

Company Registration No. 07928558 (England and Wales)

ADVANCE LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

WEDNESDAY



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COMPANIES HOUSE

ADVANCE LEARNING PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Members

D Kingston
D Liddle
K Reynolds
H Armstrong

Trustees

J Deller (Chair)
S Leech
E Beveridge
M Roe
A Boddy
A A R Scott
K Simpson (CEO & Accounting Officer)
N Harrison (Appointed 12 May 2021 and resigned 31 August 2021)
R Wolff (Appointed 10 December 2020)

Senior management team

- CEO	K Simpson
- COO	L A Davies
- CFO	C Oates

Company secretary

S Emmerson

Company registration number

07928558 (England and Wales)

Registered office

Advance Learning Partnership
Whitworth Road
Whitworth Lane
Spennymoor
DL16 7LN

Academies operated

Parkside Academy
Staindrop Academy
Hartside Academy
Whitworth Park Academy
Dene Academy
Wolsingham School

Location

Willington
Staindrop
Crook
Spennymoor
Peterlee
Wolsingham

Headteacher

K Armstrong
K Simpson
S Laws
D Stone
D Nelson
J Ferstenberg

Independent auditor

RSM UK Audit LLP
1 St. James' Gate
Newcastle upon Tyne
United Kingdom
NE1 4AD

Bankers

Lloyds Bank
32 Newgate Street
Town Centre
Bishop Auckland
DL14 7EG

ADVANCE LEARNING PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

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

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Advance Learning Partnership Multi Academy Trust was formed in 2017 from Parkside Academy, a Single Academy Trust incorporated in 2012. Advance Learning Partnership currently operates one primary and five secondary academies across County Durham for students aged 2 -16, with a further secondary joining Advance Learning Partnership on 1 September 2021, and two additional primary schools joining early 2022.

As a Trust our main priority is to provide the highest quality educational experience and outcomes for our young people.

Advance Learning Partnership aims to secure rapid and sustained improvement delivering the very best educational experience for students within each academy of the Multi Academy Trust.

Advance Learning Partnership is governed by non-executive trustees constituted under a Memorandum of Association and Articles of Association. This Board of Trustees (Board) is responsible for ensuring that high standards of corporate governance are maintained. The Board exercises its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the academies. This affords greater opportunities for collaboration not only with regards to teaching and learning but also in terms of the management of each Academy, including the procurement of goods and services.

The Board is also governed by the terms of any Funding Agreements that are in place and the Academies Financial Handbook.

In 2020-21 the Trust had 6 Academies for pupils aged 2 to 16 serving a catchment area across South West Durham. The Trust had a combined pupil capacity of 4,762 and a combined roll of 3,523 as per the October 2020 census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The trustees of Advance Learning Partnership are also directors of the company for the purposes of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Companies Act 2006 section 236 requires disclosure concerning qualifying third party indemnity provisions. As required in the Academy's Articles of Association indemnity insurance with Zurich International has been taken out to cover the liability of Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Academy. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Method of recruitment and appointment or election of Trustees

The Trustees are appointed in accordance with the provisions set out in the Memorandum and Articles of Association.

The members may appoint up to nine Trustees through such process as they may determine. The total number of Trustees who are employees of the Trust shall not exceed one third of the total number of Trustees.

When appointing new Trustees, the board will give consideration to the skills and experience mix of existing Trustees in order to ensure the board has the necessary skills to contribute fully to the Multi Academy Trust's development.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for Trustees and new Governors depends on their existing experience. Where necessary, induction is provided with training on charity, educational, legal and financial matters. All new governors are given a tour of the relevant academy and a chance to meet with the staff and the students. All Trustees and Governors are provided with access to policies, procedures, minutes, accounts, budget plans and other documents they will need to undertake their role.

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training to enable them to perform their role effectively. ALP has established an annual training and support offer to Schools, Governors and Trustees. All Governors and Trustees benefit from full membership of the National Governance Association.

Organisational structure

The Trusts governance structure consists of three levels:

- Members
- Trustees
- Academy Councils

The aim of the layered structure is to devolve responsibility as appropriate and encourage decision making at all levels. The organisation structure of the Trust reflects the current operational needs, whilst being 'scalable' to support future developments, primarily the expansion of the number of academies in the Advance Learning Partnership.

The Chief Executive Officer is the Accounting Officer of the Trust and, as such, has ultimate responsibility for the operations and controls in place. The Trust Board of Trustees supports the Accounting Officer in the performance of their duties. The Trustees are responsible for setting general policy, adopting an annual plan and the budget, monitoring the performance of the Trust by the use of results and budgets and making major decisions about the direction of the Trust, capital expenditure and senior staffing appointments.

The Academy Councils act as advisory bodies to the Advance Learning Partnership (ALP) Board.

The Board of Trustees have devolved responsibility for day-to-day management of the Trust to the Senior Management Team. The Senior Management Team along with the Headteachers and Senior Leadership Teams (SLT) of each Academy implement the policies laid down by the Trustees and the Academy Councils and report back to them on performance.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees ensures that the process of determining the remuneration of Key Management Personnel is fair and transparent. Employees at Trust level are employed on the same terms and conditions of employment as teaching / support staff, dependent on their role.

The Trust has determined its key management personnel as the members of the Trust Executive Team. The members of this team are;

- K Simpson Chief Executive Officer
- L Davies Chief Operating Officer
- C Oates Chief Financial Officer

The pay and remuneration of the Executive Team is set by the Board of Trustees following a performance management cycle taking account of the scope of the role and benchmarking the salary to similar sized roles and Trusts.

The pay and remuneration of other Key Management Personnel is set by the CEO following a performance management cycle taking account of the scope of the role and benchmarking the salary to similar sized roles in the area. The salary ranges for the Key Management Personnel are reviewed periodically and the CEO makes the award within the set ranges and sets new performance objectives for the following academic year.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

5

Full-time equivalent employee number

4.96

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the 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

-

Related parties and co-operation with other organisations

The Trust is not part of any wider network of federation. Related party transactions are disclosed in note 26.

Advance Learning Partnership have been working with Bishop Barrington School ahead of them joining the Trust on 1 September 2021. During the academic year ALP established the County Durham Primary Collaboration, an opportunity for progressive and outward facing primary schools to participate in professional development with like-minded professionals.

ALP has formed a collaborative relationship with another Multi Academy Trust allowing the Central Support Team to build relationships with professionals in equitable roles within another Trust.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Engagement with employees (including disabled persons)

The commitment and dedication of our employees is essential for us to deliver on our vision of the highest quality of educational experience for our students.

Trust and Academy leaders engage with employees in a variety of means both formally and informally at school level and also at Trust level through network meetings, teach-meets and conferences. Employees have the opportunity to engage with and work with colleagues across the ALP family of schools both formally and informally. This ensures that employees are fully consulted on a regular basis so the views of our employees can be taken into account in making decisions which are likely to affect their interests.

We continue to engage with our employees to ascertain the training and development opportunities to be made available to our employees. We continually invest in employee development and wellbeing to create and encourage an inclusive culture within the Trust.

The Board are updated regularly on staff performance and the personal development programmes in place to develop, retain and recruit employees through our succession and talent management strategy.

We encourage employee involvement in discussions regarding Trust performance, financial and economic matters. Each school has an Academy Council with employee representation. Employees are able to influence and shape decisions that affect them for example, policies on pay determination and performance management.

The Trust has a range of policies and procedures in place to ensure equal opportunities for all employees. Examples of good practice include:

- Risk assessments carried out for staff with disabilities or medical conditions.
- Changes to equipment and working conditions for members of staff with disabilities.
- Maternity, paternity, shared parental, adoption leave arrangements in place; including paid time off work to attend appointments.
- Time off work for religious requests.
- monitoring of staff disciplinary, capability, grievance and redundancy policies to ensure an equal process for all.
- A Trust Pay Policy that helps to provide equality of opportunity by ensuring decisions on pay are managed in a fair, just and transparent way.

The trust will ensure all vacancies advertised will promote a commitment to equality, diversity and inclusion.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Engagement with suppliers, customers and others in a business relationship with the Trust

The Advance Learning Partnership's main priority is to provide the highest quality of educational experience for students by securing rapid and sustained improvement whilst delivering the very best educational outcomes for students within the ALP family of schools.

In setting the strategic direction of the Trust, the Trustees and Executive Management Team must also take into account the principal risks facing the business.

Decision-making

The Trustees must take into account the views and interests the wider stakeholders when making decisions. During the year the Board receives information to enable them to consider the impact of the Trust's decisions on its key stakeholders. This information is distributed in a range of different formats, including through reports and presentations on academic, financial and operational performance, key performance indicators and risk.

When making decisions the Trustee's take into consideration the Trust's vision and values, together with its strategic priorities and any potential risks for students, staff and other stakeholders including suppliers and the community, together with what they believe is in the best interests of the Trust.

Long-term sustainability

As is normal for large companies, we delegate authority for day-to-day management of the Trust to Executive Leadership and then engage the leadership in setting, approving and overseeing the execution of the Trusts strategy and related policies.

The long-term sustainability of the Trust is at the forefront of decision-making, particularly in response to the challenging education funding conditions, Trust growth, School Improvement and, most recently, the Coronavirus pandemic.

