

Company Registration Number: 07533271 (England & Wales)

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**Previously Known as INICIO ACADEMIES/SWIFT ACADEMIES**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2024**

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

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**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

D Bell

I Lavelle (resigned 1 April 2024)

K D Bernstone

L Job (resigned 1 April 2024)

R Bell

I Clyde (appointed 1 April 2024)

N Myers (appointed 1 April 2024)

**Directors**

I Clyde, Chair (appointed 1 April 2024)

D Bell, Chair (resigned 1 April 2024)<sup>2</sup>

Z Beach

E Chawner (appointed 1 April 2024)<sup>1</sup>

J Cornelius (resigned 1 April 2024)<sup>2</sup>

T Fisher, Accounting Officer<sup>2</sup>

M Garmston<sup>1</sup>

S A Hargrove (resigned 1 April 2024)<sup>1</sup>

D Judson, Accounting Officer (resigned 1 April 2024)<sup>1,2</sup>

G Liddle<sup>1</sup>

M Lord (appointed 1 April 2024)<sup>1</sup>

K Lyle (resigned 1 April 2024)

T L Payne (appointed 3 October 2024)

G Wynn (appointed 1 April 2024)

<sup>1</sup> Members of the Finance and Resources Committee

<sup>2</sup> Members of the Standards Committee

**Company registered number**

07533271

**Company name**

Northern Arch Learning Partnership

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Principal and registered office**

C/O Queen Elizabeth Sixth Form College  
Vane Terrace  
Darlington  
DL3 7AU

**Chief Executive Officer**

D Judson (resigned 1st April 2024)  
T Fisher (appointed 1st April 2024)

**Executive Leadership Team**

D Judson, Chief Executive Officer (resigned 1st April 2024)  
T Fisher, Chief Executive Officer (appointed 1st April 2024)  
L Marron, Chief Operating Officer (appointed 1st April 2024)  
N Wade, Strategic Development Officer (appointed 1st April 2024)  
L Job, Principal, Queen Elizabeth Sixth Form College (appointed 15th April 2024)  
A Sweeten, Head Teacher, Longfield Academy  
J Armitage, Head Teacher, The Rydal Academy  
R Somerville, Head of School, Hurworth School  
G Hart, Chief Financial Officer  
S Jones, Operations & Business Manager  
S Kochaniec, Schools HR Manager

**Independent auditors**

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

**Bankers**

Lloyds Bank plc  
21-23 Northgate  
Darlington  
Co Durham  
DL1 1TL

**Solicitors**

Weightmans LLP  
1 St James' Gate  
Newcastle upon Tyne  
NE1 4AD

## **NORTHERN ARCH LEARNING PARTNERSHIP**

**(A Company Limited by Guarantee)**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024**

The Directors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Trust operates one primary (The Rydal Academy), two secondary academies (Longfield Academy and Hurworth School) and a sixth form college (Queen Elizabeth Sixth Form College). The four academies have a combined pupil capacity of 4,365 and had a roll of 3,852 (excluding nursery and early years) in the census of Autumn 2024.

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

##### **Constitution**

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association dated 17 February 2011 are the primary governing documents of the company.

The Directors of Northern Arch Learning Partnership and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Northern Arch Learning Partnership. The terms Trustees and Directors refer to the same body of people.

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

##### **Members' liability**

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

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

The Trust has purchased insurance to protect Directors from claims arising against negligent acts, errors or omissions occurring whilst on academy business. Further details are provided in note 13.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

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

The Trust follows the process detailed in their Articles of Association and funding agreement for the appointment and removal of its Members and Directors.

As set out in the articles and funding agreement The Academy trust has the following Directors:

- 8 Directors, appointed under article 50;
- Chief Executive Officer appointed under article 57.

Appointment of Directors

The Members of the Trust shall comprise the signatories to the Memorandum and any person appointed under article 15A, provided that at any time the minimum number of Members shall not be less than three.

The Members may agree by passing a special resolution to appoint such additional Members as they see fit (article 15A).

The Members may appoint 8 Directors. The number of Directors shall not be less than three (unless determined by ordinary resolution) shall not be subject to any maximum (article 45).

Providing that the Chief Executive Officer agrees so to act, the Members may by ordinary resolution appoint the Chief Executive Officer as a Director.

Co-Opted Directors

The Directors may appoint up to 2 co-opted Directors. A 'co-opted Director' means a person who is appointed to be a Director by being co-opted by Directors who have not themselves been so appointed. The Directors may not co-opt an employee of the academy trust as a co-opted Director if the number of Directors who are employees of the academy trust would exceed one third of the total number of Directors (including the Chief Executive Officer to the extent that he or she is a trustee).

Committees of the Board of Directors

The membership of any committee of the Directors may include persons who are not Directors, provided that (with the exception of the local governing bodies) a majority of members of any such committee shall be Directors. Except in the case of the Local Governing Body, no vote on any matter shall be taken at a meeting of a committee of the Directors unless the majority of the Members present are Directors.

Local Governing Body

A Chair and Vice Chair is elected by the Directors, annually at the first meeting of the academic year.

The composition of Local Governing Bodies will be as follows (additional/fewer Governors/representatives to be appointed where deemed appropriate and in consultation with the Local Governing Body/ Principal/ Head Teacher to be considered on a case-by-case basis and are subject to the Trust Board approval.)

The Local Governing Body will be made up of:

- Head Teacher/Principal/Head of School (ex-officio)
- 5 General Governors, appointed by the Directors
- 2 Parent/carer Governors, elected by parents/carers
- 2 Teaching staff Governors, elected by teaching staff
- 1 Support staff Governor, elected by support staff

Term of Office

The term of office for any Director or Governor shall be 4 years, save that this time shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Director or Governor, any Director or Governor may be re appointed or re elected.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

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

Training is provided for Directors and Governors to reflect any current identified needs either from skills audits or current areas for development in the Trust. All new Directors and Governors are provided with induction information including the Trust's Scheme of Delegation, committee and organisational structures/roles, schedule of meeting dates, a Code of Conduct, Declaration of Interest forms, Privacy Notices and key DfE reference documents. Induction training is held for new Directors and Governors which includes explanation of the key roles and responsibilities within the Trust, accountability and professional challenge and to aid in becoming familiar with key documents. All Directors and Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role.

**Organisational structure**

The Trust operates to a Scheme of Delegation, which identifies the key decision making authorities for the academies within the Trust. It determines the functions, roles and responsibility levels undertaken by the Members, the Trust Board and those which have been delegated to the Trust Executive Team, Trust Board Committees, Local Governing Bodies and Principals/Head Teachers. The Trust's Chief Executive Officer is the Accounting Officer.

Longfield Trading Limited (Company Number: 09259824) is a 100% subsidiary company of Northern Arch Learning Partnership. The principal activity of Longfield Trading Limited is to make available the hire of the sporting facility for use by the local community and sporting clubs. Further details on related party relationships are given in note 28 to the financial statements.

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

The pay and remuneration of key management personnel is determined according to the Trust's Executive Pay Policy. The policy relates to members of the Trust's Executive Team and Governance Professional.

The Trust Board has established a Pay & Review Committee and delegated responsibility to this Committee for setting the pay of its executive staff (except for the final approval of the CEO's salary, which is to be approved by the Board). The Committee is also responsible for determining and recommending the wider Trust Pay Policy to the Trust Board, within which pay decisions for all other staff are taken.

In setting the pay of the Trust's executives, the Pay & Review Committee ensures they:

- consider the 'Essential points to consider when setting executive pay' in Setting executive salaries: guidance for academy trusts ([www.gov.uk](http://www.gov.uk))
- use a clear job description/person specification for each role
- in the case of the CEO's salary, seek independent, expert HR advice
- set Headteachers' salaries in accordance with guidance in the Trust's Pay Policy
- benchmark all executive salaries, other than those of Headteachers, against roles in similar organisations, where possible
- base all decisions on evidence and thoroughly document the decision-making process (e.g. minutes of Pay & Review Committee meeting)

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

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

<b>Percentage of pay bill spent on facility time</b>	<b>£000</b>
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Total cost of facility time	-
Total pay bill	-
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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**Engagement with Employees**

The Trust actively engages with staff through a range of methods intended to maintain effective communications. These include a weekly Trust Executive Team meeting for executive staff; regular email updates on important news or developments, informative briefings; a variety of staff meetings (both academy specific and Trust-wide); regular staff surveys as part of stakeholder engagement activities and special consultations on key topics. All staff are invited to take part in Trust Groups, which offer the opportunity for colleagues to directly influence policy direction on important themes. In addition, staff are represented on all Local Governing Bodies. The Trust actively promotes an open culture in which staff are encouraged to share their thoughts and experiences.

