 2022-23 a standards committee was formed and added to the Board structure as a result of the Trust Growth.

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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

provision and managing any proposed risks

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Olsen, Chair	5	5
M Stouph (resigned 11 July 2023)	5	5
S Lymer	3	5
K Hammond	5	5
N Williams (appointed 1st Feb 2023)	1	1
D Tolhurst (appointed 1st Feb 2023)	1	1
J Heaton (observer only)	5	5

Review of value for money

As accounting officer, the CEO has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the academy 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.
- Continual review of SLA's to negotiate savings and to streamline contracts across the Trust.
- Appointment of apprentices to build capacity and invest in staff development.
- Collaborative working across the Trust to reduce duplication.
- Covering temporary staff absences internally by relocating staff to achieve savings across the trust
- Covering a vacant role by sharing responsibility across existing staff with the key skills while recruitment processes were carried out.
- Restructuring of admin roles to minimize the need to recruit additional staff
- Restructuring of Senior Leadership Teams to ensure leadership capacity retaining existing staff and ensuring the best outcomes for pupils
- Review of all vacancies to ensure roles are relevant to current trust position
- Appointment of a Director of Estates to ensure all buildings are safe, well maintained and statutorily compliant
- Using TCAF funding to purchase Every to allow for accessible compliance management across the trust
- Using TCAF funding to purchase a new budgeting system for more real time budget monitoring

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Northern Lights Learning Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Azets.

This option has been chosen because it provides an independent opinion on the systems applied within the trust.

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 of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of the implementation of systems for academies new to the trust
- test of governance arrangements including the management of business interests

On a termly basis, the auditor reports to the Board of Trustees, through the Finance, Audit and Risk Management committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the auditor 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.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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:

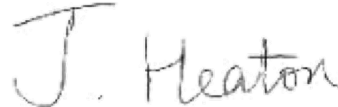
- the work of the internal auditor;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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.

Approved by order of the members of the Board of Trustees on 28 December 2023 and signed on their behalf by:



K Hammond
Trustee



J Heaton
Accounting Officer

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Northern Lights Learning Trust I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, 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 2022, including responsibilities for estates safety and management.

I confirm that I and the Trust Board of Trustees 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 2022.

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



J Heaton
Accounting Officer
Date: 28 December 2023

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 28 December 2023 and signed on its behalf by:



K Hammond
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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Trustees 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 Trustees 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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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. 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:

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 2022 to 2023, 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 2022 to 31 August 2023 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 Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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;
- Review of credit card 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 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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

Date:

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		-	-	-	-	1,809
Acquired from existing academy trust		951	10	1,474	2,435	1,999
Other donations and capital grants		-	14	137	151	93
Other trading activities		350	-	-	350	175
Investments	6	8	-	-	8	-
Charitable activities:						
Academy educational operations		525	13,899	-	14,424	3,511
Teaching school & early years stronger practice hub		-	673	-	673	287
Total income		1,834	14,596	1,611	18,041	7,874
Expenditure on:						
Raising funds		-	25	-	25	2
Charitable activities		648	15,067	285	16,000	4,478
Total expenditure		648	15,092	285	16,025	4,480
Net movement in funds before other recognised gains/(losses)		1,186	(496)	1,326	2,016	3,394
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	2,546	-	2,546	2,612
Asset ceiling restriction		-	(1,958)	-	(1,958)	-
Net movement in funds		1,186	92	1,326	2,604	6,006
Reconciliation of funds:						
Total funds brought forward		1,214	(34)	5,613	6,793	787

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Note					
Net movement in funds	1,186	92	1,326	2,604	6,006
Total funds carried forward	<u>2,400</u>	<u>58</u>	<u>6,939</u>	<u>9,397</u>	<u>6,793</u>

NORTHERN LIGHTS LEARNING TRUST

(A Company Limited by Guarantee)