Stakeholders

Our key stakeholders are our students and employees, who are at the heart of our core purpose. The impact of the company's activities on our stakeholders, including our colleagues, customers and suppliers is an important consideration when making decisions. Other key stakeholders are the producers and suppliers who we purchase goods and services from, and the communities in which we operate.

Students

Students are at the centre of our business.

The Trustees consider students and parents to be their 'customers'. Whilst students normally encounter engagement on a daily basis, engagement with parents is normally carried out through regular newsletters and face to face meetings. During lockdown, engagement with student and parents has continued through remote mechanisms.

The Board receives regular reporting on student outcomes and student related strategic initiatives throughout the year. The Board closely monitors the metrics and engages with the Executive Leadership to understand the issues of the school's performance levels. This is also reflected at the relevant Academy Council.

The Board continues to monitor and review developments concerning changes to the Trusts ICT platforms and systems. Covid has undoubtedly been a catalyst for some of our changes in practice and has led to rapid progress and new methods of communicating, teaching and training.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Suppliers

We operate in conjunction with a wide range of suppliers to source the best resources for our Trust. We remain committed to being fair and transparent in our dealings with all suppliers. The Trust has systems and processes in place to ensure suppliers are paid in a timely manner.

ALP has maintained strong relationships with our major suppliers, particularly during COVID-19 when the need to reduce financial risk has been more prevalent. During the pandemic, we have carefully considered the Procurement Policy Notes (PPN) and applied these to provide support to certain key contractors in order to ensure supplier continuity after the pandemic ends.

Community and environment

Our schools have a pivotal role in their local communities and community engagement is recognised and encouraged. This may take various forms including community use of sports and other facilities. Cultural capital is built through a diverse range of opportunities.

The Trust is committed to giving back to the community in which it operates. Our aim is to enhance the life chances of the young people and families in the communities we serve.

We are committed to reducing our carbon footprint wherever possible. Sustainability runs through all aspects of our business, from energy saving and recycling to resources sharing policies in our schools, and ultimately flowing into the education we provide for our students.

Business Conduct

The Trust aims to conduct all its business relationships with integrity and courtesy. The Board recognises that culture, values and standards are key contributors to how a Trust creates and sustains value over the longer term, and to enable it to maintain a reputation for high standards of business conduct.

High standards of business conduct guide and assist in the Board's decision making, and in doing so, help promote the Trust's success, recognising, amongst other things, the likely consequences of any decision in the long-term and wider stakeholder considerations.

Acting fairly as between members of the Company

The trust recognises the importance of dealing fairly and equitably in its business relationships with its customers, suppliers and key stakeholders.

The Trustees consider which course of action best enables delivery of the Trust strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, our Trustees act fairly as between the Trust's members but are not required to balance the Trust's interest with those of other stakeholders, and this can sometimes mean that certain stakeholder interests may not be fully aligned.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Trust Board and Academy Council aims to achieve the highest standard of academic outcomes for every student through outstanding teaching and learning, quality guidance and support alongside inspirational enrichment and extracurricular provision.

ALP strives to treat every child with respect. Respect for an individual child entails a safe and stimulating environment that challenges children daily to reach their potential.

Objectives, strategies and activities

The long-term objective of the Trust is to become a strong local partnership of schools that provides for all ages from 2-19, with a fully inclusive range of provision. Each academy within the Trust will have its own unique characteristics. Collaboration and joint working will ensure that all academies in the Trust can share in, and benefit from, each other's strengths.

The Trust has a set of clear, measurable aims that permeate throughout the whole Trust. The aims of the Trust during the year ended 31 August 2021 are summarised below:

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

A Culture of Purposeful Learning

- Every student constantly striving for excellence in all areas of learning
- Positive recognition of achievement in all its forms and at all levels ensuring every student feels both supported and challenged
- All school subjects, staff with specialist delivery.

Ensuring Excellence

- Continue to develop capacity and high quality leadership across all ALP schools through outstanding leadership development and recruitment at all leadership levels.
- To develop outstanding leadership at all levels that delivers maximum achievement whilst supporting and developing the vision and values that underpin all we do.
- Further improving the curriculum implemented in each schools
- Further improving the Integrated Curriculum and Financial Planning, ensuring the best possible education with the most efficient use of resources

Achieving Sustainability

- To establish a self-sustaining, system led, collaborative approach to improvement.
- Development of succession plan to identify individuals with potential to be future leaders and managers.
- Maintenance of a professional and expert central function providing support to Trust schools and across the wider community
- Further developing central support services to maximise the efficiency of the Trust
- Financial forecasts demonstrate stability and sustainability for all Academies across the Trust as a whole.
- Financial planning facilitates effective decision making.

Business Continuity (COVID)

- Ensuring that effective mitigations in place across all settings to reduce COVID-19 risks for staff and students
- Ensuring schools remained open for vulnerable students throughout lockdown
- Ensuring that high quality remote education was in place across all schools throughout lockdown.
- Ensuring that any gaps from learning resulting from the pandemic were reduced, particularly for vulnerable and disadvantaged students

Public benefit

We have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing our Aims and Objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trust has provided a fully comprehensive education to all the students in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

STRATEGIC REPORT

Achievements and performance

Advance Learning Partnership Multi Academy Trust is now in its fifth year of operation and has continued to go from strength to strength. Wolsingham School joined the Trust in September 2020, bringing membership to five secondary and one primary school. Bishop Barrington School joined the Trust in September 2021.

During the academic year 2020-21 ALP has continued to strengthen and extend the Central Support and School Improvement Teams, creating further capacity to support academies.

ALP's opportunities for internal and external collaboration have been enhanced significantly this year which in turn have provided opportunities for career progression for many staff. Staff have been appointed to lead subject, thematic and personal development networks across the Trust; our dedicated team of specialists provide a range of support including bespoke coaching, network meetings and strategic leadership.

Expansion of ALP's 'Leadership in Action' courses and leadership conferences, for both the School Improvement and Central Support Teams, have provided further opportunities for professional development.

This year we have focused on establishing ALP as a respected research community where evidence informed practice underpins all aspects (school improvement and central support) of the Trust's development and strategic growth.

The termly ALP journal, launched this year, provides case studies on our teaching and learning priorities and these highlight how staff from all schools use educational research and practice to improve the quality of teaching and learning.

Integrated Curriculum and Financial Planning has been a core focus for the Trust and Schools. A comprehensive programme of curriculum modelling and scrutiny has been developed to ensure that the curriculum resource allocation is efficient and effective and meets the needs of the students.

During 2020/2021 the Data Department have created the Effective Use of Data guide and completed the data section of the staff VLE. This process included researching models of best practice to decide how ALP could use data more effectively. It also involved the creation of user guides and videos to enable staff to access and understand data.

The next steps for the department is to ensure the model and VLE information is embedded and used throughout the ALP schools. During 2021/2022 the department will also work with schools to create case studies for best practice of using data which lead to successful actions. Reviews will occur to check that this process enables data to be acted upon to lead to strong action planning and therefore positive outcomes for ALP schools, in the most efficient manner.

The Trust's Estates Team have been supporting schools with COVID-19 guidance, support and expertise to help to navigate the unfamiliar challenges including testing, risk assessments, staff, and student absences as well as protective personal equipment supplies and adjusted cleaning regimes in line with national guidelines. The team have supported schools to ensure that the return to the educational environment following lockdown was a positive and safe experience for all our students and staff.

The key next steps for the department will be to develop a Trust Decarbonisation Strategy outlining the key priorities, milestones, and commitments to the reduction of the carbon footprint of our estates, through the newly established Estates and Sustainability Team. Another will be to use the information gathered from the property compliance research to inform the development of a bespoke audit and inspection programme. The programme will see all of our schools visited at least twice per year to provide reasonable assurance that compliance processes are in place to ensure the health and safety of all stakeholders including staff and students.

Governance has successfully continued virtually throughout Covid-19 for all governance meetings and training. Over the academic year ALP developed a Governance improvement model to support outstanding governance which is sustainable. Governance structures have continued to be monitored and reviewed, and as a result the Audit and Risk committee have further developed through the Audit and Risk provision plan.

ALP compliance structures have been further developed with the introduction of a Compliance software package. The system will support Trustees in monitoring policies and compliance across ALP.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Promoting the success of the charitable company

The Advance Learning Partnership's main priority is to provide the highest quality educational experience for students by securing rapid and sustained improvement whilst delivering the very best educational outcomes for students within the ALP family of schools.

In setting the strategic direction of the Trust the Trustees and Executive Management Team must also take into account the principal risks facing the business.

In accordance with section 172 of the Companies Act 2006, each of our Trustee's acts in the way he or she considers, in good faith and would most likely promote the success of the Trust, to achieve its charitable purpose. The Trustees have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly as between members of the company.

Further details of the principal decision taken by the Trust can be found in the section "engagement with employees (including disabled persons)" and "engagement with suppliers, customers and others in a business relationship".

Covid-19

The Covid-19 pandemic has had a significant impact on the operations of the Trust. The Trust and Schools have worked tirelessly together to address the issues affecting students and staff; reacting at times at very short notice to Government guidance to plan how to provide the quality education for students whilst ensuring the wellbeing of all.