The Trust publishes an Equality Policy that ensures equality information and objectives are stated and communicated throughout the Trust including to staff, students, parents and carers. The equality information is updated at least every year and the objectives reviewed and updated every four years. The Equality Policy clearly sets out roles and responsibilities in relation to the treatment of employees who are or become disabled.



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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**Engagement with related parties and other connected organisations and suppliers**

The Trust has regular contract supplier meetings with its larger contracts and has a linked officer. Every contract has an agreement on both parties to work in partnership with mutual respect. KPI'S are specified with any relevant statutory requirements such as DBS compliance. The Trust will increase importance on social values and local suppliers and encourage the suppliers where relevant to be part of the Trust journey. Key updates and changes are communicated to each party to make improvements, savings and support sustainability and progress.

Given the nature of the Trust, we have a wide range of key stakeholder with whom we communicate regularly both face to face and virtually. The trust recognises the importance of these relationship which are underpinned by the trust values. Key stakeholders include,

- Students and their families
- Local communities
- Local and national employers
- Local education providers and wider national networks
- Other MAT's
- Representative groups including trade unions
- Universities
- Local authorities
- Suppliers

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

Longfield Trading Limited (LTL) is a 100% subsidiary company of Northern Arch Learning Partnership. The principal activity of Longfield Trading Limited is to make available the hire of the sporting facility for use by the local community and sporting clubs. Further details on related party relationships are given in note 29 to the financial statements.

**Objectives and activities**

**Objects and aims**

The Trust exists to advance education for people, families and communities.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Objectives and activities (continued)**

**Objectives, strategies and activities**

The Trust's vision is to build a learning community that shapes young people's development into happy, productive, independent adults,

Whilst the character and individuality of each academy is celebrated within the Trust, we share collective values through our commitment to:

- **Aspiration** – we are determined that all of our people aim high and we strive for educational excellent in all that we do.
- **Inclusion** – we care for every individual, value diversity and respect each other
- **Collaboration** – we work cooperatively and constructively as a team to serve our local and wider communities
- **Empowerment** – we believe in building every individual into a confident, capable and healthy citizen

**Intent**

In order to deliver our vision, by April 2027, we will:

- Establish a rich and productive relationship with key partners, including local communities, universities, employers and other MATs, that supports progress towards our vision
- Ensure that all staff benefit from high quality, personal and professional development activity, fueling their ambitions and building on their leadership capabilities
- Develop our learning environments to enhance sustainability, encourage ambition and support a positive, inclusive culture
- Collaborate across the Trust at all levels to support, share and inspire each other
- Empower our people by removing barriers to learning and enabling them to reach their full potential as lifelong learners
- Provide a curriculum that inspires high ambitions and excellent achievements

**Growth Strategy**

The Trust recognises the advantages of a purposeful growth strategy that adds to the capacity of the Trust to support its academies and achieve its strategic priorities. However, as indicated in the Trust Risk Register, we are also aware of the potential for growth to create issues if it is not carefully managed.

With this in mind, any future partners must meet the following criteria:

- A willingness to adhere to the Trust vision and values
- Commitment to collaborative working in the interests of all young people in the Trust's academies
- Commitment to developing colleagues and enhancing their wellbeing
- Financial stability

The Trust academies are all within the Darlington Local Authority area, but we would certainly consider partnership with academies in different locations as long as the criteria above were met.

The process of bringing other organisations into the Trust makes considerable demands upon the Trust's resources and growth will therefore always be considered in relation to any potential risks to the effective operation of existing academies.

**Objectives for the Year**

The Trust's central challenge is ensuring the individual financial viability of each academy whilst

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

#### Objectives and activities (continued)

continuing to deliver the best possible provision for our young people. Funding across all education phases remains problematic and is compounded by cost increases, such as those seen in transport, as well as other goods and services, and greater demand for services, such as mental health and SEN support. Maintaining a healthy financial profile is crucial to ensure that we are able to implement our vision.

- Maintaining sufficient enrolments (and retention) to secure adequate revenue in the face of both competition and a demographic downturn.
- Offering a curriculum that meets the needs of all of our young people.
- Improving outcomes and experiences of young people in all of our academies.
- Ensuring that all accommodation and infrastructure matches the ambitions of the Trust.
- Developing a digital strategy that builds sustainability and enhances efficiency whilst keeping people safe.
- Staff wellbeing across the Trust.
- Establishing the Trust as an employer of choice in the region.
- Developing governance to maximise its impact.
- Introducing Trust standards practice that is developmental, evidence based, and drives improvements across all academies.
- Enabling a culture of cross Trust collaboration.
- Developing leadership at all levels across the Trust.
- Driving social mobility, aspiration and opportunity for all of our young people.
- Establishing a sustainable growth strategy.
- Maximising revenue and capital funding.

To meet these challenges, individual academies will adopt approaches best suited to each specific context. In addition, the Trust will produce trust wide strategies in the following areas:

- People
- Estates
- Marketing

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Objectives and activities (continued)**

**Public benefit**

The Trust is an exempt charity under part 3 of the Charities Act and is regulated by the Secretary of State for Education. The Directors, who are Trustees of the charitable company, are disclosed on page 1

In setting the Trust's strategic plan, the Trustees had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognized as charities must demonstrate, explicitly, that their aims are for public benefit.

In delivering its mission, the Trust provides the following identifiable public benefits through the advancement of education:

- High quality teaching, learning and support
- Inclusive education
- Purposeful relationships with employers, universities and community partners
- Social mobility
- Personal development

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Objectives and activities (continued)**

**Strategic report**

**Achievements and performance**

In order to maintain a structural overview of academy performance and assess success against targets, the Board of Directors organizes its work around key themes, which enables Directors to fulfill their duties and maintain a balance between accountabilities and forward strategy, both for the Trust as a whole and individual academies. The ADEMSS Lines of Governance system was devised and implemented to enable this approach:

- Aims (including Vision, Strategy and Risk)
- Developing People
- Environment (including Infrastructure)
- Money (Finance and Resources)
- Standards
- Safeguarding

**Key performance indicators**

Reviewed Key Performance Indicators include:  
Grant income as a % of total income  
Staff Costs as a % of total revenue expenditure  
Current Ratio

	<b>2023/24 Budget</b>	<b>2023/24 Actual</b>
Grant income as a % of total income	97.40%	97.20%
Staff costs as a % of total revenue expenditure	75.41%	75.54%
Current Ratio	2:1	5:1

Each academy sets an annual improvement plan based on performance indicators and review of the previous year. The following summaries highlight academy achievements during the year.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Strategic report (continued)**

**The Rydal Academy**

The Rydal Academy was graded 'Good' by OFSTED in December 2022.

In 2024 Combined Attainment in Reading, Writing and Maths at Expectation+ was below National Averages. Disadvantaged Pupils performed broadly in-line with All pupils in all areas at Expectation+. Pupil mobility has a significant impact on outcomes. Pupils who had been on roll since Reception outperformed All pupils in Reading, Writing, Maths in all areas at Expectation+.

In 2024 Combined Attainment in Reading, Writing and Maths for pupils reaching a Higher Level of Attainment was below National Averages. Disadvantaged Pupils in-line with All pupils in all areas. Pupils who had been on roll since Reception outperformed All pupils in all areas at a Higher Level of Attainment.

**Longfield Academy**

In October 2024 a full inspection was completed and the school was graded as 'Good' in each category. There is now a focus on culture and positive attitudes to learning. Academy priorities for 2024/25 are:

- 'Brain Based learning': How children think and learn (Enquiry based Quality First Teaching, SEND provision)
- Collaborative Planning: Departmental lesson planning based on individual need; Developing middle leaders; creating a culture of 'team'.
- Developing the 'whole child' (inclusion, pledges, enrichment, culture, aspiration, and celebration).