REGISTERED NUMBER: 07909140

**BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	6,483	5,588
		6,483	5,588
Current assets			
Debtors	15	2,872	1,309
Cash at bank and in hand		2,431	489
		5,303	1,798
Creditors: amounts falling due within one year	16	(2,389)	(526)
		2,914	1,272
Net current assets		2,914	1,272
Total assets less current liabilities		9,397	6,860
Net assets excluding pension asset / liability		9,397	6,860
Defined benefit pension scheme asset / liability	24	-	(67)
Total net assets		9,397	6,793
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	6,939	5,613
Restricted income funds	17	58	33
		6,997	5,646
Restricted funds excluding pension asset	17	6,997	5,646
Pension reserve	17	-	(67)
		6,997	5,579
Total restricted funds	17	6,997	5,579
Unrestricted income funds	17	2,400	1,214
		9,397	6,793
Total funds		9,397	6,793

The financial statements on pages 38 to 73 were approved by the Trustees, and authorised for issue on 28 December 2023 and are signed on their behalf, by:



K Hammond
Chair of trustees

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	949	(281)
Cash flows from investing activities	20	993	51
Change in cash and cash equivalents in the year		1,942	(230)
Cash and cash equivalents at the beginning of the year		489	719
Cash and cash equivalents at the end of the year	21, 22	2,431	489

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 2023

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 2023

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 15. 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 16. 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 2023

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 Trustees.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency, Department for Education and Local Authority.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

The original local Government Pension scheme valuations showed an asset of £1,958,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Trustees have considered the potential benefits to the trust. On the basis that the future value of employer contributions in respect of service costs £445,000 exceed the employer future service costs £416,000 combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £Nil.

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 £285,000.

Critical areas of judgement:

Land – Land is held under 125 year lease(s) from Sunderland City Council, Stockton Borough 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.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

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 the Diocesan schools 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.

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations					
Income on Conversion	-	-	-	-	1,809
Income on transfer	951	10	1,474	2,435	1,999
Subtotal detailed disclosure	<u>951</u>	<u>10</u>	<u>1,474</u>	<u>2,435</u>	<u>3,808</u>
Other Donations	-	14	-	14	19
Capital Grants	-	-	137	137	74
Subtotal	<u>-</u>	<u>14</u>	<u>137</u>	<u>151</u>	<u>93</u>
	<u>951</u>	<u>24</u>	<u>1,611</u>	<u>2,586</u>	<u>3,901</u>
Total 2022	<u>487</u>	<u>(606)</u>	<u>4,020</u>	<u>3,901</u>	

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	11,159	11,159	2,458
Other DfE/ESFA grants				
Start Up Grants	-	-	-	25
Pupil Premium	-	617	617	107
PE and Sport Premium	-	88	88	52
UIFSM	-	148	148	101
Rates	-	89	89	7
Insurance	-	6	6	2
Teachers' pay grant	-	3	3	2
Teachers' pension grant	-	9	9	6
Other DfE/ESFA grants	-	158	158	148
Supplementary grant	-	276	276	-
Mainstream School Additional Grant	-	247	247	-
	-	12,800	12,800	2,908
Other Government grants				
SEN	-	240	240	47
Early Years Funding	-	551	551	332
Local authority grants	-	78	78	56
Other government grants	-	2	2	2
	-	871	871	437
Other income from the academy trust's educational operations				
	525	91	616	141
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	-	8
Other DfE/ESFA COVID-19 funding	-	90	90	2
	-	90	90	10
COVID-19 additional funding (non-DfE/ESFA)				
Other COVID-19 funding	-	47	47	15
	-	47	47	15
	525	13,899	14,424	3,511

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

Teaching school hub

DfE/ESFA grants	-	601	601	170
Other income	-	72	72	117
	<u>-</u>	<u>673</u>	<u>673</u>	<u>287</u>
	<u>525</u>	<u>14,572</u>	<u>15,097</u>	<u>3,798</u>
Total 2022	<u>75</u>	<u>3,723</u>	<u>3,798</u>	