The Trust has managed the unprecedented situation that has developed as a result of Covid-19 with proactivity which has supported our schools to maintain their core purpose throughout lockdown (for vulnerable children and the children of keyworkers) until wider re-opening.

The education and wellbeing of our students is always our priority and digital technology has helped us meet our students' individual needs. During lockdown we focused on learning how to use technology effectively so that we could deliver live lessons and maintain regular communications with students.

All public examinations were cancelled once again, including SAT's and GCSE's. However, each secondary phase academy had to submit Teacher Assessed Grades (TAG's) and other exam data. The Trust organised a detailed moderation of data with leaders before it was submitted by Headteacher's.

Overall the trust has seen an improved financial position from the forecasts prepared in spring. The main reason for this is due to savings across staffing and other expenditure. Across the Trust savings were realised in utilities, photocopying, education resources, educational visits and trips, exam fees amongst other areas which all contribute to the favourable year end position.

During the COVID-19 pandemic, we have carefully considered the Procurement Policy Notes (PPN) and applied these to provide support to certain key contractors in order to ensure supplier continuity after the pandemic ends.

Additional funding received for catch-up purposes is being carefully deployed and monitored, making best use of the Government Tutoring Schemes, to ensure maximum impact is achieved for the benefit of our students.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Financial review

Most of the Trust's income is obtained from DfE/ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2021 total expenditure of £25,257,776 (2020: £20,238,974) was incurred. The excess of total income over expenditure for the year (prior to other gains/losses) was £11,038,490 (2020: £13,871,650), this surplus includes depreciation of £1,556,574 (2020: £1,178,528), capital funding of £1,167,588 (2020: £1,363,594) and donations from transfers into the Trust of £10,441,434 (2020: £13,102,900), which leaves a surplus of £986,039 (2020: £583,684).

At 31 August 2021 the net book value of fixed assets was £55,892,487 (2020: £44,243,853) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Included within the balance sheet is a pension deficit of £12,461,000 (2020: £10,498,000). The increase is due to transfer of the pension deficit in relation to the new school joining and a change in the discount rate from 1.9% to 1.7%, and a change in the rate of inflation from 2.0% to 2.3%. The future contribution rates (disclosed in note 25) are making good the deficit.

Going concern

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

Financial and risk management objectives and policies

The Trust has minimal exposure to financial instruments, utilising only cash, debtors and creditors.

Reserves policy

The Trust's policy on reserves is to seek to balance the competing priorities of expending the maximum amount of resources on students, principally through the provision of highly qualified staff, and the need to retain resources to manage future uncertainty.

The Trustees have considered the impact of Covid-19 on the reserves of the Trust and do not foresee any significant concerns about future levels of reserves. At this stage no changes are being considered with regards to the reserve policy as a result of the impact of the pandemic. This will be monitored whilst the pandemic is prevalent and changes will be considered as and when appropriate.

The Board of Trustees aim to maintain enough in their reserves to provide against a sudden and unexpected fall in future income. The Board will review the required level of reserves on an annual basis to ensure it continues to meet the needs of the Trust. The Trustees have determined that the appropriate level of free reserves should be equivalent to 8 weeks expenditure determined from following years planned budget spend, this includes capital expenditure which is outside of the scope of the SCA funding, which equates to approximately £5m. The current level of available reserves are £4.5m. The Trustees consider it appropriate to include the restricted and un-restricted general funds as they are both available to provide a sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The reserves amount will be reviewed annually to account for new academies joining the Trust.

Investment policy

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any cash surplus balances against inflation as laid out in the Reserves and Investment Policy. In addition, the Trust aims to invest surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk to the loss of these cash funds. The Trust recognises and agrees that all money received from the ESFA is to fund the education of the current students and the Trust should not hold large reserves/investments to the detriment of the current students.

Covid-19 has had no direct impact on the investment policy, but this will be monitored and changes made if and when appropriate.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Key performance indicators

Outcomes for Learners

KS4

Due to the impact of the national pandemic exam outcomes for the summer 2021 exam series have again taken a different format this academic year. The advice for schools was to submit Teacher Assessed Grades (TAGs) based on evidence from students of the standard they are performing at currently on subject content they have been taught.

These grades were standardised within departments and using specialists across the Trust or externally. Grades from samples of student work were verified by awarding bodies.

The Department for Education has confirmed its decision not to calculate or publish, performance data for secondary schools this summer. The only data that will be published is KS4 subject entry data, including EBacc entry and Destination data.

ALP performs internal analysis using a range of internal assessment measures across the academic year, the analysis shows all ALP secondary schools have made progress from the 2019 exams and 2020 Centre Assessed Grades (CAGs) position in the majority of attainment headline measures.

KS2

Primary school SAT assessments were also cancelled due to the pandemic. Analysis of internal data for Hartside Academy shows an increase in the % of students achieving expected standard if the SAT assessments had taken place, compared to 2019 results.

Financial Key Performance Indicators

Advance Learning Partnership use a range of national data sources to set aspirational targets for all students. The Trust uses Integrated Curriculum and Financial Planning (ICFP) tools to ensure that the academies deliver the best curriculum to meet the needs of all students within the context of the available resources.

The Trusts financial performance is monitored by the Trustees through regular financial reporting by the Chief Financial Officer. During Covid-19 restrictions, the Trust continued to present financial performance information to Trustees in a timely manner and reporting was adapted to reflect and manage uncertainties with potential budgetary implications.

The Trust continue to develop its key financial indicators. These KPI's cover both financial and non-financial targets.

Annual Operating Surplus

The academies will be targeted with producing an annual budget which provides at least 1% of GAG income as a surplus which will be used as follows:

- Investing funds to generate further income to allow for expansion of the Trust and its work;
- Releasing funds into revenue budgets for furtherance of a school's objectives assigning funds to appropriate designated reserves.

	2018-19	2019-20	2020-21
Pupil Numbers	2297	2934	3523
GAG Income per Pupil	£5,401.18	£5,520.07	£5,611.77
Total Staff Costs to Total Income	0.67	0.72	0.75
Total Staff Costs to Total Expenditure	0.72	0.75	0.77

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Plans for future periods

The Trust's growth plan is built around well managed, purposeful growth and despite the impact of the pandemic, the Trust has been successful in seeking further partners.

A key focus for the Trust will be to ensure that it builds on and develops its already successful and sustainable central support model, responding to the changing needs and priorities.

The Trustees and Executive Management Team have implemented a strategic plan which outlines the Trust's priorities within the areas of school improvement and the central support functions.

The Trust has set the following strategic priorities over the next three years:

Strategic Priority	Implementation / Impact
Continuing to build on the Trust foundations	<ul style="list-style-type: none">• Vision and values and guiding principles• Strong financial control• Strong, effective governance• Increasing capacity in proportion to need• Improving outcomes for children and young people
Trust operations	<ul style="list-style-type: none">• A balanced corporate vision of centrally driven challenge and support• A highly effective team of professional and technical experts• Continued development of centralised systems and structures• Building and enhancing capacity for effective school support and improvement
Ensuring Excellence	<ul style="list-style-type: none">• Recruiting, developing and retaining talented staff• Sharing best practice across ALP• A culture of purposeful learning• Enhancement of the leadership capacity and breadth of school improvement team• Staff engagement in professional development activities enabling them to develop skills which have a demonstrable impact on teaching and learning• Collaboration with other multi academy trusts to ensure best practice across governance, finance and school improvement
Purposeful Growth	<ul style="list-style-type: none">• Enhancement of staff retention and promotional opportunities• Enhancement of primary sector of ALP• To keep under review, the Executive Management Team structure and composition to ensure sufficient capacity to meet growth demands and is entirely robust across the Trust• Expand the number of academies in the Trust through collaboration and through building a reputation for delivering a high quality education
Sustainability	<ul style="list-style-type: none">• Financial planning integrated into the Trusts overall strategy for its schools• Succession planning and leadership development at the core of ALP• A robust Curriculum and Financial Planning model directing efficient and effective use of staffing and resources• Robust and accountable governance framework

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Principal risks and uncertainties

The Trusts policy is to adopt best practice in the identification, evaluation and effective control of risks to ensure they are managed to an acceptable level.

During 2019-20 an Audit and Risk Committee (ARC) was established, the ARC has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

There continues to be an overarching concern with regards to further disruption as a result of Covid-19, this is under constant review and risk assessment.

The main risks facing the Trust and its academies as identified in the risk registers are:

Risk	Mitigation
Business Continuity (Covid-19)	<ul style="list-style-type: none">• ICT strategy for remote teaching and learning• Detailed curriculum and staffing plans to ensure access to continued learning for all students both in school and distanced learning.• Disadvantaged students have access to remote learning to ensure they are able to access learning from home.
Covid-19	<ul style="list-style-type: none">• The Trust has considered the live issues and future risks associated with the pandemic as part of the overall risk management framework.
Financial challenges due to changes in funding	<ul style="list-style-type: none">• Student numbers are the key driver of ESFA funding, every effort is made to ensure student numbers are protected and grow where there is capacity to do so.• A coherent curriculum and financial planning model to ensure resources are deployed effectively.• Consistent financial monitoring• Ensuring a prudent level of reserves is maintained.• Additional funding has been awarded to cover the costs incurred as a result of the Covid-19 pandemic.• Catch up funding will enable schools to add capacity to close the attainment gap without the burden of additional financial pressures.
Managing growth to ensure continued improvement for all academies	<ul style="list-style-type: none">• Detailed assessment of potential growth opportunities, including the impact on the Trust's existing academies.• Strategic Growth Plan.• Ensuring structures are scalable and have capacity for expansion.
Safeguarding	<ul style="list-style-type: none">• Robust safeguarding procedures are in place• Appointment of Trust Safeguarding Lead• Frequent audits to ensure practice is compliant and proactive.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Fundraising

Academies within the Trust may undertake annual fundraising activities to support local or national charities. This will often be determined by the work of the student leadership teams and student council in the form of responding to a local or national campaign or to a tragedy in the local community.