In 2023, Longfield was the second highest school in Darlington for progress with -0.09. 2024 results are yet to be validated.

**Hurworth School**

Hurworth was inspected by OFSTED in September 2022; the school was graded as 'Good' in all areas. The school has embedded a robust and rigorous quality assurance programme.

Throughout the academic year 2022-23, the school implemented a robust and rigorous quality assurance programme, which has been complemented by the realignment of a staff development system that has focused on staff developing their pedagogy using focused whole staff training and observations. Throughout 2023-24 the school has worked to embed this system working on developing the role of the middle leaders. Moving into 2024-25, the quality assurance programme will continue with the addition of the whole school areas being robustly audited.

Results for 2024 are improved on previous years. Strong attainment outcomes in the basics as well as across the school. The early indications show that our progress data will be positive. The school's Improvement Plan for 2024 focusses on challenge and pace for all, ensuring that all students are empowered to succeed. The focus across the school remains on reading and embedding a new Personal Development programme.

A clear focus will continue towards our areas for development from OFSTED.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Strategic report (continued)**

**Queen Elizabeth Sixth Form College**

OFSTED, in its inspection in October 2024, rated QE as 'Outstanding' for its Overall effectiveness. All of the other categories (Quality of Education; Behaviour and attitudes; Personal development; Leadership and Management; Education programmes for young people; Provision for learners with high needs) were also rated as Outstanding. There were no recommendations for improvement.

As noted by OFSTED, the College has a cycle of rigorous quality assurance and improvement which is part of a culture of learning and reflective practice. The College always aims to keep improving and its Quality Improvement Plan for 2024-25 seeks to develop further the following areas: High grade rate; Attendance; Equality, Diversity and Inclusion; Student Leadership; Staff Leadership; Recruitment.

In August 2024, the College's Value-Added score for A levels of +0.14 placed it in the top 20% of sixth form colleges nationally (Sixth Sense Data).

**Going concern**

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

**Promoting the success of the company**

All decisions made by the Trust are taken with due regard to the likely long term consequences. The interests of Trust staff are always considered in decision making, with a particular emphasis on their wellbeing and work-life balance. The Trust seeks to form purposeful and responsible relationship with suppliers, customers and our communities and acts in accordance with this principle at all times. As a community-focused organisation, the Trust recognizes and seeks to promote positive and supportive relationships with our communities. These principles are reflected in our Intent statement and strategic objectives, which foreground establishing rich and productive relationships with key partners, as well as developing and enhancing sustainable learning environments. To this end, Directors and Staff play active roles in key strategic organisations and networks including the Sixth Form Colleges Association, Schools North East, and the Darlington Education Strategy Group.

The Trust has a Marketing Strategy and our marketing activity includes engagement with press and social media, as well as a regular programme of liaison visits to local education providers.

**Financial review**

Most 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 for particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities SORP (FRS102), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2024, total income of £42,207,000 was in excess of expenditure. The excess of income over expenditure for the year (before transfers, LGPS pension adjustments and actuarial gains, and excluding restricted fixed asset funds) was £5,120,000.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academy trust's objectives. At 31 August 2024 the net book value of fixed assets was £45,079,000 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 pupils of the academy trust.

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

The academy trust held fund balances at 31 August 2024 of £50,419,000 comprising £45,165,000 of restricted fixed asset funds, £464,000 of restricted general funds, £Nil of pension deficit fund and £4,790,000 of unrestricted funds.

**Reserves policy**

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

The level of reserves is reviewed by the Directors regularly throughout the year; this review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors are particularly mindful of the uncertainty in both revenue and capital funding in the future, and therefore think that it is appropriate to hold reserves of £250,000 to cover any unforeseen costs.

The Trust's current level of free reserves are in surplus by £5,254,000 these reserves are considered sufficient to cover unexpected significant cost pressures, in particular with relation to:

- Emergency repairs
- Damage to property
- Business continuity planning
- Sustainability of Associated School Transport Policy for Hurworth School

The Directors continue to review additional activities related to the academy trust's objectives which the reserves may be applied; central to this is the regular updating of the Trust Estate Strategy & Trust Development Plan that reviews and prioritises projects at all academy trust schools.

**Treasury Management and Investment policy**

Treasury management is the management of the trust cash flows, banking and investment transactions, the effective control of risks associated with these activities with the aim of balancing maximum return for low risks. The Trust has a treasury management policy in place. During the period Queen Elizabeth Sixth Form College had short term investments in building societies which met the requirements of the treasury management policy. The interest rates did not change within the period of 1st April 2024 to 31st August 2024.



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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Principal risks and uncertainties**

The system of internal control maintained by the Trust includes financial, operational and risk management which is designed to protect the assets and reputation. Risk registers are maintained at academy and trust level. The registers are reviewed on an ongoing basis by senior leaders and reported to both finance committee and board. The registers identify key risks, likelihood of risk occurring, potential impact across the Trust and actions taken to reduce or mitigate the risk. A consistent scoring system is used.

Below is a description of the key risk factors that may affect the Trust. Not all factors are within the Trust control, other factors not listed may also impact on the Trust.

1. Government funding - The principal risks and uncertainties are centred on changes in the level of funding from the DfE/ESFA. The trust regularly tracks, reports and identifies mitigating actions as well as impact assessing such changes.
2. Stronger competition from other providers that may impact on student recruitment and therefore negatively affects funding – The Trust has a robust and responsive marketing strategy that seeks to ensure student numbers are maintained in the face of demographic decline. The Trust focus on delivering high quality education that follows student and employer needs mitigates this risk.
3. External economic pressures – these are pressures associated with rising inflation, interest rates, fuel cost and pay award expectations. The risk is mitigated through ensuring reserves are in place, setting realistic budgets, continual scrutiny of financial information, procuring all supplies and services with due regard to value for money and ensuring financial implications are assessed at all levels of decision making.

**Risk management**

The academy trust is mindful of further budget pressures with cuts from the Education and Skills Funding Agency, Darlington Borough Council and increases in pension costs. As a result, all SLA's, Contracts, Services etc. are subject to ongoing review across the academy trust to maximise savings where possible.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Streamlined Energy and Carbon Reporting**

Energy Source	Consumption	Scope	Emissions calculation
Gas – total kWh (kilowatt-hours) used for the year taken from gas bills for each academy within the trust	<b>338,507 kWh</b> (gross CV (calorific value))	Scope 1	<b>338,507 kWh * 0.18290</b> (2024 fuels, natural gas conversion factor gross CV to kg Co2e)= 61,912 kgCO2e = <b>61.91 tCO2e</b>
Electricity – total kWh used for the year, taken from the electricity bills for each academy within the trust	<b>1,167,332 kWh</b>	Scope 2	<b>1,167,332 kWh * 0.20705</b> (2024 electricity conversion factor to kgCO2e) = 241,696 kgCO2e = <b>241.70 tCO2e</b>
Transport –	38,183 miles * 1.19832 (2024 SECR kWh pass & delivery vehicles, vans class 2, miles, diesel)= <b>45,755 kWh</b>	Scope 1	38,183 miles * 0.30309 (2024 delivery vehicles, vans class 2, diesel) = 11,603 kgCO2e = <b>11.60 tCO2e</b>
Transport – total mileage for petrol reimbursed from staff claims = 11,392 miles	11,392 miles * 1.14204 (2024 SECR kWh pass & delivery vehicles, average car conversion factor to kWh)= <b>13,010 kWh</b>	Scope 3	11,392 miles * 0.26473 (2024 business travel - land, average car conversion factor to kgCO2e)= 3016 kgCO2e = <b>3.02 tCO2e</b>
<b>Total</b>	<b>1,564,604 kWh</b>		<b>318.23 tCO2e</b>
Intensity ratio	Emissions data (tCO2e) compared with an appropriate business activity (pupil numbers as per Autumn census)		318.23 tCO2e/3,852 pupils = <b>0.08 tCO2e per pupil</b>