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from facilities and services	113	113	-
Non student catering income	2	2	1
Rental and lettings income	3	3	5
Receipts from Supply Teacher Insurance claims	22	22	7
Other	210	210	162
	<u>350</u>	<u>350</u>	<u>175</u>
Total 2022	<u>175</u>	<u>175</u>	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Short term deposits	<u>8</u>	<u>8</u>	<u>-</u>

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Expenditure on fundraising trading activities:					
Allocated support costs	-	-	25	25	2
Academy's educational operations:					
Direct costs	10,027	-	1,062	11,089	2,965
Allocated support costs	1,662	1,276	1,325	4,263	1,255
Direct costs - Teaching school hub:					
Direct costs	289	-	4	293	127
Allocated support costs	81	-	274	355	131
	<u>12,059</u>	<u>1,276</u>	<u>2,690</u>	<u>16,025</u>	<u>4,480</u>
Total 2022	<u>3,331</u>	<u>324</u>	<u>825</u>	<u>4,480</u>	

In 2023 of the total expenditure, £648,000 (2022: £243,000) was to unrestricted funds and £15,092,000 (2022: £4,392,000) 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

8. Analysis of expenditure by activities

	Direct Costs 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations	11,089	4,263	15,352	4,220
Direct costs - Teaching school hub	293	355	648	258
	<u>11,382</u>	<u>4,618</u>	<u>16,000</u>	<u>4,478</u>
Total 2022	<u>3,092</u>	<u>1,386</u>	<u>4,478</u>	

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Academy's educational operations 2023 £000	Teaching school hub 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Staff costs	10,027	289	10,316	2,877
Educational supplies	478	-	478	150
Examination fees	191	-	191	-
Staff development	62	4	66	28
Technology costs	11	-	11	3
Educational consultancy	120	-	120	20
Transport	61	-	61	7
Other direct costs	139	-	139	7
	<u>11,089</u>	<u>293</u>	<u>11,382</u>	<u>3,092</u>
Total 2022	<u>2,965</u>	<u>127</u>	<u>3,092</u>	

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy's educational operations 2023 £000	Teaching school hub 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Pension finance costs	8	-	8	33
Support staff costs	1,662	81	1,743	454
Depreciation	285	-	285	114
Technology costs	211	5	216	68
Staff expenses	53	2	55	9
Supply insurance	46	-	46	31
Transport	8	2	10	1
Premises costs	192	-	192	66
Cleaning	115	-	115	42
Other premises costs	142	-	142	48
Energy	352	-	352	68
Rent and rates	125	21	146	15
Insurance	48	-	48	12
Operating lease rentals	-	-	-	5
Catering	592	-	592	148
Legal costs - other	84	138	222	60
Security	14	-	14	2
Other support costs	295	106	401	194
Governance costs	31	-	31	16
	<u>4,263</u>	<u>355</u>	<u>4,618</u>	<u>1,386</u>
Total 2022	<u>1,255</u>	<u>131</u>	<u>1,386</u>	

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	-	5
Depreciation of tangible fixed assets	148	114
Fees paid to auditors for:		
- audit	16	10
- other services	2	1
	166	130

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	8,563	2,252
Social security costs	804	212
Pension costs	1,984	813
	11,351	3,277
Agency staff costs	640	16
Staff restructuring costs	68	38
	12,059	3,331

Included in operating costs of defined pension schemes is a charge of £214,000 (2022: £358,000) relating to the pension deficit actuarial adjustment.

Staff restructuring costs comprise:

	2023 £000	2022 £000
Severance payments	68	38
	68	38

The academy trust paid 1 Severance payment during the year. This payment was in the £65,001 to £70,000 band.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff (continued)

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

Included in staff restructuring costs are special severance payments totalling £30,000. This related to one individual payment of £30,000.

c. Staff numbers

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

	2023 No.	2022 No.
Teacher	108	30
Administration and Support	186	49
Management	22	5
	316	84
	316	84

d. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	2	-
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	-
	1	-
	1	-

e. Key management personnel

The key management personnel of the Academy comprise the Trustees 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 £2,321,000 (2022 - £806,000).