Any planned fundraising activities will be regulated by the Senior Leaders in the individual academy and the Trust Central Finance Team to ensure that they conform to recognised standards.

When undertaking fundraising activities, the Trust is committed to protecting the public, including vulnerable people from unreasonable pressure or demands to donate. This is regularly reinforced with leaders across the Trust.

The quality assurance/monitoring of the fundraising activities is undertaken by the Executive Leaders within line management meetings.

For the reporting period, there have been no fundraising complaints brought to the attention of the Leaders/Governors/Trustees across the Trust.

Streamlined energy and carbon reporting

September 2020 to August 2021

The Advance Learning Partnership (ALP) is a Multi Academy Trust based in County Durham. Its aim is to give children and young people from all backgrounds an outstanding education. The Trust is made up of seven schools. It works to ensure pupils acquire the values, skills, knowledge and understanding to prepare them for success both in the classroom and beyond.

Academies that make up the Partnership:

- Parkside Academy
- Dene Academy
- Hartside Primary Academy
- Bishop Barrington Academy*
- Wolsingham School**
- Staindrop Academy
- Whitworth Park Academy

**new in September 2021 (therefore not included in this report)*

***new in September 2020 (therefore no comparison can be made to last year)*

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 implements the government's policy on Streamlined Energy and Carbon Reporting (SECR). This requires the Trust to report on its energy use for the 12 months, 1st September 2020 to 31st August 2021.

For this period the ALP will report:

- its annual UK energy use (in kWh), as a minimum relating to gas, purchased electricity and transport fuel and associated greenhouse gas emissions (in tonnes of carbon dioxide equivalent (CO₂e))
- an emissions intensity ratio chosen by the academy trust. Intensity ratios compare emissions data with an appropriate business metric or financial indicator, such as pupil numbers, to allow comparison over time or with other organisations
- the methodologies used to calculate the required information
- a narrative of measures taken to improve energy efficiency in the period of the report. If no measures have been taken, this should be stated
- a comparison of this year's figures for those of the previous year, excluding those schools which joined in this year and therefore have no previous year's data for comparison.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Annual Energy Use

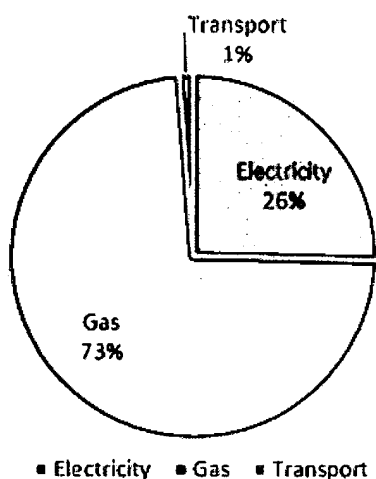
This chart details the energy use across the Trust. All units have been converted into kWh, and then emissions generated shown as Carbon Dioxide equivalent, a standard unit in energy management.

Fuel Type	Fuel Use kWh	Emissions kgCO2e
Electricity (Grid)	1,163,706	247,090
Natural Gas	4,244,064	777,343
Small diesel car	5,435	1,366
Small petrol car	5,347	1,293
Medium petrol car	5,643	1,363
Medium diesel car	5,426	1,361
Large diesel car	194	48
Large petrol car	7,430	1,793
Average van	26,225	6,552
Electricity Transmission & Distribution	1,163,706	21,866
Total	6,600,951	1,060,076
Total (tonnes)		1,060

In delivering educational services ALP generated the equivalent of 1,060 tonnes of carbon dioxide.

This pie chart shows the carbon emissions by fuel type. The majority of the emissions are from gas used to heat the buildings.

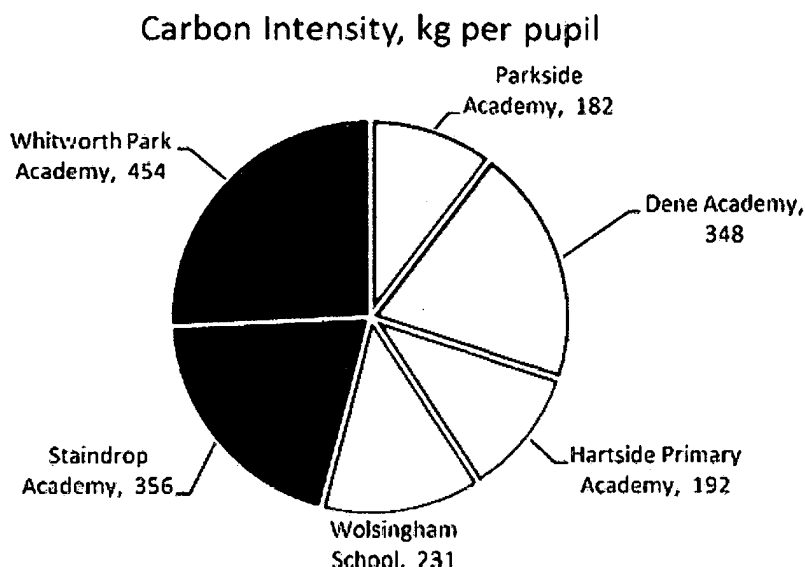
Carbon Emissions Source



ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

The following pie chart shows each Academy's contribution to the overall total (not including emissions from transport).



Intensity Ratio

The intensity ratio is how much carbon dioxide is generated by the MAT shared between the number of pupils taught- how much carbon generated to teach each pupil. It allows comparisons over time where pupil numbers may fluctuate.

In the 2020- 2021 year, ALP MAT had a total of 3,540 pupils. That gives a carbon intensity of 299 kg of carbon dioxide equivalent per pupil.

Last year the MAT had five schools. Wolsingham School joined in September 2020 making this its first SECR year, and Bishop Barrington joined in September 2021 meaning it will make its first contribution to SECR next year. Whenever the whole of the MAT this year is compared with the whole of the MAT last year, both Wolsingham and Bishop Barrington are excluded from that comparison. For example, the carbon intensity ratio for the whole MAT is stated above as 296kgCO₂e per pupil, but in the table below we exclude Wolsingham to make a fair comparison to last year, making the carbon intensity for comparison purposes 315kgCO₂e per pupil.

Looking across the MAT, the intensity ratios per Academy are as follows:

Academy	Intensity Ratio (kg CO ₂ e per pupil)		
	2020-2021	2019-2020	Comparison
Parkside Academy	182	183	-0.5%
Dene Academy	348	344	+1.2%
Hartside Primary Academy	192	192	No change
Wolsingham School	231	N/A	No comparison
Staindrop Academy	356	383	-7.0%
Whitworth Park Academy	454	372	+22%
Transport	3.9	8.9	-56%
Whole MAT (excl. Wolsingham)	315	304	+3.6%

Note: There can be many reasons why different schools generate more carbon per pupil and the data should be looked at in context of the school's operating environment. This context is perhaps even more important this year, where schools have been affected by Covid-19 differently.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Further Comparisons

Emissions Source	Carbon Emissions (kgCO ₂ e)		
	2020-21	2019-20	Comparison
Electricity (Grid)	206,775	240,107	-13.9%
Natural Gas	670,002	616,877	+8.6%
Electricity Transmission & Distribution	18,298	20,649	-11.4%
Transport	13,777	26,341	-53.7%
Total	908,853	903,975	+0.4%

The table above excludes Wolsingham School from the 2020-21 year as it was not part of the MAT during the 2019-2020 year. This allows for a fairer comparison between the two years.

The 8.6% increase in emissions from gas use has undone the benefit of the 13.9% decrease from electricity, 11.4% decrease from electricity t&d, and 53.7% decrease from transport emissions. This shows the significant role that space heating plays in the carbon footprint of these schools.

Actions taken during the reporting period

In the past 12 months the Academy Trust have taken the following actions:

ALP have engaged Durham County Council to provide Energy Management Services through a service level agreement. This provides the staff at the Trust with day+1 data on our energy use across the building estate through an energy portal allowing staff to maintain oversight on consumption.

Annual energy use reports have been produced for the individual schools in the Trust which have contracted into the Service.

As part of this, in December 2020 the Schools Carbon Management Officer from OASES had a meeting with Nicola Milne and Andrew Reynolds about six schools. They looked through individual school reports and included an introduction to the Energy Manager Live portal. In the forthcoming year a follow up meeting will take place with Kim Hall (who has taken over from Nicola).

There was also a virtual energy morning with the eco group at Whitworth Park on 1st December 2020.