UK Greenhouse gas emissions and energy use data for the period 1 September 2023 to 31 August 2024	2023/24
Energy consumption used to calculate emissions (kWh)	1,564,604
Energy consumption break down (kWh) (optional): • gas • electricity • transport fuel	
<b>Scope 1 emissions in metric tonnes CO2e</b>	
Gas consumption	61.92
Owned transport – mini-buses	11.60
<b>Total Scope 1</b>	<b>73.52</b>
<b>Scope 2 emissions in metric tonnes CO2e</b>	
Purchased electricity	241.70
<b>Scope 3 emissions in metric tonnes CO2e</b>	
Business travel in employee owned vehicles	3.02
<b>Total gross emissions in metric tonnes CO2e</b>	<b>318.24</b>
Intensity ratio Tonnes CO2e per pupil	0.08

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Plans for future periods**

The Trust strategic plan includes objectives which are shared and understood across the Trust. In order to successfully achieve its intent, the Trust has or is developing separate strategies which identify our plans for the future. The following strategies are key to this approach:

- Marketing strategy
- Growth strategy
- People strategy
- Accommodation strategy

In addition to these each academy identifies its own priorities in academy improvement plans. The Trust has various resources that it can deploy to achieve its strategic objectives. These include:

- Cash reserve assets of £6,708,000
- Fixed asset value of £45,079,000
- Establishment of circa 450 people
- Strong reputation, Ofsted profile, outcomes and high-quality pastoral care

**Disclosure of information to auditors**

Insofar as the Directors are aware:

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

The Directors' Report was approved by order of the Board of Directors, as the company directors, on 18 December 2024 and signed on its behalf by:



**I Clyde**  
Chair

## NORTHERN ARCH LEARNING PARTNERSHIP

(A Company Limited by Guarantee)

### GOVERNANCE STATEMENT

#### Scope of responsibility

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

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

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Arch Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 4 times during the year. To maintain effective oversight of all financial matter the Finance and Resources Committee which is a sub committee formally meets an additional 3 times to oversee the academy trust financial affairs.

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

Director	Meetings attended	Out of a possible
I Clyde, Chair (appointed 1 April 2024)	2	2
D Bell, Chair (resigned 1 April 2024)	2	2
Z Beach	3	4
E Chawner (appointed 1 April 2024)	2	2
J Cornelius (resigned 1 April 2024)	1	2
T Fisher, Accounting Officer	4	4
M Garmston	4	4
S A Hargrove (resigned 1 April 2024)	2	2
D Judson (resigned 1 April 2024)	2	2
G Liddle	1	4
M Lord (appointed 1 April 2024)	2	2
K Lyle (resigned 1 April 2024)	1	2
T L Payne (appointed 4 October 2024)	0	0
G Wynn (appointed 1 April 2024)	2	2

In terms of conflicts of interest, we manage these by ensuring annual declarations are made with Directors and those involved in local governance, and this is a standard agenda item on all Full Board, Trust committees and Local Academy Committee meetings. This can be evidenced in agendas and minutes of these meetings.

In terms of conflicts of interest, we manage these by ensuring annual declarations are made with Directors and those involved in local governance, and this is a standard agenda item on all Full Board, Trust committees and Local Academy Committee meetings. This can be evidenced in agendas and minutes of these meetings. The Finance and Resources Committee is a sub committee of the main Board of Directors. The committee has formally met 3 times during the year. Its purpose is to oversee the academy trust's financial affairs and assist the decision making of the Board of Directors. Attendance at meeting in the year is as follows:

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Attendance during the year at meetings was as follows:

Committee members	Meetings attended	Out of a possible
G Liddle	3	3
S A Hargrove (resigned 1st April 2024)	2	2
D Judson, (resigned 1st April 2024)	2	2
M Garnston	1	2
Z Beach	2	2
T Fisher (Accounting Officer)	1	1
E Chawner (appointed 1st April 2024)	1	1
M Lord (appointed 1st April 2024)	1	1

**Review of value for money**

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

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

- Reviewing contracts: by ensuring that when contracts come to an end, they are reviewed to ensure value for money is achieved.
- 
- Assessing opportunities to gain value for money as a consequence of Trust growth.
- Ensuring that our estates are safe, well maintained and complies with regulations
- Income Generation. The trading arm of the academy trust continued to generate income during the period of operation. The company predominately hires the sporting facilities to the local community, with the profit being gift aided back to the academy trust. A full review of all operational activity is underway.

**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 Trust regularly reviews the risk registers, the Trust Development Plan and the audit finding report for Directors to ensure that the programme for internal scrutiny is appropriately focused. The system of internal control has been in place in Northern Arch Learning Partnership for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Capacity to handle risk**

The Board of Directors 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 Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors
- 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
- identification and management of risks

The Board of Directors has decided to buy-in an internal audit service from Anderson Barrowcliffe LLP.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of regularity procedures
- Review of any updates to the Finance Procedures Manual
- Review of meeting minutes
- Review of income recording procedures
- Review of Director appointments/resignations and declarations of interest
- Review of VAT recording procedures
- Testing of expenses and petty cash systems
- Review of Fixed Asset recording procedures
- Review of IT systems

On a termly basis, the reviewers report to the Board of Directors through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

The external auditors have delivered their schedule of work as planned and no material control issues have arisen as a result of their work.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of effectiveness**

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

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

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

**Conclusion**

Based on the advice of the audit and risk committee and the accounting officer, the Board of Directors is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Directors on 18 December 2024 and signed on their behalf by:



**I Clyde**  
Chair



**T Fisher**  
Accounting Officer

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of Northern Arch Learning Partnership I have considered my responsibility to notify the academy trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the academy trust Board of Directors are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2023.

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



**T Fisher**  
Accounting Officer  
Date: 18 December 2024



**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- 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 group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Directors on 18 December 2024 and signed on its behalf by:



**I Clyde**  
Chair

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
NORTHERN ARCH LEARNING PARTNERSHIP**

**Opinion**

We have audited the financial statements of Northern Arch Learning Partnership (the 'parent academy trust') and its subsidiaries (the 'Group') for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy trust Balance Sheet, the Consolidated 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 2023 to 2024 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 Group's and of the parent academy trust's affairs as at 31 August 2024 and of the Group's 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 2023 to 2024 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

## NORTHERN ARCH LEARNING PARTNERSHIP

(A Company Limited by Guarantee)

### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHERN ARCH LEARNING PARTNERSHIP (CONTINUED)

#### Other information

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

#### Responsibilities of Directors

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

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

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
NORTHERN ARCH LEARNING PARTNERSHIP (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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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 academy trust and whole group. 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 Directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.
- Through these procedures, we did not become aware of actual or suspected non-compliance.

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

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

**NORTHERN ARCH LEARNING PARTNERSHIP**

(A Company Limited by Guarantee)

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

**Use of our report**

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



**Christopher Beaumont BA(Hons) FCA BFP DChA (Senior Statutory Auditor)**

for and on behalf of

**Clive Owen LLP**

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

Co Durham

DL3 7RT

Date: 19 December 2024

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

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

In accordance with the terms of our engagement letter dated 16 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northern Arch Learning Partnership during the year 1 September 2023 to 31 August 2024 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 Arch Learning Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northern Arch Learning Partnership 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 Arch Learning Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Northern Arch Learning Partnership's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Northern Arch Learning Partnership's funding agreement with the Secretary of State for Education dated 21 March 2011 and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 2023 to 31 August 2024 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 trust'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;
- Review of registers of interests;

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

- 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 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Clive Owen WP*

**Clive Owen LLP**  
Reporting Accountant

140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

Date: *19 December 2024*

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
<b>Income from:</b>						
Donations and capital grants	3	4,840	476	15,713	21,029	220
Other trading activities		550	-	-	550	516
Investments	6	65	-	-	65	-
Charitable activities		580	19,983	-	20,563	14,924
<b>Total income</b>		<b>6,035</b>	<b>20,459</b>	<b>15,713</b>	<b>42,207</b>	<b>15,660</b>
<b>Expenditure on:</b>						
Charitable activities		1,685	19,142	1,048	21,875	16,663
<b>Total expenditure</b>		<b>1,685</b>	<b>19,142</b>	<b>1,048</b>	<b>21,875</b>	<b>16,663</b>
<b>Net income/(expenditure)</b>		<b>4,350</b>	<b>1,317</b>	<b>14,665</b>	<b>20,332</b>	<b>(1,003)</b>
Transfers between funds	20	(3)	(306)	309	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>4,347</b>	<b>1,011</b>	<b>14,974</b>	<b>20,332</b>	<b>(1,003)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit pension schemes	27	-	666	-	666	1,603
Other losses		-	(229)	-	(229)	-
<b>Net movement in funds</b>		<b>4,347</b>	<b>1,448</b>	<b>14,974</b>	<b>20,769</b>	<b>600</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		443	(984)	30,191	29,650	29,050
Net movement in funds		4,347	1,448	14,974	20,769	600
<b>Total funds carried forward</b>		<b>4,790</b>	<b>464</b>	<b>45,165</b>	<b>50,419</b>	<b>29,650</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 35 to 66 form part of these financial statements.



