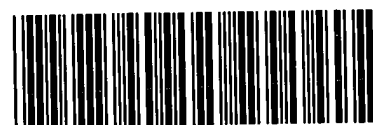


Company registration number 07928558 (England and Wales)

**ADVANCE LEARNING PARTNERSHIP**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

WEDNESDAY



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COMPANIES HOUSE

# ADVANCE LEARNING PARTNERSHIP

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

H Armstrong  
D Kingston  
D Liddle  
K Reynolds  
P Sneath

### Trustees

A Baldwin (Appointed 19 July 2023)  
L Davies (Appointed 19 July 2023)  
H Tarokh (Appointed 19 July 2023)  
P Morton (Appointed 19 July 2023)  
K Simpson (CEO & Accounting Officer)  
E Beveridge  
A Boddy (Chair of Trust Board)  
S Leech  
M Roe (Resigned 25 August 2023)  
A Scott  
N Davison-Terranova  
N Ashley (Appointed 8 December 2022)  
P Coady (Appointed 8 December 2022)

### Senior management team

- Chief Executive Officer
- Chief Operating & Financial Officer
- Executive Consultant

K Simpson  
C Oates  
L Davies

### Company secretary

C Oates

### Company registration number

07928558 (England and Wales)

### Registered office

Advance Learning Partnership  
Whitworth Lane  
Spennymoor  
Co Durham  
DL16 7LN

### Independent auditor

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

### Bankers

Lloyds Bank  
32 Newgate Street  
Bishop Auckland  
DL14 7EG

### Solicitors

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

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT

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

Advance Learning Partnership (ALP) was established in 2017 and has grown to its current position spanning County Durham and Darlington, with many of our academies serving areas of high deprivation. The Trust currently consists of nine secondary and eight primary academies and is responsible for over 8000 children and over 1200 staff.

### Secondary Academies

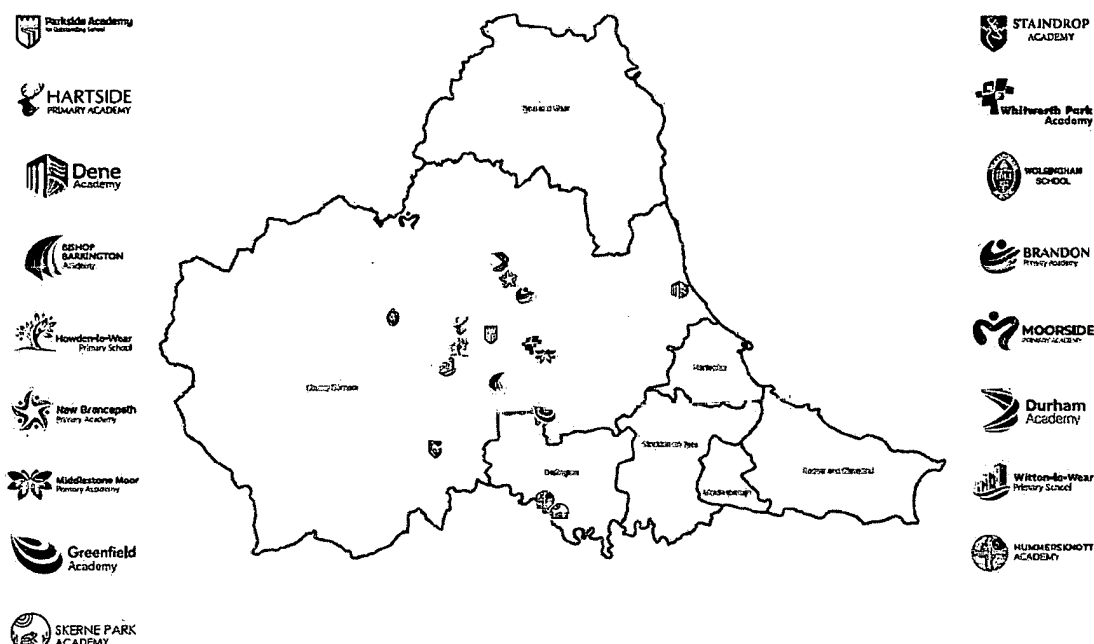
Bishop Barrington Academy  
Dene Academy  
Durham Academy  
*Greenfield Academy (01.09.2023)*  
*Hummersknott Academy (01.09.2023)*  
Parkside Academy  
Staindrop Academy  
Whitworth Park Academy  
Wolsingham School

### Primary Academies

Hartside Primary Academy  
Brandon Primary Academy  
Howden-le-Wear School  
Moorside Primary Academy  
New Brancepeth Primary Academy  
Middlestone Moor Academy  
*Skerne Park Academy (01.09.2023)*  
Witton-le-Wear Academy

The map below shows the locations of our current academies.

## Advance Learning Partnership FAMILY OF SCHOOLS



# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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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 pupils within each academy of the Multi Academy Trust.

The Trust aims to be an inclusive educational provider and is committed to measured and responsible growth, seeking to share the ALP offer to benefit children in our extended community.

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 Trust Handbook.

In 2022-23 the Trust had 14 academies for pupils aged 2 to 16 serving a catchment area across South West Durham. The Trust had a combined pupil capacity of 7,271 and a combined roll of 5,838 as per the October 2022 census.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Constitution

Advance Learning Partnership is a company limited by guarantee and 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 the Trustees of the charitable 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 Trust'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 Trust. 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.

#### 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.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### **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 pupils. 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 Trust's 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 of Trustees.

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.

### **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 Senior Management Team. The members of this team are;

- |              |                                     |
|--------------|-------------------------------------|
| • K. Simpson | Chief Executive Officer             |
| • C. Oates   | Chief Operating & Financial Officer |
| • L. Davies  | Executive Consultant                |

The pay and remuneration of the Senior Management Team is set by the Board of Trustees following a performance management cycle taking account an independent review of the scope of the role and benchmarking 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.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### Trade union facility time

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	7
Full-time equivalent employee number	6.65

#### 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	-
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### Related parties, connected charities 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 Greenfield Community School as part of a Trust Partnership Agreement and with Hummersknott Academy Trust as part of a Trust Merger ahead of them joining the Trust on 1 September 2023.

The Trusts network of collaboration with other Multi Academy Trusts has continued to grow and developed over the year allowing the building of relationships and the sharing of best practice within the Central Support Team.

### Engagement with employees

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 pupils.

Academy and Trust leaders actively communicate with staff through both formal and informal channels at both school and Trust levels, utilising network meetings, teach-meets, and conferences. Staff members are encouraged to interact and collaborate with peers across the ALP family of schools in both structured and casual settings. This continuous engagement ensures that employee perspectives are consistently considered and integrated into decision-making processes that could impact their interests.

We persistently connect with our staff to identify the training and developmental needs essential for their growth. Our ongoing investment in employee development and well-being underscores our commitment to fostering an inclusive culture within the Trust.

The Board receives consistent updates regarding staff performance and the ongoing personal development programs designed to cultivate, retain, and attract talent, as part of our comprehensive People Growth Strategy.

We promote active participation of our employees in conversations concerning the Trust's performance and matters of financial and economic significance. Every school is supported by an Academy Council that includes employee representatives, ensuring that our staff has a voice and can directly contribute to the decision-making processes that impact them.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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The Trust has a range of policies and procedures in place to promote a balanced and fair workplace where every employee has an equal opportunity to thrive, contributing to their personal and professional growth. 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.

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

The primary objective of the Advance Learning Partnership is to ensure an exceptional educational experience for pupils by achieving rapid and consistent improvement. Our focus lies in delivering outstanding educational outcomes for all pupils within the ALP family of schools while ensuring the Trust's long-term success and sustainability.