Hartside School have signed up to take part in and began preparations for an International schools COP 26 conference, due to take place in October 2021.

The schools in the MAT (except Parkside Academy) procure their electricity through Durham County Council's contract which comes from 100% renewable sources. However, in line with best practice we have used standard greenhouse gas emission factors for our calculations.

Parkside Academy has 150kWp of solar PV panels installed through Solar for Schools. Between September 2020 and August 2021 the school used 73,145 kWh from these panels and avoided 16.9 tonnes of CO₂ that grid electricity would have generated. The school got 28% of its total electricity from on-site renewable energy.

ADVANCE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

Methodology

This report has been prepared by Rosalind Farrow and Stephen Beresford from Durham County Council's Energy Management Team. They have many years of experience in energy management and reporting, producing the key documentation and monitoring protocols used in Durham County Council's carbon management programme.

The data (01/09/2020-31/08/2021) from utilities has been collated from the energy management tool, Systemlink. The report uses Invoice data, which is supplied by our utility provider and backed up by automatic half hourly meter readings and regular physical meter reads.

Parkside and Staindrop Academies are not on the same energy contract as the other schools in the MAT, therefore energy data has been taken directly from separate invoice records and incorporated into the calculations.

Data on transport has been collated by the school from records of mileage claimed by staff or from fleet records and converted from miles to km.

This information was converted into kWh and then multiplied by the relevant Carbon Factors from BEIS using the 2021 dataset.

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021>

Summary/Statement

This is the second year that Advanced Learning Partnership has been tracking its emissions for SECR, but education has been significantly disrupted by Covid 19. This report highlights the key areas where carbon emissions are generated, and we will share the results with key staff and interested parties. The 2020/21 year has been difficult for everyone, and the results are broadly in line with expectations given the increased need for ventilation and lack of travelling.

As the situation becomes more normal, we hope that lessons can be learned and shared across the Partnership to maintain lower mileage and avoid high gas use in future years.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There are no funds held as Custodian Trustee on behalf of others.

AUDITOR

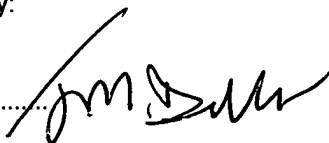
RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' report is approved by order of the Board of Trustees and the strategic report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 9/12/21 and signed on its behalf by:

.....
J Deller
Chair



ADVANCE LEARNING PARTNERSHIP

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees have delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between ALP and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and the in Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
J Deller (Chair)	5	6
S Leech	4	6
E Beveridge	3	6
M Roe	5	6
A Boddy	4	6
A A R Scott	6	6
K Simpson (CEO & Accounting Officer)	6	6
N Harrison (Appointed 12 May 2021 and resigned 31 August 2021)	1	1
R Wolff (Appointed 10 December 2020)	3	4

In 2020-2021, Directors welcomed two new members, Mr Wolff and Mr Harrison to support with growth of Trust. In 2020-2021, ALP Members also appointed a new Member, Mrs Sneath, who provides a wealth of experience and is highly skilled in order to help ensure that Directors are exercising effective governance.

ADVANCE LEARNING PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

Governance reviews

Trustees have maintained close oversight of the Trust's policies and procedural arrangements and have appraisals to monitor and review the effectiveness of key areas of both the Trust and individual academies such as, safeguarding procedures, financial management, equality and diversity, attendance and behaviour as well as curriculum subject areas.

The systems and procedures for reporting to Trustees and Academy Council Governors are implemented using a bespoke online platform where Trustees/Governors can access information in a timely manner. The system ensures streamlined governance reporting procedures and compliance with data protection and will continue to be enhanced and developed to maintain effective governance for the trust and any growth.

All Academies have the same format of data collection and reporting, this enables the Board to have a consistent approach to scrutiny and challenge and the ability to compare the performance and development of the academies across the Trust.

A self-evaluation governance exercise is undertaken annually by Trustees, the review confirmed the Board to be constituted with a wide range of experience and expertise which has enable Trustees to exercise effective control and strong challenge.

A full self-evaluation is undertaken by the Board of any new academy Governing Body joining the Trust to establish the experience, expertise and effectiveness of the Governing Body and to inform of any training needs that may be required to enhance the skills of the Governors.

Trustees and Governors have access to the National Governance Association where specific training can be undertaken in order to improve the skills and understanding they need to deliver effective governance. Trustees and Governors also have access to the National Governance Association Membership area which provides access to a wealth of governance resources and tools to support those in governance roles. Trustees and Governors also have access to training via the National College.

In 2020-2021 the trust offered a termly bespoke training program for Trustees and Governors, delivered by Senior Leaders and some external agencies such as NGA, RSM and Wardhadaway Solicitors. This training was welcomed by Trustees and Governors.

Due to the success of the ALP Governance program in 2020-21, the trust will continue to offer an enhanced governance program for 2021-22. Training will take place half termly and will be presented by Trust personnel and external specialists where required.

Training will take into account the DfE Competency Framework, and using skills audits/ self-review governance end of year session to help inform the training program for the following academic year.

In July 2020, ALP received an External Review of Governance arrangements from Durham County Council, the review concluded that the trust had substantial level of assurance. ALP will ensure governance is reviewed externally bi-annually. To conclude 2020-2021, Governors and Trustees were asked to complete Skills Audit and to review their governance contributions.

The Trusts Governance continued during Covid-19 in 2020-21 through:

- Regular meetings between Chairs and Trust/Academy leaders;
- Regular updates to the Audit and Risk and Board;
- Detailed Academy risk management plans (including individual Academy risk registers);
- Virtual Governance Meetings and virtual link meetings;
- Virtual training.

From the pandemic with the introduction of virtual meetings and training, this allowed ALP to evaluate the future of governance meetings and training. The virtual platform has allowed flexibility, for those with commitments at home or work, which has also supported wellbeing. It has also allowed for meetings to be more focussed.

Due to the success of virtual meetings and training events, future governance will be assessed prior to the scheduled dates as to whether or not they will take place face to face or virtual, taking into account circumstances such as local area cases.

ADVANCE LEARNING PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

The audit committee is a sub-committee of the main Board of Trustees. Its purpose is to:

The Audit & Risk Committee's responsibilities cover:

- Internal controls and risk management
- Compliance, whistleblowing and fraud
- Policy review
- Internal audit
- External Audit and statutory financial reporting

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
E Beveridge	2	3
M Roe	3	3
A Boddy	2	3

Review of value for money

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

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

- Continuously seeking to improve academic standards for students
- Development on extensive in-house training and CPD programme
- Development of in-house data analysis dashboard
- Benchmarking curriculum models against key metrics ensuring curriculums are meeting the needs of students within budget constraints.
- A school improve structure which and is effective in meeting the needs of the schools, whilst developing and retaining talented staff through promotional opportunities.
- Contracts are reviewed on a regular basis to ensure they are still required, fit for purpose and provide best value.
- As the Trust has increased in size it has been possible to negotiate improved terms and conditions across a number of mutual contracts and agreements with suppliers.
- Use of technology for more efficient processes
- Continuous review of staffing levels, only filling vacancies where it is necessary for educational or operational reasons
- Review of income generation

Financial efficiency:

The Trust financial management is performed through a centralised service, the financial controls and procedures continue to be developed and enhanced.

Trustees play an active role in overseeing financial decisions and evaluate decisions taken in light of their impact on pupil achievement.

Contracts are reviewed on a regular basis to ensure they are still required, fit for purpose and provide best value.

As the Trust has increased in size it has been possible to negotiate improved terms and conditions across a number of mutual contracts and agreements with suppliers. As other schools join the Trust we continue to explore cost savings as a result of increased purchasing power and economies of scale by sharing resources where possible.

ADVANCE LEARNING PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Advance Learning Partnership for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is an informal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

The risk and control framework

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

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

The internal auditor's role includes giving expert advice and performing a range of checks (internal audits) on the Trust's system of internal controls. The results of these audits are discussed in detail at the Audit Committee. In addition, and on an annual basis, the internal auditor reports to the Audit Committee on the overall findings and gives an opinion to the Trustees as to the overall effectiveness of the Trust's internal controls. During the year TIAA have conducted audits in the areas of: Key Financial controls, Risk Management and Estates Compliance. TIAA also conducted a review of previous audit action plans and updates.

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

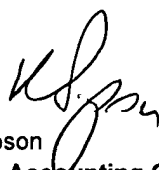
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 9 Dec 21 and signed on its behalf by:

J Deller
Chair



K Simpson
CEO & Accounting Officer



ADVANCE LEARNING PARTNERSHIP


STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Advance Learning Partnership, I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

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

K Simpson
Accounting Officer


9 Dec 21

ADVANCE LEARNING PARTNERSHIP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

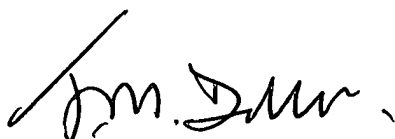
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

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

Approved by order of the members of the Board of Trustees on 9 Dec 21 and signed on its behalf by:

J Deller
Chair



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE LEARNING PARTNERSHIP

Opinion

We have audited the financial statements of Advance Learning Partnership (the "charitable company") for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2020 to 2021 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2020 to 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE LEARNING PARTNERSHIP (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report, included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report, included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 26, the trustees (who are also the directors of the charitable company for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 auditor's 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE LEARNING PARTNERSHIP (CONTINUED)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Financial Handbook and Annual Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and evaluating relevant advice received from internal/external advisors.