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. 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:

	2023 £000	2022 £000
Hart Primary School	32	33
St Peter's Elwick C of E Primary School	29	29
Benedict Biscop C of E Academy	60	64
St Helens Primary School	71	16
Holley Park Academy	65	11
Venerable Bede CE Academy	182	-
Ian Ramsey CE Academy	232	-
	671	153
	671	153

12. Trustees' remuneration and expenses

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

		2023 £000	2022 £000
J Heaton, (Accounting Officer, CEO)	Remuneration	105 - 110	80 - 85
	Pension contributions paid	25 - 30	15 - 20

During the year, trustees were reimbursed £1,000 (2022: £1,000) 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 2023

13. Trustees' 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 Trustees 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 Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

14. Tangible fixed assets

	Leasehold land and buildings £000	Leasehold buildings improvements £000	Computer equipment £000	Furniture, fittings & equipment £000	Total £000
Cost					
At 1 September 2022	5,374	299	283	381	6,337
Additions	-	671	124	15	810
On acquisition of subsidiaries	-	84	231	55	370
At 31 August 2023	5,374	1,054	638	451	7,517
Depreciation					
At 1 September 2022	156	46	200	347	749
Charge for the year	118	9	140	18	285
At 31 August 2023	274	55	340	365	1,034
Net book value					
At 31 August 2023	5,100	999	298	86	6,483
At 31 August 2022	5,218	253	83	34	5,588

15. Debtors

	2023 £000	2022 £000
Due within one year		
Trade debtors	258	87
Prepayments and accrued income	2,025	1,089
Vat recoverable	589	133
	2,872	1,309

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	707	143
Other taxation and social security	270	77
Other creditors	31	83
Accruals and deferred income	1,381	223
	2,389	526
	2,389	526
	2023	2022
	£000	£000
Deferred income at 1 September 2022	98	39
Resources deferred during the year	166	98
Amounts released from previous periods	(98)	(39)
	166	98
Deferred income at 31 August 2023	166	98

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 2023

17. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds					
General Funds	1,214	1,834	(648)	-	2,400
Restricted general funds					
General Annual Grants(GAG)	-	11,159	(11,159)	-	-
Pupil Premium	-	617	(617)	-	-
Other DfE/ESFA Grants	-	1,024	(1,024)	-	-
Other Government Grants	-	631	(631)	-	-
SEN	-	240	(240)	-	-
Other DfE/ ESFA COVID-19 funding	-	137	(137)	-	-
Non government non grant income	-	91	(91)	-	-
Teaching Hub	33	673	(648)	-	58
Donations	-	14	(14)	-	-
Funds received on conversion	-	317	(317)	-	-
Pension reserve	(67)	(307)	(214)	588	-
	(34)	14,596	(15,092)	588	58
Restricted fixed asset funds					
Inherited on conversion	5,031	1,474	(285)	-	6,220
DfE group capital grants	115	137	-	-	252
Capital expenditure from GAG	427	-	-	-	427
Local authority capital grants	40	-	-	-	40
	5,613	1,611	(285)	-	6,939
Total Restricted funds	5,579	16,207	(15,377)	588	6,997
Total funds	6,793	18,041	(16,025)	588	9,397

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. 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, teachers' pension grant, MSAG and Supplementary funding.

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.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 23.

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.

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

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 2023.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds					
General Funds	450	803	(39)	-	1,214
Restricted general funds					
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)	-	-
Non government non grant income	-	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)
	(1,370)	3,051	(4,327)	2,612	(34)
Restricted fixed asset funds					
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
	1,707	4,020	(114)	-	5,613
Total Restricted funds	337	7,071	(4,441)	2,612	5,579
Total funds	787	7,874	(4,480)	2,612	6,793

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Hart Primary School	132	122
St Peter's Elwick C of E Primary School	114	108
Benedict Biscop C of E Academy	260	242
St Helens Primary School	398	433
Holley Park Academy	273	243
Venerable Bede	100	-
Ian Ramsey	647	-
Teaching Hub	58	33
Central	476	66
	2,458	1,247
Total before fixed asset funds and pension reserve	2,458	1,247
Restricted fixed asset fund	6,939	5,613
Pension reserve	-	(67)
	9,397	6,793
Total	9,397	6,793