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 are obliged to consider the perspectives and interests of a broader array of stakeholders when making decisions. Throughout the year, the Board is furnished with various types of information to assess the impact of the Trust's decisions on its primary stakeholders. The information is disseminated in diverse formats, encompassing reports and presentations that cover academic, financial, and operational performance, key performance indicators, and risk assessments

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 pupils, 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 Trust's strategy and related policies.

The enduring viability of the Trust takes precedence in our decision-making process. This is especially crucial given the challenges posed by educational funding conditions, Trust expansion, School Improvement, and the recent developments regarding the RAAC

### **Stakeholders**

Our key stakeholders are our pupils, parents, employees and governors 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.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### Suppliers

We collaborate with a diverse array of suppliers to procure the finest resources for our Trust. Our commitment to fairness and transparency in all our interactions with suppliers is unwavering. The Trust employs systematic processes to ensure prompt payment to all our partners.

### Community and environment

Our schools play a crucial role within their local communities, and engaging with these communities is both recognised and encouraged. Various modes of engagement include the communal use of sports and other facilities. Through a wide array of opportunities, we are dedicated to building cultural capital

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 most recently through social value elements built into our procurement processes, ultimately flowing into the education we provide for our pupils.

### Business Conduct

The Trust is dedicated to maintaining integrity and courtesy in all its business interactions. The Board acknowledges the significant role that culture, values, and standards play in the long-term value creation and sustenance of the Trust. Upholding these elements is essential for preserving our reputation for exemplary business conduct

The Board's decision-making is influenced and facilitated by adherence to high standards of business conduct, aiding in the Trust's success. It takes into account the potential long-term outcomes of each decision and considers the perspectives and interests of a broader array of stakeholders.

### 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 Board of Trustees and Academy Council aims to achieve the highest standard of academic outcomes for every pupil through outstanding teaching and learning, quality evaluation, support and development, alongside inspirational enrichment and extracurricular provision.

ALP aims to support and challenge its schools to become outstanding educational institutions ensuring that every child receives an educational experience of equal quality to that which you expect for your own child **'Your Child is Our Child'**. This culture is embraced and embodied in all our academies.

### Objectives, strategies and activities

The long-term objective of the Trust is to become a strong family of schools that provides and inclusive educational provision focused on an individual context, serving pupils throughout the age ranges of 2-18 and across all sectors of education.

ALP will secure and enhance the life chances of every child through a shared ethos and set of values whilst recognising that every school must be flexible to meet the bespoke needs of the children and community it serves.

Collaboration and joint working will ensure that all academies in the Trust can share in, and benefit from, each other's strengths.



# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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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 2023 are summarised below:

<b>Ensuring Excellence</b>
A devotion to fostering a culture of purposeful learning, where every interaction and effort is geared towards enlightenment and knowledge acquisition. Central to this ethos is the development of meaningful collaborations, to ensure that high-quality learning and outcomes are not just ideals but tangible realities experienced by every learner.
<b>Purposeful Growth</b>
A commitment to nurturing outstanding leaders equipped with the skills, knowledge, and adaptability to navigate the evolving landscape of educational excellence. Integral to this commitment is the development of robust, scalable internal systems that are not only responsive but are also anticipatory of the diverse and dynamic needs of our schools. These foundational elements are instrumental in ensuring that every stride forward is sustainable, inclusive, and reflective of the high standards we uphold.
<b>Achieving Sustainability</b>
<p>A leadership framework encompassing Finance, Governance and School Improvement that is as steadfast as it is adaptable. Every decision, strategy, and initiative is underpinned by a commitment to sustainability and accountability.</p> <p>Scalable and sustainable systems and processes that are characterised by transparency, responsibility, and ethical considerations, ensuring every aspect of our organisation is aligned with the overarching goals of enhancing educational quality and organisational integrity.</p>

### 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 pupils 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)

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### STRATEGIC REPORT

#### Achievements and performance

During the academic year 2022-23 ALP has been successful in securing further Trust Capacity Funding (TCAF) from the Department for Education to support the growth and development of the Central Support Team.

The Trust has continued to use the TCAF funding to strengthen and extend the service provision offered to our schools and a number of key appointments of school support and school improvement specialists have been made, creating further capacity to support academies.

The ICT & Infrastructure Team has broadened its range of services with the inclusion of a Specialist Primary ICT Manager. This new role is dedicated to enhancing and supporting ICT provision in the primary sector, ensuring that the network and infrastructure are optimised to support both pupil learning and teaching effectively.

The Trust Leadership Team has been bolstered by the inclusion of two Directors, enhancing leadership capacity through the distribution of responsibilities. These director-level appointments have facilitated the improvement of communication within the Central Team, ensuring consistent support throughout.

The appointment of strategic leaders of English and curriculum and assessment has enabled not only subject development but the development, retention and recruitment of staff. The Central Attendance and Data Manager has enabled a strategic focus on pupil attendance to better improve academic success.

A significant advancement this academic year was the development and implementation of a People Growth Strategy. The strategy plays a pivotal role in confronting workforce challenges and shaping a workforce that can meet the evolving educational environment. The Trust recognises the importance of people development, leadership, talent management, and succession planning. These elements form the backbone of our approach to cultivating a capable and resilient workforce.

At ALP we continually seek opportunities to build projects which draw on research and evidence-informed practice, this year we have been working with SHINE, an education charity that works with teachers, schools, and other organisations, helping disadvantaged children in the North of England to fulfil their true potential. The Trust secured £50,000 of funding from SHINE to support the implementation of a long-term, sustainable transition project which aims to improve reading outcomes for disadvantaged children across the Trust and transform our approach to parental engagement.

The SEND provision has been a core focus this year. Our vision is to create a more inclusive society that celebrates and enables success in all forms and we know that it is especially vital that children and young people with SEND get the support that they need to enable them to participate fully, thrive and fulfil their potential. ALP Leaders and Trust SENCOs have worked together to broaden the pedagogy of key staff in schools, develop the network of SEND support and enhance the opportunities and support for our pupils who have SEND ensuring that our practice is continually developing in the response to the needs of our children.

High quality professional development is a vital component of effective leadership and is an integral part of the culture of our organisation. We have continued to enhance our structured programme of career development to ensure that colleagues receive high quality professional development which is relevant to their career stage; from Initial Teacher Training to Executive Leadership. ALP's bespoke 'Leadership in Action' courses provide personalised support and development opportunities to help staff to thrive in their current role and equip them with the skills and knowledge to take the next step in their career.

Two of our schools were subject to an Ofsted inspection this academic year. Whitworth Park Academy, previously Inadequate, has been judged 'Good' in all areas by Ofsted and Wolsingham School continues to be judged 'Good'.

During the academic year we were honored to receive the Investors in People Platinum award following our first ever assessment as a Central Support Team. Investors in People is a leading international framework for people management, providing a rigorous and transformative process, involving assessment of practices, policies and the overall approach to investment in people. The Platinum level is achieved by only 2% of companies and reflects our commitment to excellence in people management and development.

This year marked the inaugural Trust Annual Profile. The publication highlights the remarkable work and achievements of our schools, illuminating the extraordinary opportunities and experiences offered to our pupils and communities.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### **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".

### **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 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2023 total expenditure of £45,091,041 (2022: £36,253,022) was incurred. The excess of total income over expenditure for the year (prior to other gains/losses) was £15,715,020 (2022: £37,195,950), this surplus includes depreciation of £2,943,692 (2022: £2,127,527), capital funding of £3,325,035 (2022: £1,520,369) and donations from transfers into the Trust of £13,806,669 (2022: £37,946,451), which leaves a surplus of £1,527,013 (2022: £143,343 deficit).