The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Leece (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

1 St. James' Gate

Newcastle upon Tyne

United Kingdom, NE1 4AD

13 Dec 21

ADVANCE LEARNING PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	-	-	1,167,588	1,167,588	1,363,594
Donations - transfer from local authority on conversion	28	-	(937,791)	11,379,225	10,441,434	13,102,900
Charitable activities:						
- Funding for educational operations	4	-	23,848,101	-	23,848,101	18,650,616
Other trading activities	5	833,805	-	-	833,805	980,270
Investments	6	5,338	-	-	5,338	13,244
Total		<u>839,143</u>	<u>22,910,310</u>	<u>12,546,813</u>	<u>36,296,266</u>	<u>34,110,624</u>
Expenditure on:						
Raising funds	7	740,930	-	-	740,930	731,339
Charitable activities:						
- Educational operations	8	-	22,960,272	1,556,574	24,516,846	19,507,635
Total	7	<u>740,930</u>	<u>22,960,272</u>	<u>1,556,574</u>	<u>25,257,776</u>	<u>20,238,974</u>
Net income/(expenditure)		98,213	(49,962)	10,990,239	11,038,490	13,871,650
Transfers between funds	18	-	(571,902)	571,902	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit obligations	25	-	20,000	-	20,000	(766,000)
Net movement in funds		98,213	(601,864)	11,562,141	11,058,490	13,105,650
Reconciliation of funds						
Total funds brought forward		461,171	(8,033,844)	45,038,828	37,466,155	24,360,505
Total funds carried forward		<u>559,384</u>	<u>(8,635,708)</u>	<u>56,600,969</u>	<u>48,524,645</u>	<u>37,466,155</u>

ADVANCE LEARNING PARTNERSHIP

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	13	55,892,487	44,243,853
Current assets			
Debtors	14	928,819	1,801,122
Cash at bank and in hand		6,151,018	4,188,433
		<u>7,079,837</u>	<u>5,989,555</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(1,909,791)	(2,225,321)
Net current assets		<u>5,170,046</u>	<u>3,764,234</u>
Total assets less current liabilities		<u>61,062,533</u>	<u>48,008,087</u>
Creditors: amounts falling due after more than one year	16	(76,888)	(43,932)
Net assets before defined benefit pension scheme liability		<u>60,985,645</u>	<u>47,964,155</u>
Defined benefit pension scheme liability	25	(12,461,000)	(10,498,000)
Total net assets		<u>48,524,645</u>	<u>37,466,155</u>
Funds of the Trust:			
Restricted funds	18		
- Restricted fixed asset funds		56,600,969	45,038,828
- Restricted income funds		3,825,292	2,464,156
- Pension reserve		(12,461,000)	(10,498,000)
Total restricted funds		<u>47,965,261</u>	<u>37,004,984</u>
Unrestricted income funds	18	<u>559,384</u>	<u>461,171</u>
Total funds		<u>48,524,645</u>	<u>37,466,155</u>

The financial statements on pages 30 to 56 were approved by the Board of Trustees and authorised for issue on 9 Aug 21 and are signed on their behalf by:

J Deller
Chair



ADVANCE LEARNING PARTNERSHIP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	22	1,256,118		1,037,524	
Cash funds transferred on conversion		65,209		21,659	
		<u>1,321,327</u>		<u>1,059,183</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		5,338		13,244	
Capital grants from DfE Group		2,280,451		186,977	
Purchase of tangible fixed assets		<u>(1,643,343)</u>		<u>(553,754)</u>	
Net cash provided by/(used in) investing activities		642,446		(353,533)	
Cash flows from financing activities					
New other loans		40,980		18,421	
Repayment of other loans		<u>(42,168)</u>		<u>(39,431)</u>	
Net cash used in financing activities		(1,188)		(21,010)	
Net increase in cash and cash equivalents in the reporting period		1,962,585		684,640	
Cash and cash equivalents at beginning of the year		4,188,433		3,503,793	
Cash and cash equivalents at end of the year		<u>6,151,018</u>		<u>4,188,433</u>	

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

General information

Advance Learning Partnership is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

Basis of preparation

The financial statements of the Trust have been prepared under the historical 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 financial statements 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

Going concern

The Trustees assess whether the use of going concern is appropriate. The trustees have considered the following:

The trust had total funds of £48,525k as at 31 August 2021 (2020: £37,466k) and a year-end cash balance of £6,151k (2020: £4,188k).

As a result of the Covid-19 pandemic, the three-year forecasts have been updated to factor in the expected level of income and expenditure to confirm that the trust has sufficient funds and cash for the organisation to continue for at least 12 months from the date these financial statements are signed. The majority of the 21/22 forecasted income has been taken from confirmed allocations with the forecasted 22/23 income to remain at a similar level. The forecasted expenditure is expected to remain at a similar level to 20/21.

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

School transfer

The transfer from a state maintained school into an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion of Wolsingham School to the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Other income

Other income, including catering income and school trips, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Interest Receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and buildings	Straight line over 10 - 50 years
Computer equipment	Straight line over 3 years
Fixtures and fittings	Straight line over 3 - 10 years
Motor vehicles	Straight line over 5 years

Residual value is calculated on prices prevailing at the reporting date, after estimated cost of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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

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

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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Financial instruments

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer 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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employees. Consequently, there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses, as other comprehensive income.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Fund accounting

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

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

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

Termination benefits

Termination benefits that encourage employees to leave service voluntarily are recognised when employees accept the Trust's offer to those benefits. Termination benefits provided as a result of the Academy terminating employment are recognised when the Trust has communicated its plan of termination to the affected employees.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donated fixed assets	-	182,640	182,640	-
Capital grants	-	984,948	984,948	1,363,594
	-	1,167,588	1,167,588	1,363,594

The income from donations and capital grants was £1,167,588 (2020: £1,363,594) of which £1,167,588 was restricted fixed assets (2020: £1,363,594).

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	19,770,268	19,770,268	16,195,890
Other DfE / ESFA grants:				
- Universal infant free school meals	-	27,899	27,899	23,457
- Pupil premium	-	1,387,458	1,387,458	1,158,649
- Others	-	1,657,145	1,657,145	1,053,065
	-	22,842,770	22,842,770	18,431,061
Other government grants				
Local authority grants	-	317,808	317,808	219,555
COVID-19 additional funding (DfE / ESFA)				
Other DfE / ESFA COVID-19 funding	-	687,523	687,523	-
	-	687,523	687,523	-
	-	23,848,101	23,848,101	18,650,616

The income from funding for educational operations was £23,848,101 (2020: £18,650,616) of which £23,848,101 was restricted (2020: £18,650,616).

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the Trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported within the Other DfE/ESFA grants/Other DfE group grants line item, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

Other DfE group grants are made up of pupil premium, early years funding, teachers pay grants, rates relief, PE grants and universal infant free school meals. Local Authority grants are in relation to SEN funding. There are no unfulfilled conditions or contingencies for grants recognised in the period.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Lettings income	15,460	-	15,460	17,395
Catering income	470,446	-	470,446	457,831
Private School Fund	64,946	-	64,946	256,078
Other income	282,953	-	282,953	248,966
	<u>833,805</u>	<u>-</u>	<u>833,805</u>	<u>980,270</u>

The income from other trading activities was £833,805 (2020: £980,270) of which £833,805 was unrestricted (2020: £740,335) and £- was restricted (2020: £239,935).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Interest from short term deposits	5,338	-	5,338	13,244

The income from funding for investment income was £5,338 (2020: £13,244) of which £5,338 was unrestricted (2020: £13,244).

7 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2021 £	Total 2020 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	740,930	740,930	731,339
Academy's educational operations					
- Direct costs	14,932,442	1,556,574	1,238,293	17,727,309	14,525,087
- Allocated support costs	4,348,862	1,245,128	1,195,547	6,789,537	4,982,548
	<u>19,281,304</u>	<u>2,801,702</u>	<u>3,174,770</u>	<u>25,257,776</u>	<u>20,238,974</u>

The expenditure on raising funds was £740,930 (2020: £731,339) of which £740,930 was unrestricted (2020: £731,339).

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2021 £	2020 £
Operating lease rentals	27,731	21,933
Depreciation of tangible fixed assets	1,556,574	1,178,528
Net interest on defined benefit pension liability	189,000	168,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	21,400	18,500
- Other services	32,122	23,739
	<u>21,400</u>	<u>23,739</u>

8 Charitable activities

	2021 £	2020 £
All from restricted funds:		
Direct costs		
Educational operations	17,727,309	14,525,087
Support costs		
Educational operations	6,789,537	4,982,548
	<u>24,516,846</u>	<u>19,507,635</u>

The expenditure on charitable activities was £24,516,846 (2020: £19,507,635) of which £22,960,272 was restricted (2020: £18,329,107) and £1,556,574 was restricted fixed assets (2020: £1,178,528).