**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07533271**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Tangible assets	14	45,079	29,723
		<u>45,079</u>	<u>29,723</u>
<b>Current assets</b>			
Stocks	16	8	10
Debtors	17	747	1,139
Cash at bank and in hand		6,709	743
		<u>7,464</u>	<u>1,892</u>
Creditors: amounts falling due within one year	18	(2,028)	(890)
<b>Net current assets</b>		<u>5,436</u>	<u>1,002</u>
<b>Total assets less current liabilities</b>		<u>50,515</u>	<u>30,725</u>
Creditors: amounts falling due after more than one year	19	(96)	(91)
<b>Net assets excluding pension asset / liability</b>		<u>50,419</u>	<u>30,634</u>
Defined benefit pension scheme asset / liability	27	-	(984)
<b>Total net assets</b>		<u><u>50,419</u></u>	<u><u>29,650</u></u>

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07533271**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2024**

	Note	2024 £000	2023 £000
<b>Funds of the academy trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	45,165	30,191
Restricted income funds	20	464	-
		<u>45,629</u>	<u>30,191</u>
Restricted funds excluding pension asset	20	45,629	30,191
Pension reserve	20	-	(984)
		<u>45,629</u>	<u>(984)</u>
<b>Total restricted funds</b>	20	45,629	29,207
<b>Unrestricted income funds</b>	20	4,790	443
		<u>50,419</u>	<u>29,650</u>
<b>Total funds</b>		<u><u>50,419</u></u>	<u><u>29,650</u></u>

The financial statements on pages 30 to 66 were approved by the Directors, and authorised for issue on 18 December 2024 and are signed on their behalf, by:



**I Clyde**  
Chair

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07533271**

**ACADEMY TRUST BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Tangible assets	14	45,079	29,722
		<u>45,079</u>	<u>29,722</u>
<b>Current assets</b>			
Stocks	16	8	10
Debtors	17	725	1,112
Cash at bank and in hand		6,708	735
		<u>7,441</u>	<u>1,857</u>
Creditors: amounts falling due within one year	18	(2,018)	(884)
<b>Net current assets</b>		5,423	973
<b>Total assets less current liabilities</b>		<u>50,502</u>	<u>30,695</u>
Creditors: amounts falling due after more than one year	19	(96)	(91)
<b>Net assets excluding pension asset / liability</b>		<u>50,406</u>	<u>30,604</u>
Defined benefit pension scheme asset / liability	27	-	(984)
<b>Total net assets</b>		<u><u>50,406</u></u>	<u><u>29,620</u></u>
<b>Funds of the academy trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	45,165	30,191
Restricted income funds	20	464	-
Pension reserve	20	-	(984)
<b>Total restricted funds</b>	20	<u>45,629</u>	<u>29,207</u>
<b>Unrestricted income funds</b>	20	<u>4,777</u>	<u>413</u>
<b>Total funds</b>		<u><u>50,406</u></u>	<u><u>29,620</u></u>

The financial statements on pages 30 to 66 were approved by the Directors, and authorised for issue on 18 December 2024 and are signed on their behalf, by:

  
**I Clyde**  
Chair

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	2024 £000	2023 £000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	22	(105)	249
<b>Cash flows from investing activities</b>	24	5,889	(557)
<b>Cash flows from financing activities</b>	23	(17)	3
<b>Change in cash and cash equivalents in the year</b>		5,767	(305)
Cash and cash equivalents at the beginning of the year		743	1,048
<b>Cash and cash equivalents at the end of the year</b>	25, 26	<u>6,510</u>	<u>743</u>

The notes on pages 35 to 66 form part of these financial statements

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**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 group, 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 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the academy trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

**1.2 Going concern**

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

**1.3 Income**

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

• **Grants**

Grants are included in the Consolidated 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 Consolidated 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.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the Group)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the group's accounting policies.

**1.4 Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Basis of Consolidation**

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the academy trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The academy trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**1. Accounting policies (continued)**

**1.6 Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Consolidated 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 Consolidated 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, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 2% straight line
Leasehold property	- 2% straight line
Leasehold land	- 125 years straight line
Furniture and Equipment	- 14-33% straight line
Plant and Machinery	- 14-33% straight line
Motor Vehicle	- 14-25% straight line

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

**1.7 Investments**

The academy trust's shareholding in the wholly owned subsidiary, Longfield Trading Limited, is included in the academy trust's Balance Sheet at the cost of the share capital less impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Investments in subsidiaries are valued at cost less provision for impairment.

**1.8 Operating leases**

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

**1.9 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 group 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.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**1. Accounting policies (continued)**

**1.10 Provisions**

Provisions are recognised when the group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.11 Stocks**

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

**1.12 Taxation**

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

**1.13 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group 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 Group 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 Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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



**NORTHERN ARCH LEARNING PARTNERSHIP**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**1. Accounting policies (continued)**

**1.14 Fund accounting**

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

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

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

**1.15 Financial instruments**

The group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the group 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 17. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

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 notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

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

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

Critical accounting estimates and assumptions:

The academy trust 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 27, 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 2024. 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.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**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 £22,401 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 £1,049,000.

**Critical areas of judgment:**

**Land** – Land is held under a 125 year lease from Darlington Borough Council. These assets are included on the Balance Sheet of the group due to the significant risks and rewards of ownership belonging to the group, 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 group could use them without major modification.

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

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
<b>Donations</b>					
Acquired on conversion	4,837	476	15,639	20,952	-
Donations	3	-	-	3	87
<b>Total donations</b>	<b>4,840</b>	<b>476</b>	<b>15,639</b>	<b>20,955</b>	<b>87</b>
Capital Grants	-	-	74	74	133
<b>Total Capital grants</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>74</b>	<b>133</b>
	<b>4,840</b>	<b>476</b>	<b>15,713</b>	<b>21,029</b>	<b>220</b>
<b>Total 2023</b>	<b>87</b>	<b>-</b>	<b>133</b>	<b>220</b>	

**NORTHERN ARCH LEARNING PARTNERSHIP**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**4. Funding for the academy trust's educational operations**

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
<b>Academy's educational operations</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	12,264	12,264	11,761
<b>Other DfE/ESFA grants</b>				
Start Up Grants	-	25	25	-
Pupil Premium	-	892	892	893
PE and Sport Premium	-	21	21	21
UIFSM	-	39	39	45
16-19 Core funding	-	4,175	4,175	-
Teachers' pay grant	-	221	221	2
Teachers' pension grant	-	382	382	4
Other DfE Group grants	-	101	101	28
Supplementary grant	-	-	-	362
Mainstream schools additional grant	-	436	436	181
	-	18,556	18,556	13,297
<b>Other Government grants</b>				
SEN	-	602	602	479
Early Years Funding	-	289	289	191
Local Authority grants	-	177	177	95
Other Government grants	-	70	70	110
	-	1,138	1,138	875
<b>Other income from the academy trust's academy's educational operations</b>	580	69	649	495
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Other DfE/ESFA COVID-19 funding	-	220	220	257
	-	220	220	257
	580	19,983	20,563	14,924
	580	19,983	20,563	14,924
<b>Total 2023</b>	409	14,515	14,924	