At 31 August 2023 the net book value of fixed assets was £112,054,041 (2022: £95,799,299) 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 £2,452,000 (2022: £5,140,000). The decrease in the pension liability is due to a change to the financial assumptions. The discount rate has increased along with the CPI inflation assumption and salary increase assumption. This has resulted in a more positive balance sheet position.

### **Going concern**

Due to the ongoing economic downturn, the three-year financial projections have been adjusted to reflect anticipated revenues and expenses, ensuring that the Trust has adequate funds for the organisation to operate for at least a year from the signing date of these financial statements. Most of the projected income for 2023-24 is based on confirmed allocations, and the estimated income for 2024-25 is anticipated to be comparable. The expected expenses for the upcoming years will likely match those of 2023-24. These projections also account for above-average energy costs and inflation factors, indicating that the Trust is well-equipped to handle these rising costs. After making these enquiries, the board of trustees has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

### **Financial and risk management objectives and policies**

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

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### Reserves policy

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

The academic year 2022-23 continued to provide economic and geo-political uncertainty with doubt over funding, staffing shortages and soaring inflation, a key element being the teachers' pay review which saw the biggest rise in the last 10 years. The Trustees have evaluated the effect of the prevailing financial environment on the Trust's reserves. Various strategies have been employed to mitigate this risk, leading the Trustees to have no substantial worries regarding future reserve levels. Presently, no amendments to the reserve policy are anticipated due to the economic climate's impact. However, this situation will be under constant review, and modifications will be contemplated as deemed necessary.

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 the following years planned budget spend, this includes capital expenditure which is outside the scope of the SCA funding, which equates to approximately £10m. The current level of available reserves are £7,461k. The Trustees consider it appropriate to include the restricted and unrestricted 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 acknowledges and concurs that all funds received from the ESFA are designated for the education of current pupils, and it is not appropriate for the Trust to maintain extensive reserves or investments at the expense of these pupils.

The prevailing economic conditions have not directly influenced the investment policy; however, this will be monitored, and changes made if and when appropriate.

### Key Performance Indicators

In 2023 there has been a return to pre-pandemic grading, therefore nationally results are lower than last year and it is most meaningful to compare results to 2019, the last summer exam series before the pandemic.

The Trustees monitor the performance of the Academies through a Trust Data Dashboard which incorporates analytics of demographics and profiles pupils. These KPI's include;

- Assessment
- Attendance
- Exclusions and Suspensions

Trust headline figures are shown below;

Headline	Trust Outcome
Progress 8	-0.08
Attainment 8	46.7
Ebacc Entry %	29%
Basics 5+ %	41%
Basics 4+ %	60%

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### Financial Key Performance Indicators

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

The Trusts financial performance is monitored by the Trustees through regular financial reporting by the Chief Operating & Financial Officer.

### 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.

Key Performance Indicator	2020-21	2021-22	2022-23
Pupil Numbers	3,523	5,023	5,838
GAG Income per Pupil	£5,612	£5,553	£5,716
Total Staff Costs to Total Income	0.75	0.76	0.69
Total Staff Costs to Total Expenditure	0.77	0.74	0.72

### Plans for future periods

The Trust's strategy is for growth with purpose and care, ensuring the Trust has the capacity to meet the needs of each new academy in terms of support, challenge and leadership whilst maintaining the capacity to progress all existing academies within the Trust.

The Trust Board understands that the Trust's expansion will positively impact a larger number of children. It will broaden the spread of exceptional teaching, learning, and additional opportunities for children. Moreover, it will establish a more financially robust model that directs a higher proportion of its financial resources explicitly towards the individual child's development and well-being.

### Principal risks and uncertainties

The risks of the Trust are assessed at Trust and Academy level, supported by detailed risk registers. The risk registers are reviewed by the Senior Management Team, before being presented to the Audit and Risk Committee. The Trusts policy is to adopt best practice in the identification, evaluation and effective control of risks to ensure they are either mitigated or managed to an acceptable level.

The main risks facing the Trust are;

- Financial challenges due to changes in funding and inflationary increases
- Trust growth and ensuring continues improvement
- Recruitment and retention of staff
- Pension liabilities
- Maintaining and improving the quality of the estates

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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Measures taken to mitigate these risks:

- Financial Sustainability Strategy
- A coherent curriculum and financial planning model to ensure resources are deployed effectively
- Consistent financial monitoring
- Diversification of income streams
- Ensuring a prudent level of reserves is maintained.
- Strategic Growth Plan
- Detailed assessment of potential growth opportunities, including the impact on the Trust's existing academies
- Ensuring structures are scalable and have capacity for expansion.
- Application of the Trust reserve policy
- Due diligence procedures rigorously applied
- External review of Trust capacity for growth
- People Growth Strategy
- Risk Management Strategy
- Capital improvement prioritised on conditioning need
- Maintenance of premises to promote sustainability
- Ensuring a safe and secure educational environment

### **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 pupil leadership teams and pupil council in the form of responding to a local or national campaign or to a tragedy in the local community.

All intended fundraising events will be overseen by the Senior Leaders at each respective academy, in collaboration with the Trust Central Finance Team, to guarantee adherence to established 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.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### **Streamlined energy and carbon reporting**

September 2022 to August 2023

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 fourteen 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
- Brandon Primary School
- Howden le Wear Primary School
- Moorside Primary School
- New Brancepeth Primary School
- Durham Academy \*
- Middlestone Moor Primary School\*
- Witton le Wear Primary School\*

\*new in January 2023 (and usage is only recorded from that date)

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 2022 to 31st August 2023.

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 (tCO<sub>2</sub>e))
- 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.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### Quantification and reporting methodology

#### Annual Energy Use

This table details the energy use across the MAT. 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	Emissions
	kWh	kgCO <sub>2</sub> e
Electricity (Grid)	2,130,068	441,082
Natural Gas	4,799,483	877,921
Wood pellets	115,920	1,244
Burning oil	31,658	7,787
Average diesel car	36,190	9,270
Average petrol car	36,440	8,389
Average Electric car	200	41
Average van (minibus	100,957	27,966
Electricity Transmission & Distribution	See Electricity (Grid)	38,160
<b>Total</b>	<b>7,250,916</b>	<b>1,411,863</b>

**Total carbon emissions (tonnes)**

**1,412**

**In delivering educational services ALP generated the equivalent of 1,412 tonnes of carbon dioxide.**

This table outlines which Scope the emissions come from

	kWh	kgCO <sub>2</sub> e
Scope 1	5,048,018	914,920
Scope 2	2,130,068	441,082
Scope 3	72,829	55,861
<b>Total</b>	<b>7,250,916</b>	<b>1,411,863</b>



# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### Intensity measurement

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 2022/23 year ALP MAT had a total of 5,829 pupils, however as three schools were not part of the MAT for the full year the pupil numbers have been proportioned for the relevant sites to calculate the intensity ratio. The number of pupils used to calculate the intensity ratio was 5,586 **giving a carbon intensity of 253 kg of carbon dioxide equivalent per pupil.**

Last year the MAT had eleven schools for either the whole or part year and in 2021/22, the intensity ratio was **250kg per pupil.**

### Comparisons

The following table tracks the Scope 1, 2, and 3 for the current year against 2021/22