	2021 £	2020 £
Analysis of support costs		
Support staff costs	4,348,862	3,121,800
Premises costs	1,245,128	1,046,583
Legal costs	78,342	115,249
Other support costs	1,077,832	679,816
Governance costs	39,373	19,100
	<u>6,789,537</u>	<u>4,982,548</u>

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	14,040,333	11,373,557
Social security costs	1,347,527	1,076,383
Pension costs	3,269,837	2,415,307
Staff costs - employees	18,657,697	14,865,247
Agency staff costs	541,955	252,774
Staff restructuring costs	81,652	65,782
Total staff expenditure	19,281,304	15,183,803
Staff restructuring costs comprise:		
Severance payments	81,652	65,782

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £33,021 (2020: £65,782). Individually, the payments were: £15,272, £8,304, £240 and £9,205.

Staff numbers

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

	2021 Number	2020 Number
Teachers	211	185
Administration and support	169	193
Management	3	3
	383	381

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff (Continued)

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	7	11
£70,001 - £80,000	7	1
£80,001 - £90,000	1	4
£90,001 - £100,000	2	-
£120,001 - £130,000	-	1
£140,001 - £150,000	1	-
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel for their services to the Trust was £423,843 (2020: £399,384).

10 Central services

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

- leadership management and oversight;
- strategic direction and planning;
- governance and compliance management;
- school improvement co-ordination;
- financial management and control;
- financial reporting (external audit);
- financial planning;
- budget preparation;
- financial management reporting;
- HR management;
- staff development management;
- premises and estates management;
- strategic procurement;
- capital project management;
- insurance and risk management co-ordination;
- systems training and advice;
- performance data analysis; and
- marketing, communications and corporate image management.

The Trust charges for these services on the following basis:

- The Trust will retain between 5% and 9% of a constitute academies GAG funding, the percentage is dependent on the level of support required.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Central services (Continued)

The amounts charged during the year were as follows:	2021 £	2020 £
Parkside Academy	289,586	153,780
Staindrop Academy	119,023	166,838
Hartside Academy	64,788	32,530
Whitworth Park Academy	345,020	293,394
Dene Academy	243,631	155,257
Wolsingham School	257,785	-
	<u>1,319,833</u>	<u>801,799</u>

11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Headteacher receives remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of Trustees' remuneration and other benefits was as follows:

K Simpson, the Chief Executive Officer (and Accounting Officer), received remuneration of £141,919 (2020: £10,417 for the period 1 August 2020 to 31 August 2020) and is accruing retirement benefits under the Teachers pension Scheme, for that period. Contributions paid in the period from appointment to the year end amounted to £33,605 (2020: £2,467).

In the prior year, L A Davies, the Chief Executive Officer and Accounting Officer until 31 August 2020, received remuneration of £82,500 and accrued retirement benefits under the Teachers' Pension Scheme. Contributions paid in the prior year amounted to £19,536.

During the year ended 31 August 2021, travel and subsistence expenses totalling £1,765 (2020: £nil) were reimbursed to Trustees in their role as an employee.

There were no related party transactions involving the Trustees during the year.

12 Trustees and officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £950 (2020: £950). The cost of this insurance is included in the total insurance cost.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

	Land and buildings £	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2020	46,241,198	576,659	716,717	8,398	47,542,972
Transfer on conversion	11,379,225	-	-	-	11,379,225
Additions	1,386,723	319,871	119,389	-	1,825,983
At 31 August 2021	59,007,146	896,530	836,106	8,398	60,748,180
Depreciation					
At 1 September 2020	2,538,367	348,005	409,346	3,401	3,299,119
Charge for the year	1,283,198	185,316	86,380	1,680	1,556,574
At 31 August 2021	3,821,565	533,321	495,726	5,081	4,855,693
Net book value					
At 31 August 2021	55,185,581	363,209	340,380	3,317	55,892,487
At 31 August 2020	43,702,831	228,654	307,371	4,997	44,243,853

14 Debtors

	2021 £	2020 £
Trade debtors	81,727	11,285
VAT recoverable	136,806	149,972
Other debtors	2,901	-
Prepayments and accrued income	707,385	1,639,865
	928,819	1,801,122

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Salix loans	4,870	39,014
Trade creditors	656,462	798,881
Other taxation and social security	348,701	269,934
EFA creditors	83,145	83,145
Other creditors	21	280,858
Accruals and deferred income (see note 17)	816,592	753,489
	1,909,791	2,225,321

The interest charged on Salix funding is 0% and amounts are repayable in twice yearly instalments.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Salix loans	76,888	43,932
	<u>76,888</u>	<u>43,932</u>
Analysis of loans	2021 £	2020 £
Not wholly repayable within five years by instalments	-	29,029
Wholly repayable within five years	81,758	53,917
	<u>81,758</u>	<u>82,946</u>
Less: included in current liabilities	(4,870)	(39,014)
	<u>(4,870)</u>	<u>(39,014)</u>
Amounts included above	76,888	43,932
	<u>76,888</u>	<u>43,932</u>
Loan maturity		
Debt due in one year or less	4,869	39,014
Due in more than one year but not more than two years	6,900	3,726
Due in more than two years but not more than five years	20,700	11,177
Due in more than five years	49,288	29,029
	<u>81,757</u>	<u>82,946</u>

The interest charged on Salix funding is 0% and amounts are repayable in twice yearly instalments.

17 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	182,863	26,688
	<u>182,863</u>	<u>26,688</u>
Deferred income at 1 September 2020	26,688	52,675
Released from previous years	(26,688)	(52,675)
Resources deferred in the year	182,863	26,688
	<u>182,863</u>	<u>26,688</u>
Deferred income at 31 August 2021	182,863	26,688

At the balance sheet date the Trust was holding funds received in advance in relation to early years funding, PE grants and rates relief.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	2,464,156	19,770,268	(17,837,230)	(571,902)	3,825,292
Other DfE / ESFA grants:					
- Universal infant free school meals	-	27,899	(27,899)	-	-
- Pupil premium	-	1,387,458	(1,387,458)	-	-
- Others	-	1,657,145	(1,657,145)	-	-
Other DfE / ESFA COVID-19 funding	-	687,523	(687,523)	-	-
Other government grants	-	317,808	(317,808)	-	-
Other restricted funds	-	65,209	(65,209)	-	-
Pension reserve	(10,498,000)	(1,003,000)	(980,000)	20,000	(12,461,000)
	<u>(8,033,844)</u>	<u>22,910,310</u>	<u>(22,960,272)</u>	<u>(551,902)</u>	<u>(8,635,708)</u>
Restricted fixed asset funds					
Inherited on conversion	40,811,542	11,379,225	(1,410,747)	-	50,780,020
DfE group capital grants	3,064,041	984,948	(109,447)	-	3,939,542
Capital expenditure from GAG	1,163,245	-	(31,443)	571,902	1,703,704
Donated fixed assets	-	182,640	(4,937)	-	177,703
	<u>45,038,828</u>	<u>12,546,813</u>	<u>(1,556,574)</u>	<u>571,902</u>	<u>56,600,969</u>
Total restricted funds	<u>37,004,984</u>	<u>35,457,123</u>	<u>(24,516,846)</u>	<u>20,000</u>	<u>47,965,261</u>
Unrestricted funds					
General funds	<u>461,171</u>	<u>839,143</u>	<u>(740,930)</u>	<u>-</u>	<u>559,384</u>
Total funds	<u>37,466,155</u>	<u>36,296,266</u>	<u>(25,257,776)</u>	<u>20,000</u>	<u>48,524,645</u>

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds (Continued)

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

General Annual Grant - General Annual Grant must be used for the normal running of the Trust. The funding agreement does not include a limit on the GAG available to carry forward.

Other DfE/ESFA grants - Other DfE/ESFA grants comprise pupil premium targeted at disadvantaged pupils.

Other government grants - Other government grants comprise SEN funding and support for MATs.

Other restricted funds - Other restricted funds include Year 7 Catch up grants, income from staff recharges and a variety of sources, expended in the year.

Pension reserve - The costs and income associated with the defined benefit pension schemes have been recorded in the restricted fund. Staff costs are paid from this fund including contributions to the LGPS, hence the pension liability has been aligned with these funds.

DFE/ESFA group capital grant - The income relates to capital funding which has been received from the ESFA for utilisation on building improvements and refurbishments.

Inherited on conversion

Transferred on conversion include the buildings of the academy trust. Depreciation will be charged to the fund over the life of the related assets.

Capital expenditure from GAG - The balance represents the total expenditure from GAG. Depreciation is charged to the fund over the life of the related assets.

Unrestricted Funds - Unrestricted funds can be used for any purpose, at the discretion of the Trustees, within the objects of the academy trust.

