

North Pennine Learning Partnership

(A company limited by guarantee and not having a share capital)

CHARITY NUMBER 1126316

COMPANY NUMBER 6553173

**TRUSTEES REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 March 2014

Seahouses Accountancy Services
62-64 Main Street
Seahouses
NE68 7TP

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COMPANIES HOUSE

North Pennine Learning Partnership

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------|--|
| Name of Charity | North Pennine Learning Partnership |
| Registered Charity No | 1126316 |
| Registered Company No | 6553173 |
| Trustees | Mr A Morsman (Chair) Mrs P Hirst Mrs M P Reed Mr A Sharp Mr D Reed Mr M Worrall Mr G Toogood (appointed 30 th October 2013) |
| Secretary | Mr E J Brown |
| Registered Office | Haydon Bridge High School North Bank, Haydon Bridge Northumberland NE47 5LR |
| Independent Examiner | Seahouses Accountancy Services 62-64 Main Street Seahouses Northumberland NE68 7TP |
| Bankers | Co-operative Bank Business Direct PO Box 250 Skelmersdale WN8 6WT |
| Solicitors | Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX |

North Pennine Learning Partnership

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North Pennine Learning Partnership

TRUSTEES REPORT FOR THE YEAR TO 31 MARCH 2014

Introduction

The trustees present their report and the financial statements for the year ended 31 March 2014. The trustees, who are also directors of North Pennine Learning Partnership for the purposes of company law and who served during the year and up to the date of this report are set out on the Legal and Administrative information page.

Structure, governance and management

Company and Charity Status

The North Pennine Learning Partnership is a charitable trust and a company limited by guarantee created under the auspices of the School Standards and Framework Act 1998 and uses a DfE approved model Memorandum and Articles of Association. The company was registered (06553173) on the 2 April 2008 and became a registered charity (1126316) on 16 October 2008. Since its formation, the trust consulted on and subsequently modified its Memorandum & Articles to incorporate co-operative ethos and values. This included changes to the objects which were approved by the charity commission in December 2009. The Charity was set up to administer and manage the property and other assets of the charity known as the North Pennine Learning Partnership for the public benefit as defined by the following objectives included within the Memorandum and Articles:

3 Objects The Objects of the Company are for the public benefit

3.1 to advance the education of the pupils at any School which is a Qualifying School, or at any other school in respect of which the Company acts or has acted as a foundation, and

3.2 the advancement of lifelong education in a manner consistent with the Education Acts in the communities served by any of the schools referred to in 3.1 it being acknowledged that in carrying out the Objects the Company must (where applicable) have regard to its obligation to promote community cohesion under the Education Acts and any guidance on that obligation supplied from time to time by the Secretary of State

4 Powers It is intended that the curriculum and ethos of any School will place an emphasis on, and include a commitment to students learning about, the Co-operative values of self-help, self responsibility, democracy, equality, equity, solidarity, honesty, openness, social responsibility and caring for others with the aim of encouraging all students to become better citizens, not only while they are students but during the rest of their lives

Recruitment and Appointment of Trustees

Members of the Trust's Board are directors for the purpose of company law and trustees for the purposes of charity law. The composition of the Trustee Board is as follows -

One (1) trustee is entitled to be appointed by each of school partnership area where a school qualifies in 3.1 above

Alston

Bellingham

Haltwhistle (currently no qualifying school)

Haydon Bridge

One (1) Trustee can be appointed by each of the following partner institutions

The Co-operative Group

Cumbria County Council

Institute for Outdoor Learning

North Country Leisure

North Pennine Learning Partnership

Northumberland College
Northumberland County Council
Research Machines (RM)
Rugby Football Union
University of Cumbria

Three (3) trustees are entitled to be appointed by the stakeholder forum. The stakeholder forum is comprised of people elected from the general membership of the North Pennine Learning Partnership co-operative trust.

Organisational Structure

The North Pennine Learning Partnership has a Trustee Board of seven members, at the date the accounts were approved, who meet a minimum of three times each year and are responsible for the strategic direction and policy of the charity.

Trustees Induction and Training

All of the trustees are familiar with the work of the Charity and there are visits to the trust schools. New trustees are introduced to our work by the Company Secretary and an induction pack has been developed in line with the Institute of Chartered Secretaries and Administrators' Specimen Induction Pack for Charity Trustees (England & Wales) (guidance note 070608). An induction pack for school governors following these guidelines has also been implemented. All trustees and governors formally agree to promote the work of the Trust and to assist in developing the curriculum and ethos of the Schools so it has an emphasis on, and include a commitment to students learning about, the co-operative values of self-help, self responsibility, democracy, equality, equity, solidarity, honesty, openness, social responsibility and caring for others with the aim of encouraging all students to become better citizens, not only while they are students but during the rest of their lives. Additional training for Trustees can be arranged with the Company Secretary.