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 2022
Energy consumption used to calculate emissions (kWh)	7,250,916	6,301,990
Energy consumption break down (kWh)		
gas:	4,799,483	4,422,071
biomass	115,920	
burning oil	31,658	
electricity:	2,130,068	1,812,000
transport and fuel:	173,787	67,918
<b>Scope 1 emissions in tonnes CO2e :</b>		
Gas consumption	877.921	807.205
biomass	1.244	
burning oil	7.787	
Owened transport – mini-buses	27.966	6.292
Total scope 1	914.918	813.497
<b>Scope 2 emissions in tonnes CO2e</b>		
Purchased electricity	441.082	350.405
<b>Scope 3 emissions in tonnes CO2e</b>		
Transmission and Distribution of electricity	38.160	32.054
Business travel in employee-owned vehicles	17.701	7.209
Total gross emissions in metric tonnes CO2e	1,412	1,203
<b>Intensity ratio</b>	0.25275	0.2501
	tonnes per pupil	tonnes per pupil

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### Actions taken during the reporting period

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

- Installed and upgraded Building Energy Management System (BEMS) panels across the estate to ensure efficient and effective use of the heating systems to find optimum temperatures and operating schedules to drive efficiency.
- Improved thermal performance at Hartside Primary school with window replacement capital project.
- Improved thermal performance with replacement roofing schemes at New Brancepeth Primary Academy and Bishop Barrington Academy.
- Installed Solar Photovoltaic Panels at Hartside Primary School
- Trust-wide mobilisation of Workplace Solutions Procurement contract reducing deliveries from daily and next day to once per week resulting in a reduction in CO2 emissions.
- Trust-wide mobilisation of Food Deals Procurement contract reducing deliveries from three times per week from five suppliers to twice weekly from three suppliers resulting in a reduction in CO2 emissions.
- Introduction of recycling scheme across a number of schools
- Introduction of Generation Juice Scheme pilot in Wolsingham secondary school to reduce plastic waste by 97% and removing 110,000 plastic bottles from circulation. This scheme will be introduced more widely in the next academic year.
- Removal of single use plastic from catering provision in line with legislation.
- Increased LED provision across the estate
- Sustainability collaboration event held for pupils across the trust where 11 schools attended workshops with our procurement partner Lyreco.

ALP are continuing to engage 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. Historically these have been presented to individual managers, but the Trust central management are looking to take a more coordinated approach to this in the future.

All schools in the Trust have access to a number of 'credits' where specialist energy advisors can come to school to help pupils and staff learn more about climate change and energy efficiency.

Schools across the MAT participate in sustainability events hosted by Durham County Council including the COP conference.

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

The following table outlines the renewable energy on ALP sites and usage in the past 12 months. Sites labelled Engynious purchase electricity from Solar for Schools.

Site Name	Reference	kWh
Brandon Primary Academy		tbc
Dene Academy	Engynious	134,208
Durham Academy	Engynious	41,236
Hartside Primary Academy	Engynious	52,297
Parkside Academy	Engynious	118,352
Staindrop Academy		14,209
Whitworth Park Academy	Engynious	127,615
<b>Total</b>		<b>487,917</b>

This generation will have lowered the footprint of the Trust by over 100 tonnes.

# ADVANCE LEARNING PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

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### Methodology

This report has been prepared by Stephen Beresford, Senior Carbon Management Officer in Durham County Council's Energy Management Team. He has 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 (01/09/2022-31/08/2023) from utilities has been collated from the energy management tool, Systemslink. 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.

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 multiplied by the relevant Carbon Factors from BEIS using the 2023 dataset to calculate emissions.

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>

### Summary / Statement

This is the third year that Advanced Learning Partnership has been tracking its emissions for SECR, and the Trust has expanded each year, adding new schools to its portfolio. This year has seen an increase in Trust owned transport, which could result from increased travel post covid. Despite this they have maintained their intensity ration of approximately 0.253 tonnes per pupil.

### FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

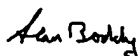
### AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office. The Trust is currently undertaking an exercise to tender its external audit service

### Statement as to disclosure of information to auditors

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 19/12/23..... and signed on its behalf by:



.....  
A Boddy

Chair of Trust Board

# ADVANCE LEARNING PARTNERSHIP

## GOVERNANCE STATEMENT

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### 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:

Trustee	Meetings Eligible	Meetings Attended
Mr K Simpson (CEO)	6	6
Mr A Boddy (Chair)	6	4
Mrs M Roe (Vice Chair)	6	4
Mrs E Beveridge	6	3
Mr S Leech	6	2
Mr A Scott	6	6
Mrs N Davison-Terranova	6	4
Mr N Ashley	5	4
Mr P Coady	4	4

### Governance reviews

The Trustees have diligently monitored the Trust's policies and procedural frameworks, implementing evaluations to assess the effectiveness in pivotal areas across both the Trust and individual academies. These areas include safeguarding procedures, financial management, equality and diversity, attendance and behavior, and curriculum subject areas.

Reporting systems and procedures for Trustees and Academy Council Governors are facilitated through a custom online platform, ensuring timely access to information. This system not only ensures efficient governance reporting procedures but also complies with data protection standards. It is subject to ongoing enhancements and developments to uphold effective governance, accommodating the Trust's growth and development

Every academy within the Trust utilises a uniform data collection and reporting format. This consistency allows the Board to systematically scrutinise and assess, enabling comparative analyses of performance and development across all academies within the Trust.

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

# ADVANCE LEARNING PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

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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.

As part of the 2022-23 Internal scrutiny programme, audit was carried out on the provision of governance arrangements. The audit included the role and operations of the Trust Board and its sub-committee, including operation within governing documents, financial regulations and delegated authorities. The review also considered governor recruitment, induction, and training. The overall assessment achieved was graded substantial assurance.

The strength and capacity of the Trust Board was enhanced with the appointed two new Trustees in the Autumn term. A further four Trustees were appointed at the end of the Summer Term 2022-23 ensuring a robust and diverse skill set which has secured the strength of the Trust Board for the 2023-24 academic year.

In 2022-2023 half termly training was delivered to Trustees and Governors to enhance the governance program and ensure the effectiveness of governance across the Trust. Training was delivered by Trust personnel and external specialists and agencies. This training was welcomed by Trustees and Governors.

Training takes 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.

### Audit & Risk Committee

The Audit & Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to support both the Chief Executive Officer and the Board in their responsibilities for issues of risk, internal control and governance by reviewing the comprehensiveness of assurances in meeting the Trust Board's accounting needs. As part of its role, the Committee selects an external and internal auditor and oversees their work. Attendance during the year at a meeting of the Committee was as follows:

Trustee	Meetings Eligible	Meetings Attended
Mrs M Roe	4	4
Mrs E Beveridge (Chair)	4	4

# ADVANCE LEARNING PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

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### Finance Committee

The Finance Committee is a sub-committee of the main Board of Trustees. The Committee's purpose is to support both the Chief Executive Officer and the Board in their responsibilities for financial issues of budgeting, budgetary control, treasury management and business planning by reviewing the comprehensiveness of assurances in meeting the Trust Board's accounting needs. Attendance during the year at a meeting of the Committee was as follows:

Governor Name	Meetings Eligible	Meetings Attended
Mrs M Roe (Chair)	6	6
Mr A Boddy	6	5
Mr A Scott	6	6

### Educational Standard and School Improvement Committee

The Educational Standards and School Improvement Committee is a sub-committee of the main Board of Trustees. Its purpose is to support both the Chief Executive of the Trust and the Board in their responsibilities for issues of the quality of education, pupil outcomes including examination and internal assessment results, attendance, punctuality, exclusions, inclusion and wellbeing. Attendance during the year at a meeting of the Committee was as follows:

Governor Name	Meetings Eligible	Meetings Attended
Mr P Coady	4	4
Mrs E Beveridge (Chair)	6	2
Mrs N Davision-Terranova	6	3
Mr S Leech	6	2
Mr N Ashley	5	5

# ADVANCE LEARNING PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

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### **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, as well as estates safety and management, 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 pupils
- Budget setting and financial planning driven by Integrated Curriculum and Financial Planning, ensuring curriculums are meeting pupils needs within efficiency metrics
- Effective use of resources
- A school improvement structure which is effective in meeting the needs of the schools, whilst developing and retaining talented staff through professional opportunities.
- Regular contracts review to ensure they are fit for purpose and provide best value.
- Reviewing systems and controls for managing risk
- Use of technology for more efficient processes
- Continuous review of staffing levels, only filling vacancies where it is necessary for educational or operational reasons
- Maximising income generation
- Increasing staffing capacity through efficient and scalable systems

### **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.

### **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 2022 to 31 August 2023 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 2023 and up to the date of approval of the annual report and financial statements.