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 2023 £000	Total 2022 £000
Hart Community Primary School	443	78	21	163	705	651
St Peter's Elwick C of E Primary School	397	70	25	151	643	589
Benedict Biscop C of E Academy	1,028	147	69	321	1,565	1,455
St Helens Primary School	1,244	97	106	337	1,784	517
Holley Park Academy	948	158	72	195	1,373	218
Venerable Bede	2,512	347	31	694	3,584	-
Ian Ramsey	3,101	446	154	886	4,587	-

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Teaching hub	289	82	-	277	648	680
Central	354	182	-	315	851	256
Academy	<u>10,316</u>	<u>1,607</u>	<u>478</u>	<u>3,339</u>	<u>15,740</u>	<u>4,366</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	6,483	6,483
Current assets	2,957	974	1,372	5,303
Creditors due within one year	(557)	(916)	(916)	(2,389)
Total	<u>2,400</u>	<u>58</u>	<u>6,939</u>	<u>9,397</u>

Analysis of net assets between funds - prior 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)
Total	<u>1,214</u>	<u>(34)</u>	<u>5,613</u>	<u>6,793</u>

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Reconciliation of net income to net cash flow from operating activities

	2023 £000	2022 £000
Net income for the year (as per Statement of Financial Activities)	2,016	3,394
	<hr/>	<hr/>
Adjustments for:		
Depreciation	250	114
Capital grants from DfE and other capital income	(137)	(116)
Defined benefit pension scheme obligation inherited	299	831
Defined benefit pension scheme cost less contributions payable	214	358
Defined benefit pension scheme finance cost	8	33
Increase in debtors	(1,624)	(925)
Increase/(decrease) in creditors	1,959	(24)
Assets inherited on conversion	-	(2,163)
Assets transferred from existing academy trust	(2,036)	(1,783)
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	949	(281)
	<hr/> <hr/>	<hr/> <hr/>

20. Cash flows from investing activities

	2023 £000	2022 £000
Purchase of tangible fixed assets	(810)	(65)
Capital grants from DfE Group	137	116
Cash Inherited on transfer	1,666	-
	<hr/>	<hr/>
Net cash provided by investing activities	993	51
	<hr/> <hr/>	<hr/> <hr/>

21. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	2,431	489
	<hr/>	<hr/>
Total cash and cash equivalents	2,431	489
	<hr/> <hr/>	<hr/> <hr/>

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	489	1,942	2,431
	489	1,942	2,431
	489	1,942	2,431

23. Capital commitments

	2023 £000	2022 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	88	-
	88	-

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 £ - were payable to the schemes at 31 August 2023 (2022 - £82,000) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

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 £1,339,000 (2022 - £329,000).

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.

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 2023 was £568,000 (2022 £174,000), of which employer's contributions totalled £412,000 (2022 - £126,000) and employees' contributions totalled £156,000 (2022 - £48,000). The agreed contribution rates for future years are 17.5% for employers and 5.5% - 12.5% for employees

The original local Government Pension scheme valuations showed an asset of £1,958,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Trustees have considered the potential benefits to the trust. On the basis that the future value of employer contributions in respect of service costs £445,000 exceed the employer future service costs £416,000 combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £Nil.