Transfer between funds - Transfers between funds have been made when capital items have been acquired using GAG monies.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds (Continued)

Funds prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	1,690,631	16,195,890	(15,027,018)	(395,347)	2,464,156
Other DfE / ESFA grants:					
- Universal infant free school meals	-	23,457	(23,457)	-	-
- Pupil premium	-	1,158,649	(1,158,649)	-	-
- Others	-	1,053,065	(1,053,065)	-	-
Other government grants	-	219,555	(219,555)	-	-
Other restricted funds	-	217,363	(217,363)	-	-
Pension reserve	(7,174,000)	(1,928,000)	(630,000)	(766,000)	(10,498,000)
	<u>(5,483,369)</u>	<u>16,939,979</u>	<u>(18,329,107)</u>	<u>(1,161,347)</u>	<u>(8,033,844)</u>
Restricted fixed asset funds					
Transfer on conversion	26,839,286	15,053,472	(1,081,216)	-	40,811,542
DfE group capital grants	1,777,415	1,363,594	(76,968)	-	3,064,041
Capital expenditure from GAG	788,242	-	(20,344)	395,347	1,163,245
	<u>29,404,943</u>	<u>16,417,066</u>	<u>(1,178,528)</u>	<u>395,347</u>	<u>45,038,828</u>
Total restricted funds	<u>23,921,574</u>	<u>33,357,045</u>	<u>(19,507,635)</u>	<u>(766,000)</u>	<u>37,004,984</u>
Unrestricted funds					
General funds	<u>438,931</u>	<u>753,579</u>	<u>(731,339)</u>	<u>-</u>	<u>461,171</u>
Total funds	<u>24,360,505</u>	<u>34,110,624</u>	<u>(20,238,974)</u>	<u>(766,000)</u>	<u>37,466,155</u>

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds (Continued)

Total funds analysis by academy

	Balance at 1 September 2020 £	Operating surplus / (deficit) (excluding depreciation) £	Capital expenditure from reserves £	Other movements £	Balance at 31 August 2021 £
Parkside Academy	378,827	360,812	(264,354)	-	475,285
Staindrop Academy	757,314	30,405	(69,566)	-	718,153
Hartside Academy	167,377	135,348	(24,158)	-	278,567
Whitworth Park Academy	1,145,005	642,058	(87,928)	-	1,699,135
Dene Academy	149,042	458,641	(110,693)	-	496,990
Wolsingham School	-	185,418	-	-	185,418
Central services	327,762	218,569	(15,203)	-	531,128
Total before fixed assets fund and pension reserve	2,925,327	2,031,251	(571,902)	-	4,384,676
Restricted fixed asset fund	45,038,828	-	-	11,546,938	56,600,969
Pension reserve	(10,498,000)	-	-	(1,963,000)	(12,461,000)
Total funds	37,466,155	2,031,251	(571,902)	9,583,938	48,524,645

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Parkside Academy	3,844,500	645,777	731,446	655,370	5,877,093	5,309,511
Staindrop Academy	1,765,964	317,537	235,790	488,297	2,807,588	2,788,099
Hartside Academy	764,271	132,790	127,370	119,685	1,144,116	1,161,833
Whitworth Park Academy	2,934,619	548,992	567,055	506,370	4,557,036	4,801,032
Dene Academy	3,181,627	487,959	496,472	425,916	4,591,974	4,421,768
Wolsingham School	2,359,857	469,838	399,993	619,072	3,848,760	-
Central services	-	1,036,573	-	177,895	1,214,468	760,001
	14,850,838	3,639,466	2,558,126	2,992,605	24,041,035	19,242,244

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	55,892,487	55,892,487
Current assets	559,384	5,782,545	737,908	7,079,837
Creditors falling due within one year	-	(1,908,365)	(1,426)	(1,909,791)
Creditors falling due after one year	-	(48,888)	(28,000)	(76,888)
Defined benefit pension liability	-	(12,461,000)	-	(12,461,000)
Total net assets	559,384	(8,635,708)	56,600,969	48,524,645

	Unrestricted Funds	Restricted funds: General	Fixed asset	Total Funds
	£	£	£	£
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	44,243,853	44,243,853
Current assets	461,171	4,675,415	852,969	5,989,555
Creditors falling due within one year	-	(2,193,466)	(31,855)	(2,225,321)
Creditors falling due after one year	-	(17,793)	(26,139)	(43,932)
Defined benefit pension liability	-	(10,498,000)	-	(10,498,000)
Total net assets	461,171	(8,033,844)	45,038,828	37,466,155

20 Contingent liabilities

In the event that during the period of the funding agreement, the Trust sells or disposes of any asset for which a capital grant was received, the Trust shall repay the same proportion of the proceeds of sale or disposal as equates with the proportion of the original cost met by the Secretary of State, unless the Secretary of State agrees to some or all of the proceeds being retained by the Trust for its charitable purposes.

21 Long-term commitments, including operating leases

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	15,583	11,786
Amounts due between one and five years	32,654	19,365
	48,237	31,151

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	11,038,490	13,871,650
Adjusted for:		
Net surplus on conversion to academy	(10,441,434)	(13,102,900)
Capital grants from DfE and other capital income	(1,167,588)	(1,363,594)
Interest receivable	(5,338)	(13,244)
Pension costs less contributions payable	791,000	462,000
Pension scheme finance costs	189,000	168,000
Depreciation of tangible fixed assets	1,556,574	1,178,528
Movements in working capital:		
(Increase)/decrease in debtors	(423,200)	36,404
(Decrease) in creditors	(281,386)	(155,089)
Stocks, debtors and creditors transferred on conversion	-	(44,231)
Net cash provided by operating activities	1,256,118	1,037,524

23 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	4,188,433	1,962,585	6,151,018
Loans falling due within one year	(39,014)	34,144	(4,870)
Loans falling due after more than one year	(43,932)	(32,956)	(76,888)
	4,105,487	1,963,773	6,069,260

24 Members' liability

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

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Pension and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £nil (2020: £278,163) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2019/20). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £1,677,837 (2020: £1,380,307).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 15.5% for employers and 5.5-11.4% for employees.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Pension and similar obligations (Continued)

As described in note 28 the LGPS obligation relates to the employees of the Trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Total contributions made	2021 £	2020 £
Employer's contributions	801,000	573,000
Employees' contributions	206,000	162,000
Total contributions	1,007,000	735,000

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2021 by a qualified independent actuary.

	2021 %	2020 %
Rate of increase in salaries	3.6	3.3
Rate of increase for pensions in payment/inflation	2.6	2.3
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.6	2.3

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

	2021 Years	2020 Years
Retiring today		
- Males	22.3	22.2
- Females	24.3	24.2
Retiring in 20 years		
- Males	23.3	23.2
- Females	25.8	25.7

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

25 Pension and similar obligations (Continued)

The Trust's share of the assets in the scheme	2021 Fair value £	2020 Fair value £
Equities	5,925,000	3,595,000
Government bonds	1,623,000	1,738,000
Corporate bonds	1,811,000	1,069,000
Cash	461,000	356,000
Property	649,000	516,000
Total fair value of assets	10,469,000	7,274,000

The actual return on scheme assets was £1,672,000 (2020: £(192,000)).

Amount recognised in the statement of financial activities	2021 £	2020 £
Current service cost	1,592,000	1,035,000
Net interest cost	189,000	168,000
Total operating charge	1,781,000	1,203,000

Changes in the present value of defined benefit obligations	2021 £
At 1 September 2020	17,772,000
Obligations acquired on conversion	1,677,000
Current service cost	1,592,000
Interest cost	331,000
Employee contributions	206,000
Actuarial loss	1,510,000
Benefits paid	(158,000)
At 31 August 2021	22,930,000

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

25 Pension and similar obligations (Continued)

Changes in the fair value of the Trust's share of scheme assets

	2021 £
At 1 September 2020	7,274,000
Assets acquired on conversion	674,000
Interest income	142,000
Return on plan assets (excluding net interest on the net defined pension liability)	1,530,000
Employer contributions	801,000
Employee contributions	206,000
Benefits paid	(158,000)
	<hr/>
At 31 August 2021	10,469,000 <hr/>

26 Related party transactions

All transactions involving related parties or connected parties are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures, except unless otherwise stated.

During the year the Academy Trust entered into the following transaction:

- C Jenkins, the brother of Claire Oates (CFO) has supplied services, in relation to maintenance of estates, totalling £1,780 (2020: £4,600). These services were delivered across the Trust, at various times during the year. The Trust procured the services, following the Trust's procurement processes. The CFO was not involved in the procurement process or decision making in relation to the supply.

In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook 2020.

Trustees' remuneration and expenses are disclosed in note 11.

27 Post balance sheet events

Bishop Barrington School joined the Academy Trust on 1 September 2021.

ADVANCE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

28 Transfer of an academy

On 1 September 2020 Wolsingham School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Advance Learning Partnership from the County Durham Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion

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

Academy	Location	Date of conversion		
Wolsingham School	Wolsingham	1 September 2020		
	Unrestricted funds	Restricted funds:		Total
	£	General	Fixed asset	2021
Net assets transferred:	£	£	£	£
Freehold land and buildings	-	-	11,379,225	11,379,225
Cash	-	65,209	-	65,209
Pension scheme deficit	-	(1,003,000)	-	(1,003,000)
	-	(937,791)	11,379,225	10,441,434
	£	£	£	£
Funds surplus/(deficit) transferred:	£	£	£	£
Fixed assets funds	-	-	11,379,225	11,379,225
LGPS pension funds	-	(1,003,000)	-	(1,003,000)
Other funds	-	65,209	-	65,209
	-	(937,791)	11,379,225	10,441,434

The total income and net income/ expenditure comprises of total income of £3,968,958 and net expenditure of £3,848,149 contributed by Wolsingham School between date of transfer and the 31 August 2021.