# ADVANCE LEARNING PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

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### **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 Board of trustees has decided to employ TIAA as internal auditor. 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.

### **Managing conflicts of interest**

The Trust Members, Trustees, Academy Council and Staff have an obligation under both company and charity law to act in the best interests of the Trust and in accordance with its regulatory documents.

In addition, the Trust is subject to rules and regulations in relation to transactions with connected parties. The Academy Trust Handbook makes reference to these as 'related party transactions'. In general terms, related or connected parties include family, relatives or business partners of a Relevant Individual as well as businesses in which a Relevant Individual has an interest through ownership or influence.

Situations may arise where personal, private or family business and pecuniary interests conflict with those of the Trust. This may create tensions, inhibit free and open discussion and result in decisions or actions that are not in the interests of the Trust.

It is vital that the decision-making processes, decisions and the application of decisions at the Trust and its academies are, and are seen to be, free from personal or other bias such that the Trust is not laid open to criticism, challenge or reputational damage. In spending public money, it is imperative that Relevant Individuals do not benefit personally from the decisions that they make.

To this end, all Relevant Individuals are required to declare any business and pecuniary interest which leads to, or may potentially lead to, a conflict of interest and, wherever possible, to avoid situations in which there is or may be a conflict of interest. Declarations of business and pecuniary interests are recorded in a Register of Business and Pecuniary Interests.

Any financial transactions between the Trust and related parties are required by legislation to be disclosed in the Trust's published audited accounts each year.

The Trust seeks to identify conflicts of interest and take appropriate action to prevent them from affecting any decisions made, such that the best interests of the Trust are safeguarded.



# ADVANCE LEARNING PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

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### 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 governance self-assessment process of the school resource management self-assessment tool; 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 Audit and risk committee 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 19/12/23 and signed on its behalf by:

*Kelvin Simpson*

K Simpson  
CEO & Accounting Officer

*A Boddy*

A Boddy  
Chair of Trust Board

# ADVANCE LEARNING PARTNERSHIP

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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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, including for estates safety and management, under the funding agreement 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 Trust Handbook 2022, including responsibilities for estates safety and management.

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 Trust Handbook 2022.

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

*Kelvin Simpson*

K Simpson  
**Accounting Officer**

19/12/23  
.....

# ADVANCE LEARNING PARTNERSHIP

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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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:

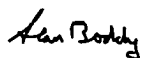
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 19/12/23..... and signed on its behalf by:



A Boddy  
Chair of Trust Board

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

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## **Opinion**

We have audited the financial statements of Advance Learning Partnership (the "charitable company") for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 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)**

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### **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.

- 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)

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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.

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: <https://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.

*RSM UK Audit LLP*

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

19/12/23

# ADVANCE LEARNING PARTNERSHIP

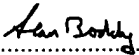
## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	3,235,035	3,235,035	1,520,369
Donations - transfer from local authority on conversion	28	-	(253,331)	14,060,000	13,806,669	37,946,451
Charitable activities:						
- Funding for educational operations	4	-	40,755,489	-	40,755,489	32,032,830
Other trading activities	5	2,769,322	228,418	-	2,997,740	1,946,457
Investments	6	11,128	-	-	11,128	2,865
<b>Total</b>		<b>2,780,450</b>	<b>40,730,576</b>	<b>17,295,035</b>	<b>60,806,061</b>	<b>73,448,972</b>
<b>Expenditure on:</b>						
Raising funds	7	2,136,212	-	-	2,136,212	1,532,535
Charitable activities:						
- Educational operations	8	-	40,011,137	2,943,692	42,954,829	34,720,487
<b>Total</b>	<b>7</b>	<b>2,136,212</b>	<b>40,011,137</b>	<b>2,943,692</b>	<b>45,091,041</b>	<b>36,253,022</b>
<b>Net income</b>		<b>644,238</b>	<b>719,439</b>	<b>14,351,343</b>	<b>15,715,020</b>	<b>37,195,950</b>
Transfers between funds	18	-	(1,582,943)	1,582,943	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit schemes	25	-	3,570,000	-	3,570,000	12,899,000
<b>Net movement in funds</b>		<b>644,238</b>	<b>2,706,496</b>	<b>15,934,286</b>	<b>19,285,020</b>	<b>50,094,950</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		976,171	778,075	96,865,349	98,619,595	48,524,645
Total funds carried forward		1,620,409	3,484,571	112,799,635	117,904,615	98,619,595

**ADVANCE LEARNING PARTNERSHIP****BALANCE SHEET****AS AT 31 AUGUST 2023**

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	13	112,054,041		95,799,299	
<b>Current assets</b>					
Debtors	14	1,377,154		1,316,586	
Investments		5,500,000		-	
Cash at bank and in hand		5,357,186		10,216,690	
		12,234,340		11,533,276	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(3,892,736)		(3,515,391)	
<b>Net current assets</b>		8,341,604		8,017,885	
<b>Total assets less current liabilities</b>		120,395,645		103,817,184	
Creditors: amounts falling due after more than one year	16	(39,030)		(57,589)	
<b>Net assets excluding pension liability</b>		120,356,615		103,759,595	
Defined benefit pension scheme liability	25	(2,452,000)		(5,140,000)	
<b>Total net assets</b>		117,904,615		98,619,595	
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>	18				
- Restricted fixed asset funds		112,799,635		96,865,349	
- Restricted income funds		5,936,571		5,918,075	
- Pension reserve		(2,452,000)		(5,140,000)	
<b>Total restricted funds</b>		116,284,206		97,643,424	
<b>Unrestricted funds</b>					
-Unrestricted general income funds	18	1,525,173		976,171	
-Designated sinking fund	18	95,236		-	
<b>Total funds</b>		117,904,615		98,619,595	

The financial statements on pages 30 to 57 were approved by the Board of Trustees and authorised for issue on 19/12/23..... and are signed on their behalf by:

  
 .....  
 A Boddy  
 Chair of Trust Board



# ADVANCE LEARNING PARTNERSHIP

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	22	1,867,859		2,664,885	
Cash funds transferred on conversion	28	697,669		1,243,826	
		<u>2,565,528</u>		<u>3,908,711</u>	
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		11,128		2,865	
Capital grants from DfE Group		1,770,113		1,520,369	
Capital funding received from sponsors and others		1,450,720		-	
Purchase of tangible fixed assets		(5,138,434)		(1,347,714)	
Purchase of investments		(5,500,000)		-	
		<u>(7,406,473)</u>		<u>175,520</u>	
<b>Net cash (used in)/provided by investing activities</b>					
<b>Cash flows from financing activities</b>					
Repayment of other loan		(18,559)		(18,559)	
		<u>(18,559)</u>		<u>(18,559)</u>	
<b>Net cash used in financing activities</b>					
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>					
		<u>(4,859,504)</u>		<u>4,065,672</u>	
Cash and cash equivalents at beginning of the year		10,216,690		6,151,018	
<b>Cash and cash equivalents at end of the year</b>		<u><u>5,357,186</u></u>		<u><u>10,216,690</u></u>	

# ADVANCE LEARNING PARTNERSHIP

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

---

### 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 2021 to 2022 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 £117,905k as at 31 August 2023 (2022: £98,620k) and a year-end cash balance of £10,857k (2022: £10,217k).