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.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. Pension commitments (continued)

Principal actuarial assumptions

Tyne and Wear Pension Fund

	2023 %	2022 %
Rate of increase in salaries	5.00	4.05
Rate of increase for pensions in payment/inflation	2.60	3.05
Discount rate for scheme liabilities	4.10	4.25
Inflation assumption (CPI)	2.60	3.05
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:

	2023 Years	2022 Years
Retiring today		
Males	21.0	21.7
Females	24.1	23.5
Retiring in 20 years		
Males	22.2	22.9
Females	25.5	25.3
	25.5	25.3

Teesside Pension Fund

	2023 %	2022 %
Rate of increase in salaries	3.95	4.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05
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:

	2023 Years	2022 Years
Retiring today		
Males	20.5	21.8
Females	23.5	25.0
Retiring in 20 years		
Males	21.3	23.5
Females	25.0	26.7
	25.0	26.7

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

Sensitivity analysis

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

	2023 £000	2022 £000
Discount rate +0.1%	(275)	(122)
Discount rate -0.1%	281	125
Mortality assumption - 1 year increase	(357)	(130)
Mortality assumption - 1 year decrease	357	130
CPI rate +0.1%	245	102
CPI rate -0.1%	(239)	(102)
	<u> </u>	<u> </u>

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

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	8,031	2,321
Government bonds	93	39
Corporate bonds	1,348	450
Property	2,108	538
Cash and other liquid assets	360	249
Multi Asset Credit	328	-
Other assets	835	318
	<u> </u>	<u> </u>
Total market value of assets	<u>13,103</u>	<u>3,915</u>

The actual return on scheme assets was £19,000 (2022 - £64,000).

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

	2023 £000	2022 £000
Current service cost	(626)	(484)
Interest income	376	36
Interest cost	(384)	(69)
	<u> </u>	<u> </u>
Total amount recognised in the Statement of Financial Activities	<u>(634)</u>	<u>(517)</u>

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Pension commitments (continued)

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

	2023 £000	2022 £000
At 1 September 2022	3,982	3,271
Conversion of academy trusts	-	1,522
Transferred in on existing academies joining the trust	8,920	1,180
Current service cost	626	484
Interest cost	384	69
Employee contributions	156	48
Actuarial gains	(2,903)	(2,584)
Benefits paid	(20)	(8)
Asset Ceiling Restriction	1,958	-
At 31 August 2023	13,103	3,982

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

	2023 £000	2022 £000
At 1 September 2022	3,915	1,814
Conversion of academy trusts	-	731
Transferred in on existing academies joining the trust	8,621	1,140
Interest income	376	36
Actuarial (losses)/gains	(357)	28
Employer contributions	412	126
Employee contributions	156	48
Benefits paid	(20)	(8)
At 31 August 2023	13,103	3,915

25. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Amounts due within one year	-	2

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 2023

27. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust 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.

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

27. Related party transactions (continued)

Expenditure related party transactions

Jacksons Law — a company in which P Clark (a trustee until 10 November 2022) was a partner:

- The academy trust purchased HR and employment advice from Jacksons law totalling £nil (2022: £944) during the period. The amount outstanding at 31 August 2023 was £nil (2022: £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 2022

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 £nil (2022: £714) during the period. The amount outstanding at 31 August 2023 was £nil (2022: £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 2022

Linthorpe Community Primary School - a School in which S Lymer, a Trustee, is also a Trustee of Legacy Learning Trust, of which Linthorpe Community Primary School is a part.

- The academy trust made purchases totalling £1,723 (2022: £nil) during the period. The amount outstanding at 31 August 2023 was £nil (2022: £nil)
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which S Lymer neither participated in, nor influenced
- In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2022

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 £nil (2022: £2,200) during the period. The amount outstanding at 31 August 2023 was £nil (2022: £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 2022

Income related party transactions

- During the year the academy trust received £nil from Schools North East (2022: £85), 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 2022

NORTHERN LIGHTS LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

28. Transfer of existing academies into the academy

On 1 February 2023, Dayspring Trust transferred into Northern Lights Learning Trust. The amounts transferred were as follows:

Dayspring Trust

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
Intangible assets			
Tangible fixed assets			
Furniture and equipment	370	-	370
Current assets			
Debtors due within one year	1,387	-	1,387
Cash at bank and in hand	1,666	-	1,666
Liabilities			
Creditors due within one year	(689)	-	(689)
Pensions			
Pensions - pension scheme liabilities	(43)	(256)	(299)
Net assets	<u>2,691</u>	<u>(256)</u>	<u>2,435</u>