**NORTHERN ARCH LEARNING PARTNERSHIP**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**5. Income from other trading activities**

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Non student catering income	10	-	10	7
Rental and lettings income	1	-	1	-
RPA Claims	44	-	44	39
Other	366	-	366	290
Trading subsidiary	129	-	129	180
<b>Total 2024</b>	<b>550</b>	<b>-</b>	<b>550</b>	<b>516</b>
<b>Total 2023</b>	<b>416</b>	<b>100</b>	<b>516</b>	

**6. Investment income**

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Investment income	65	65	-

**7. Expenditure**

	Staff Costs 2024 £000	Premises 2024 £000	Other 2024 £000	Total 2024 £000	Total 2023 £000
Academy trust's educational operations:					
Direct costs	13,524	-	1,023	14,547	11,044
Allocated support costs	2,822	2,067	2,322	7,211	5,469
Trading subsidiary:					
Allocated support costs	90	15	12	117	150
	<b>16,436</b>	<b>2,082</b>	<b>3,357</b>	<b>21,875</b>	<b>16,663</b>
<b>Total 2023</b>	<b>12,211</b>	<b>-</b>	<b>4,452</b>	<b>16,663</b>	

**NORTHERN ARCH LEARNING PARTNERSHIP**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**7. Expenditure (continued)**

In 2024, of the total expenditure £1,685,000 (2023 - £1,107,000) was to unrestricted funds, £19,142,000 (2023 - £14,687,000) was to restricted funds and £1,048,000 (2023 - £869,000) was to restricted fixed asset funds.

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

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

There were no ex-gratia payments in the year.

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Academy's educational operations	14,547	7,211	21,758	16,513
Trading subsidiary	-	117	117	150
	<u>14,547</u>	<u>7,328</u>	<u>21,875</u>	<u>16,663</u>
Total 2023	<u>11,044</u>	<u>5,619</u>	<u>16,663</u>	

**NORTHERN ARCH LEARNING PARTNERSHIP**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**Analysis of direct costs**

	Academy's educational operations 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Staff costs	13,524	13,524	10,246
Educational supplies	726	726	573
Examination fees	193	193	144
Staff development	43	43	35
Staff expenses	16	16	14
Other costs	45	45	32
	<u>14,547</u>	<u>14,547</u>	<u>11,044</u>
Total 2023	<u>11,044</u>	<u>11,044</u>	

**NORTHERN ARCH LEARNING PARTNERSHIP**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**Analysis of support costs**

	Academy's educational operations 2024 £000	Trading subsidiary 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Pension finance costs	23	-	23	88
Staff costs	2,822	90	2,912	1,965
Depreciation	1,048	1	1,049	869
Technology costs	349	-	349	249
Transport	375	-	375	213
Maintenance of premises	358	15	373	242
Cleaning	19	-	19	11
Other premises costs	163	-	163	128
Energy	510	-	510	491
Insurance	88	-	88	69
Operating lease rentals	106	-	106	42
Catering	474	-	474	421
Legal costs - conversion	21	-	21	-
Legal costs - other	25	-	25	89
Other costs	777	11	788	719
Governance costs	53	-	53	23
	<u>7,211</u>	<u>117</u>	<u>7,328</u>	<u>5,619</u>
Total 2023	<u>5,469</u>	<u>150</u>	<u>5,619</u>	

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

Net income/(expenditure) for the year includes:

	2024 £000	2023 £000
Operating lease rentals	106	44
Depreciation of tangible fixed assets	1,049	869
Fees paid to auditors for:		
- audit	42	13
- other services	-	1
	<u>1,207</u>	<u>927</u>

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**10. Staff**

**a. Staff costs and employee benefits**

Staff costs during the year were as follows:

	Group 2024 £000	Group 2023 £000
Wages and salaries	11,680	8,759
Social security costs	1,231	926
Pension costs	2,628	1,994
	<u>15,539</u>	<u>11,679</u>
Agency staff costs	768	491
Staff restructuring costs	129	41
	<u>16,436</u>	<u>12,211</u>

Included in operating costs of defined benefit pension schemes is a credit adjustment of £114,000 (2023: Debit of £99,000) relating to the pension deficit actuarial adjustment.

Staff restructuring costs comprise:

	Group 2024 £000	Group 2023 £000
Redundancy payments	54	-
Severance payments	75	41
	<u>129</u>	<u>41</u>

The academy trust paid 3 severance payments in the year. All three payments were in the £25,001 - £50,000 band.

**b. Special staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £60,000 (2023: £41,000). This was comprised of individual figures of £30,000 and £30,000.



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**10. Staff (continued)**

**c. Staff numbers**

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

	Group 2024 No.	Group 2023 No.	Academy Trust 2024 No.	Academy Trust 2023 No.
Teachers	149	111	149	111
Administration and support	196	138	176	138
Management	19	20	19	20
	<u>364</u>	<u>269</u>	<u>344</u>	<u>269</u>

**d. Higher paid staff**

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

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	15	11
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	3
In the band £90,001 - £100,000	2	-
In the band £160,001, - £170,000.	-	1
In the band £180,001, - £190,000.	1	-
	<u>1</u>	<u>-</u>

**e. Key management personnel**

The key management personnel of the Group comprise the Directors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Group was £1,034,000 (2023 - £791,000).

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**11. Directors' remuneration and expenses**

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

		2024 £000	2023 £000
D Judson, Deputy Chief Executive Officer	Remuneration	180 - 185	160 - 165
	Pension contributions paid	45 - 50	35 - 40
Tim Fisher Chief Executive Officer (from April)	Remuneration	55 - 60	
	Pension contributions paid	15 - 20	

During the year ended 31 August 2024, expenses totalling £244 were reimbursed or paid directly to 2 Directors (2023 - ENIL).

**12. Central services**

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

- Legal services
- Human resources
- Financial services

The Group charges for these services on the following basis:

Charges have been made based on the amount of pupils at each academy, and support and services each academy requires.

The actual amounts charged during the year were as follows:

	2024 £000	2023 £000
Hurworth School	209	266
Longfield Academy	242	266
The Rydal Academy	275	266
Queen Elizabeth Sixth Form College	319	-
<b>Total</b>	<u>1,045</u>	<u>798</u>

**13. Directors' and Officers' insurance**

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

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14. Tangible fixed assets						
Group	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Plant and machinery £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 September 2023	12,085	22,266	1,763	2	44	36,160
Additions	262	318	425	-	-	1,005
Acquired on conversion	14,969	-	431	-	-	15,400
Transfers between classes	(320)	320	-	-	-	-
At 31 August 2024	26,996	22,904	2,619	2	44	52,565
<b>Depreciation</b>						
At 1 September 2023	2,503	2,553	1,354	1	26	6,437
Charge for the year	363	432	250	1	3	1,049
At 31 August 2024	2,866	2,985	1,604	2	29	7,486
<b>Net book value</b>						
At 31 August 2024	24,130	19,919	1,015	-	15	45,079
At 31 August 2023	9,582	19,713	409	1	18	29,723

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**14. Tangible fixed assets (continued)**  
**Academy Trust**

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>					
At 1 September 2023	12,085	22,266	1,763	44	36,158
Additions	262	318	425	-	1,005
Acquired on conversion	14,969	-	431	-	15,400
Transfers between classes	(320)	320	-	-	-
At 31 August 2024	26,996	22,904	2,619	44	52,563
<b>Depreciation</b>					
At 1 September 2023	2,503	2,553	1,354	26	6,436
Charge for the year	363	432	250	3	1,048
At 31 August 2024	2,866	2,985	1,604	29	7,484
<b>Net book value</b>					
At 31 August 2024	24,130	19,919	1,015	15	45,079
At 31 August 2023	9,582	19,713	409	18	29,722

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**15. Fixed asset investments**

Northern Arch Learning Partnership owns one trading subsidiary, Longfield Trading Limited. The subsidiary is 100% owned.