Due to the ongoing economic downturn, the three-year financial projections have been adjusted to reflect anticipated revenues and expenses, ensuring that the Trust has adequate funds for the organisation to operate for at least a year from the signing date of these financial statements. Most of the projected income for 2023-24 is based on confirmed allocations, and the estimated income for 2024-25 is anticipated to be comparable. The expected expenses for the upcoming years will likely match those of 2023-24. These projections also account for above-average energy costs and inflation factors, indicating that the Trust is well-equipped to handle these rising costs.

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 and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Conversion to an academy trust

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 Durham Academy, Middlestone Moor Academy and Witton-Le-Wear Academy were transferred in 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 2023

---

### 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.

#### Donated fixed assets

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

#### 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.

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies (Continued)

#### 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.

#### **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 (land is not depreciated)
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.

#### **Investments**

Current asset investments are financial instruments and comprise short term investments in a bank notice deposit account.

#### **Financial instruments**

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

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies (Continued)

#### 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.

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.

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies (Continued)

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.

#### **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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	3,235,035	3,235,035	1,520,369

The income from donations and capital grants was £3,235,035 (2022: £1,520,369) of which £3,235,035 was restricted fixed assets (2022: £1,520,369).

#### 4 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	33,369,061	33,369,061	27,892,162
Other DfE/ESFA grants:				
- Universal infant free school meals	-	155,400	155,400	67,702
- Pupil premium	-	2,603,905	2,603,905	1,755,971
- Others	-	2,866,809	2,866,809	1,522,428
	-	38,995,175	38,995,175	31,238,263
<b>Other government grants</b>				
Local authority grants	-	1,216,769	1,216,769	460,820
<b>COVID-19 additional funding (DfE / ESFA)</b>				
Catch-up premium	-	543,545	543,545	256,583
Other DfE/ESFA COVID-19 funding	-	-	-	77,164
	-	543,545	543,545	333,747
	-	40,755,489	40,755,489	32,032,830

The income from funding for educational operations was £40,755,489 (2022: £32,032,830) of which £40,755,489 was restricted (2022: £32,032,830).

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.

The Trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under COVID-19 additional funding.

Other DfE/ESFA Covid-19 funding of £Nil (2022: £77,164) includes testing grants, post 16 tuition and other small amounts of funding received. The academy received £543,545 (2022: £256,583) of funding for catch up premium which is also included in this funding.

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Lettings income	146,304	-	146,304	81,578
Catering income	1,068,106	-	1,068,106	949,803
Private School Fund	490,481	-	490,481	217,945
Other income	1,064,431	228,418	1,292,849	697,131
	<u>2,769,322</u>	<u>228,418</u>	<u>2,997,740</u>	<u>1,946,457</u>

The income from other trading activities was £2,997,740 (2022: £1,946,457) of which £2,769,322 was unrestricted (2022: £1,946,457) and £228,418 was restricted (2022: £-).

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Interest from short term deposits	11,128	-	11,128	2,865

The income from funding for investment income was £11,128 (2022: £2,865) of which £11,128 was unrestricted (2022: £2,865).

### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	2,136,212	2,136,212	1,532,535
Academy's educational operations					
- Direct costs	21,950,675	2,943,692	2,884,651	27,779,018	24,404,657
- Allocated support costs	10,579,075	2,291,093	2,305,643	15,175,811	10,315,830
	<u>32,529,750</u>	<u>5,234,785</u>	<u>7,326,506</u>	<u>45,091,041</u>	<u>36,253,022</u>

The expenditure on raising funds was £2,136,212 (2022: £1,532,535) of which £2,136,212 was unrestricted (2022: £1,532,535).



# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure (Continued)

<b>Net income/(expenditure) for the year includes:</b>	<b>2023 £</b>	<b>2022 £</b>
Operating lease rentals	93,164	49,003
Net interest on defined benefit pension liability	219,000	252,000
Depreciation of tangible fixed assets	2,943,692	2,127,527
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	36,700	27,800
- Other services	15,770	59,336
	<u>          </u>	<u>          </u>

### 8 Charitable activities

	<b>2023 £</b>	<b>2022 £</b>
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	27,779,018	24,404,657
<b>Support costs</b>		
Educational operations	15,175,811	10,315,830
	<u>42,954,829</u>	<u>34,720,487</u>

The expenditure on charitable activities was £42,954,829 (2022: £34,720,487) of which £40,011,137 was restricted (2022: £32,592,960) and £2,943,692 was restricted fixed assets (2022: £2,127,527).

	<b>2023 £</b>	<b>2022 £</b>
<b>Analysis of support costs</b>		
Support staff costs	10,579,075	6,911,725
Technology costs	496,338	445,872
Premises costs	2,291,093	1,435,731
Consultancy costs	387,939	-
Legal costs - other	53,448	251,652
Other support costs	1,315,448	1,232,407
Governance costs	52,470	38,443
	<u>15,175,811</u>	<u>10,315,830</u>

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	23,880,321	18,776,312
Social security costs	2,509,332	1,903,062
Pension costs	4,859,769	5,507,574
Staff costs - employees	31,249,422	26,186,948
Agency staff costs	1,160,700	707,336
Staff restructuring costs	119,628	73,013
Total staff expenditure	32,529,750	26,967,297

Staff restructuring costs comprise:

Redundancy payments	-	66,097
Severance payments (including special severance payments)	119,628	6,916
	119,628	73,013

#### Exit payments

The Trust paid 7 exit payments in the year, as follows:

£0 - £25,000	6
£25,001 - £50,000	1

#### Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £32,000 (2022: £6,916). Individually, the payments were: £16,500, £12,000 and £3,500.

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	340	299
Administration and support	283	239
Management	2	3
	625	541

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff (Continued)

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	22	14
£70,001 - £80,000	11	6
£80,001 - £90,000	4	1
£90,001 - £100,000	2	3
£100,001-£110,000	1	-
£170,001 - £180,000	-	1
£200,001 - £210,000	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 £459,161 (2022: £431,875).

### 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 2023

### 10 Central services (Continued)

The amounts charged during the year were as follows:

	2023 £	2022 £
Wolsingham School	287,273	277,266
Parkside Academy	383,809	398,076
Staindrop Academy	148,875	161,578
Hartside Academy	60,372	61,691
Whitworth Park Academy	317,577	320,310
Dene Academy	247,767	273,435
Bishop Barrington Academy	280,990	332,408
Brandon Primary Academy	85,737	51,141
Witton-Le-Wear Primary School	14,891	-
Moorside Primary Academy	33,489	15,970
New Brancepeth Primary School	23,536	13,830
Durham Academy	116,782	-
Middlestone Moor Primary School	45,280	-
Howden-le-Wear Primary School	46,077	29,487
	<u>2,092,455</u>	<u>1,935,192</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 Chief Executive Office receives remuneration in respect of services they provide undertaking the role 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 £203,644 (2022: £175,102) 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 £48,223 (2022: £41,464).

During the year ended 31 August 2023, travel and subsistence expenses totalling £2,362 (2022: £1,948) were reimbursed to Trustees.

### 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. The cost of this insurance is included in the total insurance cost and included in educational operations in the statement of financial activities. It is not possible to quantify the Trustees and officers indemnity element from the overall cost.