Risk Management

The trustees have assessed the major risks to which the charity is exposed and continue to monitor the arrangements and systems in place to mitigate those risks. Procedures are in place regarding health and safety of staff, clients and visitors to the schools of the Trust. The trustees seek appropriate advice, for example through their insurers, solicitors, Northumberland and Cumbria Local Authorities who are also partners.

Objectives and activities

The object of the charity shall be the development of a community wide learning opportunity for the benefit of the stakeholders of the learning communities within the Trust area without distinction of political, religious or other opinions, with the object of improving and enhancing the quality of learning for the said stakeholders and take responsibility for admissions, grounds and employment of staff across the trust. Within the overall aim of the charity, the specific objects and powers of the Trust are

- Further improve educational outcomes through collaboration to give all learners high quality future opportunities in a rapidly changing educational, employment and leisure environment
- To build on and expand the innovative Trust creating an all-age opportunity
- Effectiveness in terms of greater coherence to the curriculum
- Major contribution of partners both local and beyond
- Maximise opportunities for school communities to work together

North Pennine Learning Partnership

- Share expertise
- Deliver effectiveness of scale
- Respond to the local context and needs
- Construct a flexible model of leadership and governance
- Create and develop a sustainable long-term partnership framework
- Achieve a raised profile both locally and nationally

Achievements and performance

During the financial year the Trustees met three times and received full financial and administrative reports. The following are significant events during the financial year

- Allendale Middle School received a poor OfSTED inspection and was subsequently closed by the Local Authority with Haydon Bridge High School becoming a Secondary school as part of this process
- The assets comprising Allendale Middle School were returned to the Local Authority in line with statutory obligations
- Co-operative materials continue to be included in prospectuses and diaries and regular updates on co-operative activities are circulated to all staff in schools on a weekly basis
- The Life Channel TV system continues to be a benefit to schools and is being used to promote healthy living, school activities, and the work of the Trust
- NPLP continues to be represented on the board of the national Schools Co-operative Society
- Samuel Kings School had a poor OfSTED and is likely to become an Academy
- The two Bellingham School requested to leave the trust and consequently the Trustees resolved to agree to these requests as long as the schools maintained the co-operative ethos
- The Trust is solvent and will continue to support the schools as they go through a due process of change

Financial review

Review of the year

The company continues to hold restricted funds totalling £155,560 representing monies received for sport development within the NPLP area and in areas formerly supported by the Schools Sports Partnerships based at Haydon Bridge High School – this money is ring-fenced for the purpose of grant funding sports staff and activities in the former Schools Sports Partnership Areas

With respect to unrestricted funds, The Partnership receives rental and investment income. Rental income is derived from leasehold and freehold properties held on Trust, investment income is earned on bank deposit balances. During the year, a deficit was incurred in the amount of £2,367 which has been funded from unrestricted reserves (2013 (£10,902 surplus)). The Company Secretary continues to minimise running costs. The Trust has a net asset worth of £171,090 at 31 March 2014, split between the £155,560 ring-fenced monies described above, and unrestricted reserves of £15,530 (2013 £17,897)

Reserves Policy

The board of trustees' aim is to maintain enough in their reserves to provide against a sudden and unpredicted fall in future income. We aim to have a minimum protection level of a general reserve of six months expenditure on organisational and other fixed costs in case of a unpredicted fall in income. The board will review the required level of reserves on an annual basis to ensure it continues to meet the needs of the charity

North Pennine Learning Partnership

Plans for future periods

- The Trust will in due course close as the four remaining school follow a due process of change to a different category
- The Trust remains solvent and continues to receive income from the rental properties it holds

Statement of trustees' responsibilities

The trustees (who are also directors of North Pennine Learning Partnership for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

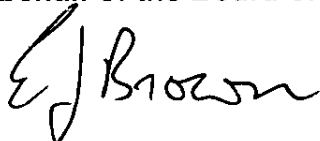
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the Board of Trustees



Mr E J Brown Company Secretary
27th September 2014

North Pennine Learning Partnership

INDEPENDENT EXAMINERS REPORT ON THE UNAUDITED FINANCIAL STATEMENTS TO THE TRUSTEES OF NORTH PENNINE LEARNING PARTNERSHIP.