**16. Stocks**

	Group 2024 £000	Group 2023 £000	Academy Trust 2024 £000	Academy Trust 2023 £000
Catering stock	8	10	8	10

**17. Debtors**

	Group 2024 £000	Group 2023 £000	Academy Trust 2024 £000	Academy Trust 2023 £000
<b>Due within one year</b>				
Trade debtors	47	39	47	39
Amounts owed by group undertakings	-	-	2	-
Other debtors	1	2	1	-
Prepayments and accrued income	532	1,017	508	992
VAT recoverable	167	81	167	81
	<u>747</u>	<u>1,139</u>	<u>725</u>	<u>1,112</u>

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

	Group 2024 £000	Group 2023 £000	Academy Trust 2024 £000	Academy Trust 2023 £000
Bank overdrafts	198	96	198	96
Other loans	24	16	24	16
Trade creditors	458	205	458	204
Amounts owed to group undertakings	-	5	-	1
Other taxation and social security	356	215	354	214
Other creditors	414	220	410	220
Accruals and deferred income	578	133	574	133
	<u>2,028</u>	<u>890</u>	<u>2,018</u>	<u>884</u>

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	Group 2024 £000	Group 2023 £000	Academy Trust 2024 £000	Academy Trust 2023 £000
Deferred income at 1 September 2023	28	35	28	35
Resources deferred during the year	396	28	396	28
Amounts released from previous periods	(28)	(35)	(28)	(35)
	396	28	396	28
	396	28	396	28

As at the Balance Sheet date the group was holding grants in relation to UIFSM and Bursary income.

**19. Creditors: Amounts falling due after more than one year**

	Group 2024 £000	Group 2023 £000	Academy Trust 2024 £000	Academy Trust 2023 £000
Other loans	96	91	96	91
	96	91	96	91
	96	91	96	91

Included in other creditors are three loans from Salix which is provided on the following terms:

- Interest free loan of £21,000 repayable through GAG in bi-annual installments of £1,330 from September 2018
- Interest free loan of £9,000 repayable through GAG in bi-annual installments of £540 from March 2019
- Interest free loan of £19,000 repayable through GAG in bi-annual installments of £1,185 from September 2019
- Interest free loan of £99,000 repayable through GAG in bi-annual installments. The start date of repayments is yet to be determined.

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Statement of funds**

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
<b>Unrestricted funds</b>						
General Fund	288	5,868	(1,572)	-	-	4,584
Sinking Fund	125	-	-	-	-	125
Trading subsidiary	30	129	(113)	-	-	46
Energy grant	-	38	-	(3)	-	35
	<u>443</u>	<u>6,035</u>	<u>(1,685)</u>	<u>(3)</u>	<u>-</u>	<u>4,790</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	12,264	(11,555)	(265)	-	444
Pupil Premium	-	892	(892)	-	-	-
Other DfE/ESFA Grants	-	764	(723)	(41)	-	-
16-19 Core funding	-	4,175	(4,175)	-	-	-
SEN	-	602	(602)	-	-	-
Other government grants	-	536	(536)	-	-	-
Covid-19 funding	-	220	(220)	-	-	-
Start up grants	-	25	(25)	-	-	-
MSAG	-	436	(436)	-	-	-
Other income	-	69	(69)	-	-	-
Learner support donations	-	20	-	-	-	20
Pension reserve	(984)	456	91	-	437	-
	<u>(984)</u>	<u>20,459</u>	<u>(19,142)</u>	<u>(306)</u>	<u>437</u>	<u>464</u>

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Statement of funds (continued)**

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	5,394	104	(152)	-	-	5,346
Inherited funds	20,132	15,401	(632)	-	-	34,901
Capital expenditure from GAG	1,243	-	(140)	164	-	1,267
Capital expenditure from unrestricted funds	30	-	-	-	-	30
14-19	428	-	(9)	-	-	419
Donations	31	-	-	-	-	31
Big Lottery	10	-	-	-	-	10
Sport England	69	-	(2)	-	-	67
Playing pitches	25	-	(1)	-	-	24
ECB	117	-	(3)	-	-	114
DBC	67	-	-	(67)	-	-
Nursery funding	25	-	(1)	38	-	62
Other Capital	268	-	-	(66)	-	180
Condition improvement fund	2,282	(71)	(45)	107	-	2,273
DfE donations	118	-	(11)	-	-	107
Insurance	(48)	-	(48)	105	-	9
Football Foundation Grant	-	15	-	6	-	21
S106	-	26	(1)	-	-	25
QE Capital Grants	-	238	(3)	44	-	279
	<u>30,191</u>	<u>15,713</u>	<u>(1,048)</u>	<u>309</u>	<u>-</u>	<u>45,165</u>
<b>Total Restricted funds</b>	<u>29,207</u>	<u>36,172</u>	<u>(20,190)</u>	<u>3</u>	<u>437</u>	<u>45,629</u>
<b>Total funds</b>	<u>29,650</u>	<u>42,207</u>	<u>(21,875)</u>	<u>-</u>	<u>437</u>	<u>50,419</u>



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**20. 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.

16-19 Core funding must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Start up grants are funds provided to cover the legal and associated costs involved with the conversion of a new entity within the Academy Trust.

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, teachers' pay grant, teachers' pension grant, bursary income, Ukraine funding and early career grants.

Mainstream school additional grant is used for the purposes of the school and for the benefit of pupils registered.

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

Covid-19 funding consists of ESFA recovery premium and national tutoring programme. This income is intended to assist in providing support for pupils educationally disadvantaged during the pandemic.

Other income relates to a non government grant from Sports England to provide improvements to the sports facilities and pupils education.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 27.

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.

Learner support donations relate to historic funds on conversion of the Sixth form college. These are contributions intended to be used for assistance towards pupils.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly. Unrestricted also includes income on conversion of Queen Elizabeth Sixth Form.

A transfer of £309,000 has been made to capital expenditure from to reflect those items included within fixed assets which have been purchased. These include £265,000 of GAG, £3,000 of energy grant included within income on conversion and £41,000 of Bursary funds included within Other DfE/ESFA.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

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

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

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Unrestricted funds</b>						
General Fund	465	780	(957)	-	-	288
Sinking Fund	125	-	-	-	-	125
Trading subsidiary	48	132	(150)	-	-	30
	<u>638</u>	<u>912</u>	<u>(1,107)</u>	<u>-</u>	<u>-</u>	<u>443</u>
	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	11,762	(11,644)	(118)	-	-
Pupil Premium	-	893	(893)	-	-	-
Other DfE/ESFA Grants	-	101	(101)	-	-	-
SEN	-	479	(479)	-	-	-
Other government grants	-	396	(396)	-	-	-
Covid-19 funding	-	801	(801)	-	-	-
Other income	-	99	(99)	-	-	-
Other donations	-	87	(87)	-	-	-
Pension reserve	(2,400)	-	(187)	-	1,603	(984)
	<u>(2,400)</u>	<u>14,618</u>	<u>(14,687)</u>	<u>(118)</u>	<u>1,603</u>	<u>(984)</u>

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

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	5,536	-	(142)	-	-	5,394
Inherited funds	20,632	-	(500)	-	-	20,132
Capital expenditure from GAG	1,229	-	(104)	118	-	1,243
Capital expenditure from unrestricted funds	31	-	(1)	-	-	30
14-19	435	-	(7)	-	-	428
Donations	42	-	(11)	-	-	31
Big Lottery	10	-	-	-	-	10
Sport England	71	-	(2)	-	-	69
Playing pitches	26	-	(1)	-	-	25
ECB	120	-	(3)	-	-	117
DBC	68	-	(1)	-	-	67
Nursery funding	25	-	-	-	-	25
Other Capital	268	-	-	-	-	268
Condition improvement fund	2,319	-	(37)	-	-	2,282
DfE donations	-	130	(12)	-	-	118
Insurance	-	-	(48)	-	-	(48)
	<u>30,812</u>	<u>130</u>	<u>(869)</u>	<u>118</u>	<u>-</u>	<u>30,191</u>
<b>Total Restricted funds</b>	<u>28,412</u>	<u>14,748</u>	<u>(15,556)</u>	<u>-</u>	<u>1,603</u>	<u>29,207</u>
<b>Total funds</b>	<u>29,050</u>	<u>15,660</u>	<u>(16,663)</u>	<u>-</u>	<u>1,603</u>	<u>29,650</u>