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 13 Tangible fixed assets

	Land and buildings £	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 September 2022	100,550,989	1,196,931	1,026,202	8,398	102,782,520
Transfer on conversion	14,060,000	-	-	-	14,060,000
Additions	3,600,132	941,898	596,404	-	5,138,434
At 31 August 2023	118,211,121	2,138,829	1,622,606	8,398	121,980,954
<b>Depreciation</b>					
At 1 September 2022	5,607,056	751,896	617,509	6,760	6,983,221
Charge for the year	2,472,998	281,880	187,176	1,638	2,943,692
At 31 August 2023	8,080,054	1,033,776	804,685	8,398	9,926,913
<b>Net book value</b>					
At 31 August 2023	110,131,067	1,105,053	817,921	-	112,054,041
At 31 August 2022	94,943,933	445,035	408,693	1,638	95,799,299

#### 14 Debtors

	2023 £	2022 £
Trade debtors	28,372	17,046
VAT recoverable	500,789	247,316
Other debtors	95	95
Prepayments and accrued income	847,898	1,052,129
	<u>1,377,154</u>	<u>1,316,586</u>

#### 15 Creditors: amounts falling due within one year

	2023 £	2022 £
Salix loans	5,610	5,610
Trade creditors	1,392,385	1,080,431
Other taxation and social security	622,338	511,774
ESFA creditors	77,428	77,428
Other creditors	698,765	546,689
Accruals and deferred income (see note 17)	1,096,210	1,293,459
	<u>3,892,736</u>	<u>3,515,391</u>

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 2023

### 16 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Salix loans	39,030	57,589
<b>Analysis of loans</b>	<b>2023 £</b>	<b>2022 £</b>
Wholly repayable within five years	44,640	63,199
Less: included in current liabilities	(5,610)	(5,610)
Amounts included above	39,030	57,589
<b>Loan maturity</b>		
Debt due in one year or less	5,610	5,610
Due in more than one year but not more than two years	6,494	4,575
Due in more than two years but not more than five years	2,741	17,644
Due in more than five years	29,795	35,370
	44,640	63,199

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

### 17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	282,518	398,629
Deferred income at 1 September 2022	398,629	182,863
Released from previous years	(398,629)	(182,863)
Resources deferred in the year	282,518	398,629
Deferred income at 31 August 2023	282,518	398,629

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 2023

#### 18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	5,918,075	33,369,061	(31,767,622)	(1,582,943)	5,936,571
Universal infant free school meals	-	155,400	(155,400)	-	-
Pupil premium	-	2,603,905	(2,603,905)	-	-
Other DFE/ESFA grants	-	2,866,809	(2,866,809)	-	-
Catch-up premium	-	543,545	(543,545)	-	-
Other government grants	-	1,216,769	(1,216,769)	-	-
Other restricted funds	-	926,087	(926,087)	-	-
Pension reserve	(5,140,000)	(951,000)	69,000	3,570,000	(2,452,000)
	<u>778,075</u>	<u>40,730,576</u>	<u>(40,011,137)</u>	<u>1,987,057</u>	<u>3,484,571</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	89,512,700	14,060,000	(2,705,058)	-	100,867,642
DfE group capital grants	5,330,814	3,235,035	(185,829)	-	8,380,020
Capital expenditure from GAG	1,848,334	-	(48,274)	1,582,943	3,383,003
Donated fixed assets	173,501	-	(4,531)	-	168,970
	<u>96,865,349</u>	<u>17,295,035</u>	<u>(2,943,692)</u>	<u>1,582,943</u>	<u>112,799,635</u>
<b>Total restricted funds</b>	<u>97,643,424</u>	<u>58,025,611</u>	<u>(42,954,829)</u>	<u>3,570,000</u>	<u>116,284,206</u>
<b>Unrestricted funds</b>					
General funds	976,171	2,780,450	(2,136,212)	(95,236)	1,525,173
Designated sinking fund	-	-	-	95,236	95,236
	<u>976,171</u>	<u>2,780,450</u>	<u>(2,136,212)</u>	<u>-</u>	<u>1,620,409</u>
<b>Total funds</b>	<u>98,619,595</u>	<u>60,806,061</u>	<u>(45,091,041)</u>	<u>3,570,000</u>	<u>117,904,615</u>

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 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 rates reclaim, conversion income received and other income.

**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 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. The transfer between unrestricted general funds and unrestricted designated funds relate to money allocated to a sinking funds to pay for future costs of replacing the new 3G pitch from football foundation.



# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Funds (Continued)

##### Funds prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	3,825,292	27,892,162	(25,614,466)	(184,913)	5,918,075
Universal infant free school meals	-	67,702	(67,702)	-	-
Pupil premium	-	1,755,971	(1,755,971)	-	-
Other grants	-	1,522,428	(1,522,428)	-	-
Catch-up premium	-	256,583	(256,583)	-	-
Other DfE/ESFA COVID-19 funding	-	77,164	(77,164)	-	-
Other government grants	-	537,984	(537,984)	-	-
Other restricted funds	-	1,243,826	(1,243,826)	-	-
Pension reserve	(12,461,000)	(3,984,000)	(1,594,000)	12,899,000	(5,140,000)
	<u>(8,635,708)</u>	<u>29,369,820</u>	<u>(32,670,124)</u>	<u>12,714,087</u>	<u>778,075</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	50,780,020	40,686,625	(1,953,945)	-	89,512,700
DfE group capital grants	3,939,542	1,520,369	(129,097)	-	5,330,814
Capital expenditure from GAG	1,703,704	-	(40,283)	184,913	1,848,334
Donated fixed assets	177,703	-	(4,202)	-	173,501
	<u>56,600,969</u>	<u>42,206,994</u>	<u>(2,127,527)</u>	<u>184,913</u>	<u>96,865,349</u>
<b>Total restricted funds</b>	<u>47,965,261</u>	<u>71,576,814</u>	<u>(34,797,651)</u>	<u>12,899,000</u>	<u>97,643,424</u>
<b>Unrestricted funds</b>					
General funds	<u>559,384</u>	<u>1,949,322</u>	<u>(1,532,535)</u>	<u>-</u>	<u>976,171</u>
<b>Total funds</b>	<u>48,524,645</u>	<u>73,526,136</u>	<u>(36,330,186)</u>	<u>12,899,000</u>	<u>98,619,595</u>

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Funds (Continued)

##### Total funds analysis by academy

	Balance at 1 September 2022 £	Operating surplus / (deficit) (excluding depreciation) £	Capital expenditure from reserves £	Other movements £	Balance at 31 August 2023 £
Parkside Academy	839,620	378,552	(289,125)	-	929,047
Staindrop Academy	659,533	(143,664)	(11,292)	-	504,577
Hartside Academy	346,277	115,925	(35,000)	-	427,202
Whitworth Park Academy	1,866,427	248,840	(973,974)	-	1,141,293
Dene Academy	635,445	147,956	(103,880)	-	679,521
Wolsingham School	259,244	244,755	(81,738)	-	422,261
Bishop Barrington Academy	719,571	390,510	(296,426)	-	813,655
Brandon Primary Academy	257,920	125,347	(32,051)	-	351,216
Howden-Le-Wear Primary School	97,082	(90,034)	-	-	7,048
Moorside Primary Academy	328,416	10,943	-	-	339,359
New Brancepeth Primary School	23,054	25,695	(6,771)	-	41,978
Durham Academy		301,608	(87,035)		214,573
Middlestone Moor Academy		526,991	-		526,991
Witton-Le-Wear Primary Academy		63,646	(3,372)		60,274
Central services	861,656	(101,392)	337,721	-	1,097,985
Total before fixed assets fund and pension reserve	6,894,245	2,245,678	(1,582,943)	-	7,556,980
Restricted fixed asset fund	96,865,349	-	1,582,943	14,351,343	112,799,635
Pension reserve	(5,140,000)	-	-	2,688,000	(2,452,000)
Total funds	98,619,594	2,245,678	-	17,039,343	117,904,615