I report on the accounts of the company for the year ended 31 March 2014, which are set out on pages 6 to 12

Respective responsibilities of trustees and examiner

The trustees, who are also the directors of North Pennine Learning Partnership for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- (i) examine the accounts under section 145 of the 2011 Act,
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- (iii) to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below

Independent examiner's statement

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect the requirements

- (i) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities,
- have not been met

(2) to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached



Richard Alsept, Chartered Accountant
Seahouses Accountancy Services
62-64 Main Street, Seahouses NE68 7TP

DATE 27th September 2014

North Pennine Learning Partnership

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2014

| | Notes | Unrestricted Funds | Restricted Funds | <u>2014</u> £ | <u>2013</u> £ |
|---|-------|-----------------------|---------------------|------------------|------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds | | | | | |
| Investment income | | | | | |
| Rental income | | 8,806 | - | 8,806 | 9,491 |
| Interest income | | 902 | - | 902 | 6,910 |
| Incoming resources from charitable activities | 2 | <u>5</u> | <u>-</u> | <u>5</u> | <u>-</u> |
| Total incoming resources | | 9,713 | - | 9,713 | 16,401 |
| Resources expended | | | | | |
| Charitable activities | 3 | 11,180 | 96,440 | 107,620 | 4,419 |
| Governance costs | 3 | <u>900</u> | <u>-</u> | <u>900</u> | <u>1,080</u> |
| Total resources expended | | 12,080 | 96,440 | 108,520 | 5,499 |
| Net incoming / (outgoing) resources before transfers | | (2,367) | (96,440) | (98,807) | 10,902 |
| Gross transfers between funds | | - | - | - | - |
| Net movement in funds | | (2,367) | (96,440) | (98,807) | 10,902 |
| Total funds brought forward | | 17,897 | 252,000 | 269,897 | 258,995 |
| Total funds carried forward | | 15,530 | 155,560 | 171,090 | 269,897 |

The statement of financial activities includes all gains and losses in the year

All incoming resources and resources expended derive from continuing activities

North Pennine Learning Partnership

BALANCE SHEET AS AT 31 MARCH 2014

| | Notes | 2014 | | 2013 | |
|---|-------|----------------|----------------|----------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 4 | | - | | - |
| Current assets | | | | | |
| Debtors | 5 | 766 | | 977 | |
| Cash at bank | | 17,022 | | 13,116 | |
| Deposit Accounts | | 158,537 | | 256,884 | |
| | | <u>176,325</u> | | <u>270,977</u> | |
| Current Liabilities | | | | | |
| Creditors amounts falling due within one year | 6 | 5,235 | | 1,080 | |
| | | <u>5,235</u> | | <u>1,080</u> | |
| Net current assets | | | 171,090 | | 269,897 |
| Net assets | | | <u>171,090</u> | | <u>269,897</u> |
| Funds | | | | | |
| Unrestricted Funds | 11 | | 15,530 | | 17,897 |
| Restricted Funds | 11 | | 155,560 | | 252,000 |
| Total funds | | | <u>171,090</u> | | <u>269,897</u> |

For the financial period ended 31 March 2014, the company was entitled to exemption from audit under section 477(1) of the Companies Act 2006, and no notice has been deposited under section 476(1) requesting an audit. The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its profit or loss for the financial period in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 27th September 2014

Signed 
Mrs P Hirst, Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2014

1. Accounting Policies

1.1. Accounting basis and standards

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and the Charity Statement of Recommended Practice, (SORP 2005) "Accounting by Charities", as well as the Charities Act 2011

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income

Voluntary income is received by way of grants, donations and gifts to the charity and is included in full in the Statement of Financial Activities upon receipt. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant

Investment and rental income is included when receivable

1.3. Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes unrecoverable VAT

Charitable expenditure includes all costs incurred by the charity in the delivery of its activities and services

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include accountancy fees

1.4. Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of funding

North Pennine Learning Partnership

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2014

2. Incoming resources

| | 2014 | | | 2013 |
|--|--------------|------------|--------------|---------------|
| | Unrestricted | Restricted | Total | |
| | £ | £ | £ | £ |
| Incoming resources from generated funds | | | | |
| Investment Income | | | | |
| Bank interest receivable | 902 | - | 902 | 6,910 |
| Rental income | 8,806 | - | 8,806 | 9,491 |
| Incoming resources from charitable activities | | | | |
| Grants | - | - | - | - |
| Sundry income | 5 | - | 5 | - |
| Other incoming resources | - | - | - | - |
| Total incoming resources | 9,713 | - | 9,713 | 16,401 |