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**20. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2024 were allocated as follows:

	2024 £000	2023 £000
Hurworth School	-	38
Longfield Academy	-	103
The Rydal Academy	136	294
Queen Elizabeth Sixth Form College	5,096	-
Longfield Trading Limited	22	6
Central Services	-	2
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	5,254	443
Restricted fixed asset fund	45,165	30,191
Pension reserve	-	(984)
	<hr/>	<hr/>
<b>Total</b>	<b>50,419</b>	<b>29,650</b>

**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 2024 £000	Total 2023 £000
Hurworth School	3,708	406	272	936	5,322	5,035
Longfield Academy	4,254	536	249	1,164	6,203	5,484
The Rydal Academy	2,812	426	100	615	3,953	3,791
Queen Elizabeth Sixth Form College	2,654	816	103	557	4,130	-
Longfield Trading Limited	-	90	-	27	117	149
Central Services	94	638	2	367	1,101	1,335
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Academy trust</b>	<b>13,522</b>	<b>2,912</b>	<b>726</b>	<b>3,666</b>	<b>20,826</b>	<b>15,794</b>

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

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

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	-	-	45,079	45,079
Current assets	4,900	2,339	225	7,464
Creditors due within one year	(110)	(1,875)	(43)	(2,028)
Creditors due in more than one year	-	-	(96)	(96)
<b>Total</b>	<b>4,790</b>	<b>464</b>	<b>45,165</b>	<b>50,419</b>

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

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	29,723	29,723
Current assets	548	774	570	1,892
Creditors due within one year	(105)	(774)	(11)	(890)
Creditors due in more than one year	-	-	(91)	(91)
Provisions for liabilities and charges	-	(984)	-	(984)
<b>Total</b>	<b>443</b>	<b>(984)</b>	<b>30,191</b>	<b>29,650</b>

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

	2024 £000	2023 £000
Net income/(expenditure) for the period (as per Statement of Financial Activities)	20,332	(1,003)
<b>Adjustments for:</b>		
Depreciation	1,054	870
Capital grants from DfE and other capital income	(74)	(133)
Defined benefit pension scheme cost less contributions payable	(114)	99
Defined benefit pension scheme finance cost	23	88
(Increase)/decrease in stocks	2	(2)
(Increase)/decrease in debtors	422	332
(Increase)/decrease in creditors	(879)	(2)
On conversion assets / liability	(21,100)	-
Pension asset adjustment	229	-
<b>Net cash (used in)/provided by operating activities</b>	<b>(105)</b>	<b>249</b>

**23. Cash flows from financing activities**

	Group 2024 £000	Group 2023 £000
New loan	-	7
Loan repayments	(17)	(4)
<b>Net cash (used in)/provided by financing activities</b>	<b>(17)</b>	<b>3</b>

**24. Cash flows from investing activities**

	Group 2024 £000	Group 2023 £000
Purchase of tangible fixed assets	(998)	(690)
Capital grants from DfE Group	74	133
Cash on conversion	6,813	-
<b>Net cash provided by/(used in) investing activities</b>	<b>5,889</b>	<b>(557)</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**25. Analysis of cash and cash equivalents**

	Group 2024 £000	Group 2023 £000
Cash in hand and at bank	6,510	743
<b>Total cash and cash equivalents</b>	<b>6,510</b>	<b>743</b>

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

	At 1 September 2023 £000	Cash flows £000	At 31 August 2024 £000
Cash at bank and in hand	743	5,966	6,709
Bank overdrafts repayable on demand	(96)	(102)	(198)
Debt due within 1 year	(16)	(8)	(24)
Debt due after 1 year	(91)	(5)	(96)
	<b>540</b>	<b>5,851</b>	<b>6,391</b>

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**27. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £407,000 were payable to the schemes at 31 August 2024 (2023 - £220,000) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control,
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £1,975,000 (2023 - £1,370,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.



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**27. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £868,000 (2023 - £896,000), of which employer's contributions totalled £633,000 (2023 - £510,000) and employees' contributions totalled £ 235,000 (2023 - £186,000). The agreed contribution rates for future years are 16% for employers and 5.5 - 12.5 % for employees..

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

The original Local Government Pension scheme valuation showed an asset of £229,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the academy trust. As a result an asset ceiling valuation has been undertaken. Based on minimum funding requirements for contributions relating to future service this showed a potential asset of £Nil. Given this value combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and these these will not be revised until April 2026 the trustees have decided to include the pension asset at ENIL.

**Principal actuarial assumptions**

Durham County Council Pension Fund

	2024 %	2023 %
Rate of increase in salaries	3.50	3.60
Rate of increase for pensions in payment/inflation	2.50	2.60
Discount rate for scheme liabilities	4.90	5.10
Inflation assumption (CPI)	2.50	2.60
Commutation of pensions to lump sums	85.00	85.00

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

	2024 Years	2023 Years
Retiring today		
Males	21.5	21.7
Females	23.8	23.9
Retiring in 20 years		
Males	22.4	22.9
Females	24.6	25.0

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**27. Pension commitments (continued)**

**Sensitivity analysis**

Durham County Council Pension Fund

	2024	2023
	£000	£000
Discount rate +0.1%	(448)	(252)
Discount rate -0.1%	470	264
Mortality assumption - 1 year increase	(582)	(327)
Mortality assumption - 1 year decrease	582	327
CPI rate +0.1%	403	239
CPI rate -0.1%	(381)	(226)
	(448)	(226)

**Share of scheme assets**

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

	At 31 August 2024	At 31 August 2023
	£000	£000
Equities	12,470	5,902
Government bonds	2,286	1,229
Corporate bonds	2,172	1,090
Property	1,448	870
Cash	4,254	2,505
	22,630	11,596

The actual return on scheme assets was £1,271,000 (2023 - £813,000).

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

	2024	2023
	£000	£000
Current service cost	(594)	(609)
Interest income	798	437
Interest cost	(821)	(525)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	(617)	(697)

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**27. Pension commitments (continued)**

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

	2024 £000	2023 £000
<b>At 1 September</b>	12,580	12,929
Inherited on conversion	8,710	-
Current service cost - current year	594	-
Current service cost - prior year	-	609
Interest cost	821	525
Employee contributions	223	186
Actuarial gains	(193)	(1,227)
Benefits paid	(334)	(442)
<b>At 31 August</b>	<u>22,401</u>	<u>12,580</u>

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

	2024 £000	2023 £000
<b>At 1 September</b>	11,596	10,529
Inherited on conversion	9,166	-
Interest income	798	437
Actuarial gains	473	376
Employer contributions	708	510
Employee contributions	223	186
Benefits paid	(334)	(442)
Asset ceiling	(229)	-
<b>At 31 August</b>	<u>22,401</u>	<u>11,596</u>

**28. Operating lease commitments**

At 31 August 2024 the Group and the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £000	Group 2023 £000
<b>GROUP Amount Payable</b>		
Within 1 year	108	109
Between 1 and 5 years	140	170
	<u>248</u>	<u>279</u>

**NORTHERN ARCH LEARNING PARTNERSHIP**  
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**29. Related party transactions**

Owing to the nature of the group and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Directors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the 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 group's financial regulations and normal procurement procedures relating to connected and related party transactions.

Directors' remuneration and expenses are already disclosed in note 11.

**30. Transfer of Sixth form into Academy Trust**

**Queen Elizabeth Sixth Form College**

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b>Intangible assets</b>			
<b>Tangible fixed assets</b>			
Freehold property	14,969	-	14,969
Furniture and equipment	431	-	431
<b>Current assets</b>			
Stocks	7	-	7
Current asset investments	1,510	-	1,510
Debtors due within one year	57	-	57
Cash at bank and in hand	4,204	-	4,204
<b>Liabilities</b>			
Creditors due within one year	(1,417)	735	(682)
Creditors due after one year	(7,157)	7,157	-
<b>Pensions</b>			
Pensions - pension scheme assets	-	456	456
<b>Net assets</b>	<u>12,604</u>	<u>8,348</u>	<u>20,952</u>