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Funds (Continued)

##### 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 2023	Total 2022
	£	£	£	£	£	£
Wolsingham School	2,482,774	1,025,675	307,400	875,134	4,690,983	4,280,443
Parkside Academy	3,831,644	1,341,848	566,838	946,528	6,686,858	6,190,154
Staindrop Academy	1,583,713	607,924	157,995	586,691	2,936,323	2,730,039
Hartside Academy	580,883	334,825	114,933	141,819	1,172,460	1,216,874
Whitworth Park Academy	3,074,906	1,060,299	414,352	843,797	5,393,354	5,042,206
Dene Academy	2,941,289	1,176,494	318,790	666,597	5,103,170	4,924,918
Bishop Barrington Academy	2,813,761	1,056,590	377,799	850,113	5,098,263	5,015,231
Brandon Primary Academy	898,606	494,314	150,505	246,259	1,789,684	1,207,760
Witton-Le-Wear Primary School	193,825	127,219	36,508	54,489	412,041	-
Moorside Primary Academy	443,225	296,520	85,948	126,053	951,746	506,789
New Brancepeth Primary School	404,067	236,113	86,618	120,572	847,370	474,074
Durham Academy	945,385	593,975	78,246	276,999	1,894,605	-
Middlestone Moor Primary School	508,072	314,890	36,255	115,638	974,855	-
Howden-le-Wear Primary School	515,329	386,199	93,861	144,091	1,139,480	708,728
Central services	733,196	1,745,190	58,603	519,168	3,056,157	1,828,279
	21,950,675	10,798,075	2,884,651	6,513,948	42,147,349	34,125,495

#### 19 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed asset Funds	Total Funds
	£	£	£	£
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	112,054,041	112,054,041
Current assets	1,620,409	9,823,697	790,234	12,234,340
Current liabilities	-	(3,887,126)	(5,610)	(3,892,736)
Non-current liabilities	-	-	(39,030)	(39,030)
Pension scheme liability	-	(2,452,000)	-	(2,452,000)
<b>Total net assets</b>	<b>1,620,409</b>	<b>3,484,571</b>	<b>112,799,635</b>	<b>117,904,615</b>

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Analysis of net assets between funds (Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	95,799,299	95,799,299
Current assets	976,171	9,427,856	1,129,249	11,533,276
Current liabilities	-	(3,509,781)	(5,610)	(3,515,391)
Non-current liabilities	-	-	(57,589)	(57,589)
Pension scheme liability	-	(5,140,000)	-	(5,140,000)
<b>Total net assets</b>	<b>976,171</b>	<b>778,075</b>	<b>96,865,349</b>	<b>98,619,595</b>

#### 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

##### Operating leases

At 31 August 2023 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	97,813	83,868
Amounts due between one and five years	83,357	167,225
	<b>181,170</b>	<b>251,093</b>

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

	Notes	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)		15,715,020	37,195,950
Adjusted for:			
Net surplus on conversion to academy	28	(13,806,669)	(37,946,451)
Capital grants from DfE and other capital income		(3,235,035)	(1,520,369)
Interest receivable	6	(11,128)	(2,865)
Pension costs less contributions payable	25	(288,000)	1,342,000
Pension scheme finance costs	25	219,000	252,000
Depreciation of tangible fixed assets		2,943,692	2,127,527
<b>Movements in working capital:</b>			
(Increase) in debtors		(46,366)	(387,767)
Increase in creditors		377,345	1,604,860
<b>Net cash provided by operating activities</b>		<b>1,867,859</b>	<b>2,664,885</b>

#### 23 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	10,216,690	(4,859,504)	5,357,186
Short term cash deposits	-	5,500,000	5,500,000
	10,216,690	640,496	10,857,186
Loans falling due within one year	(5,610)	-	(5,610)
Loans falling due after more than one year	(57,589)	18,559	(39,030)
	10,153,491	659,055	10,812,546

#### 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 2023

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#### 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 2019, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £614,297 (2022: £509,599) were payable to the schemes at 31 August 2023 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 2023. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

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. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out below the information available on the scheme.

##### 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 2023 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 2020 in accordance with The Public Service Replace with : Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department of Education on 26 October 2023. The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion.
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion.
- Notional past service deficit of £39.8 billion (2016 £22 billion).
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance).

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

The employer's pension costs paid to the TPS in the period amounted to £2,655,000 (2022: £2,995,143).

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.

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 25 Pension and similar obligations (Continued)

##### 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.

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £	2022 £
Employer's contributions	2,322,000	1,104,000
Employees' contributions	505,000	284,000
Total contributions	2,827,000	1,388,000

##### Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 August 2023 by a qualified independent actuary.

	2023 %	2022 %
Rate of increase in salaries	3.6	3.7
Rate of increase for pensions in payment/inflation	2.6	2.7
Discount rate for scheme liabilities	5	4.1
Inflation assumption (CPI)	2.6	2.7

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

	2023 Years	2022 Years
Retiring today		
- Males	21.7	22.1
- Females	23.9	24.2
Retiring in 20 years		
- Males	22.9	23.2
- Females	25	25.7

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 25 Pension and similar obligations (Continued)

The Trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	9,401,000	7,117,000
Government bonds	1,958,000	1,470,000
Corporate bonds	1,736,000	572,000
Cash	369,000	182,000
Property	1,385,000	1,093,000
Other assets	3,620,000	2,576,000
Total fair value of assets	18,469,000	13,010,000

The actual return on scheme assets was £451,000 (2022: £(1,287,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	2,034,000	2,446,000
Net interest cost	219,000	252,000
Total operating charge	2,253,000	2,698,000

Changes in the present value of defined benefit obligations	2023 £
At 1 September 2022	18,150,000
Obligations acquired on conversion	3,465,000
Current service cost	2,034,000
Interest cost	872,000
Employee contributions	505,000
Actuarial gain	(3,772,000)
Benefits paid	(333,000)
At 31 August 2023	20,921,000



# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 25 Pension and similar obligations (Continued)

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

	<b>2023</b>
	<b>£</b>
At 1 September 2022	13,010,000
Assets acquired on conversion	2,514,000
Interest income	653,000
Return on plan assets (excluding net interest on the net defined pension liability)	(202,000)
Employer contributions	2,322,000
Employee contributions	505,000
Benefits paid	(333,000)
	<hr/>
At 31 August 2023	18,469,000
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### 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.

Trustees' remuneration and expenses are disclosed in note 11.

### 27 Post balance sheet events

Hummersknott Academy Trust (which included Hummersknott Academy, Skerne Park Academy and Hummersknott Active) merged with the Trust on 1 September 2023. Greenfield Academy converted to an Academy on 1 September 2023 and joined the Trust.

# ADVANCE LEARNING PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 28 Conversion to an academy

On the dates noted below the academies listed below transferred in to the Advance Learning Partnership and all the operations, assets and liabilities were transferred to Advance Learning Partnership 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.

<b>Academy</b>	<b>Location</b>	<b>Date of conversion</b>	
Witton-Le-Wear Primary School	Bishop Auckland	1 January 2023	
Durham Academy	Durham	1 January 2023	
Middlestone Moor Primary School	Spennymoor	1 January 2023	

	<b>Unrestricted funds</b>	<b>Restricted funds:</b>		<b>Total 2023</b>
	<b>£</b>	<b>General £</b>	<b>Fixed asset £</b>	<b>£</b>
<b>Net assets transferred:</b>				
Freehold land and buildings	-	-	14,060,000	14,060,000
Cash	-	697,669	-	697,669
Pension scheme deficit	-	(951,000)	-	(951,000)
	-	(253,331)	14,060,000	13,806,669