3. Resources expended

| | 2014 | | | 2013 |
|--|---------------|---------------|----------------|--------------|
| | Unrestricted | Restricted | Total | |
| | £ | £ | £ | £ |
| Charitable expenditure | | | | |
| Trust operational costs | 8,535 | - | 8,535 | 1,800 |
| Sport funding grants to qualifying schools | - | 92,250 | 92,250 | - |
| Grant returned | - | 2,000 | 2,000 | - |
| Goodwill grants to schools | - | 2,190 | 2,190 | - |
| Rental property costs | 1,341 | - | 1,341 | 1,554 |
| Motor and travel expenses | 494 | - | 494 | 458 |
| Conferences | - | - | - | 180 |
| Miscellaneous fees | 51 | - | 51 | 17 |
| Insurance | 688 | - | 688 | 362 |
| Bookkeeping and office | 71 | - | 71 | 48 |
| | 11,180 | 96,440 | 107,620 | 4,419 |
| Governance | | | | |
| Accountancy fees | 900 | - | 900 | 1,080 |
| | 900 | - | 900 | 1,080 |
| Total resources expended | 12,080 | 96,440 | 108,520 | 5,499 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2014

4. Tangible fixed assets

Leasehold and freehold property, comprising land and buildings, at the schools listed below is held by the Charity

Allendale Middle School
Alston Secondary School
Bellingham First and Middle School
Haydon Bridge High School
Ridley Hall (boarding facility)

The Charity holds these properties on a leasehold or freehold basis, but the property is held on Trust for each school and cannot be sold without permission from the Local Authority and the Secretary of State for Education. These properties therefore have no commercial value, and have not been valued for the purpose of these accounts.

The charity will be entitled to any rental income that may be generated from those properties not used directly for educational purposes, but will also be responsible (in conjunction with the schools) for upkeep and maintenance on any rented properties.

North Pennine Learning Partnership

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2014

5. Debtors

| | <u>2014</u> | <u>2013</u> |
|------------------|-------------|-------------|
| | £ | £ |
| Rents receivable | <u>766</u> | <u>977</u> |
| | <u>766</u> | <u>977</u> |

6. Creditors: amounts falling due within one year

| | <u>2014</u> | <u>2013</u> |
|----------|--------------|--------------|
| | £ | £ |
| Accruals | <u>5,235</u> | <u>1,080</u> |
| | <u>5,235</u> | <u>1,080</u> |

7. Staff costs

No salaries or wages have been paid to employees during the year. There were no employees other than Director/Trustees during the year.

8. Payment to trustees and other related parties

No payments were made to trustees for services as a Trustee. Payments totalling £8,535 (2013 £2,502) were made to Go Britain Limited, a business owned by the Company Secretary E J Brown, for operational, secretarial and support services during the year.

North Pennine Learning Partnership

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2014

9. Fund balances

| | Balance 1 April 2013 | Incoming Resources | Resources Expended | Transfer | Balance 31 March 2014 |
|-----------------------------|-------------------------------------|-------------------------------|-------------------------------|-----------------|--------------------------------------|
| | £ | £ | £ | £ | £ |
| Unrestricted Funds | | | | | |
| Total | 17,897 | 9,713 | 12,080 | - | 15,530 |
| Restricted funds | | | | | |
| Haydon Bridge High School | 250,000 | - | 94,440 | - | 155,560 |
| Co-operative Community Fund | 2,000 | - | 2,000 | - | - |
| Total | 252,000 | - | 96,440 | - | 155,560 |
| TOTAL FUNDS | 269,897 | 9,713 | 108,520 | - | 171,090 |

All funds are held as current assets

Unrestricted funds are held to further the general aims and objectives of the Partnership

Restricted funds received from Haydon Bridge High School represent ring-fenced monies for sport development within the Partnership area and in areas formerly supported by the Schools Sports Partnership at Haydon Bridge High School. The money will be used to grant fund sports staff and activities in the former Schools Sports partnership area.

10. Company Status

North Pennine Learning Partnership is a company limited by guarantee and accordingly does not have a share capital. Each company member undertakes to contribute an amount not exceeding £1 to the assets of the company in the event of the company being wound up.