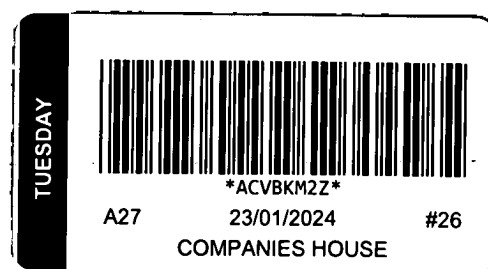


Company registration number 10847279 (England and Wales)

**DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2023**



# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

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# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Right Reverend P Butler  
J Taylor  
S Pickering  
Right Reverend Dr H Hartley (Appointed 6 September 2023)  
Reverend Dr G Alexander (Appointed 6 September 2023)

### Trustees

H Beaton  
T Dillon  
M Hope  
T Jones  
C McCabe  
P Rickeard (CEO)  
J Taylor (Chair)  
J Wade  
P Bowens (Appointed 1 September 2023)  
M Stouph (Resigned 31 August 2023)

### Senior management team

- Chief Executive Officer	P Rickeard
- Chief Finance Officer	Z Clennell
- Chief Operating Officer	L Atkin

### Company registration number

10847279 (England and Wales)

### Principal and registered office

Cai Buildings, 4th floor  
Coble Dene  
Royal Quays  
North Shields  
NE29 6DE

### Academies operated

St Aidan's Memorial CE Primary  
Holy Trinity CE Primary  
Egglescliffe CE Primary  
St Mary's CE Primary  
Heighington CE Primary  
Bishopton Redmarshall CE Primary  
Bishop Ian Ramsey CE Primary  
Ingleton CE Primary  
Stanhope Barrington CE Primary  
St George's CE Academy  
St John's CE Academy  
Cleaton CE Academy  
Northern Saints CE Academy  
Newbrough CE Primary  
Ward Jackson CE Primary  
Wark CE Primary  
Green Lane CE Primary

### Location

Hartlepool  
Hartlepool  
Stockton-on-Tees  
Stockton-on-Tees  
Darlington  
Darlington  
County Durham  
County Durham  
County Durham  
Darlington  
Darlington  
South Tyneside  
Sunderland  
Northumberland  
Hartlepool  
Northumberland  
County Durham

### Principal

G Hood  
A Baines  
E Robertson  
M Piper  
C Stonier  
J Bull  
D Mordue  
K Whitaker  
D Cross  
J Skiving  
M Ramsay  
G Scott  
A Jones  
J Trotter  
D Akers  
M Boucelta  
R Goffee

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Independent auditor**

Azets Audit Services  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

### **Bankers**

Lloyds Bank plc  
19 Market Place  
Durham  
County Durham  
DH1 3NL  
United Kingdom

### **Solicitors**

Muckle LLP  
Time Central  
32 Gallowgate  
Newcastle upon Tyne  
Tyne & Wear  
NE1 4BF  
United Kingdom

Ward Hadaway  
c/o Ward Hadaway Law Firm  
Sandgate House  
102 Quayside  
Newcastle Upon Tyne  
Tyne And Wear  
NE1 3DX  
United Kingdom

### **Internal assurance provider**

Wylie & Bisset LLP  
168 Bath Street  
Glasgow  
G2 4TP

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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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.

The Durham and Newcastle Diocesan Learning Trust (the "Academy Trust") operates seventeen primary schools for pupils aged 2 to 11 serving catchment areas in the Hartlepool, Stockton, Darlington, Sunderland, South Tyneside, Northumberland and Durham Local Authority areas. The Academy Trust had 3556 pupils on roll at the end of the reporting period.

The Academy Trust was incorporated on 3 July 2017. The first three schools (Egglescliffe CE, Holy Trinity CE and St Aidan's CE) converted together to become academies on 1 November 2017, followed by St Mary's CE Long Newton on 1 November 2018. Bishopston Redmarshall CE and Heighington CE joined the Academy Trust on 1 May 2019 having previously formed an existing Academy Trust (BRandH). Bishop Ian Ramsey CE Primary then joined the Academy Trust as a sponsored academy on 1 October 2019, followed by Ingleton CE Primary and Stanhope Barrington CE Primary on 1 April 2020. St George's and St John's CE Academies joined the Trust on 1 April 2022 having previously been SaGe Multi-Academy Trust. Cleadon C of E Academy, Northern Saints C of E Primary, Wark C of E Primary, Newbrough C of E Primary, Ward Jackson C of E Primary and Green Lane C of E Primary have all joined since September 2022.

The Academy Trust changed its name from the Durham Diocesan MAT to the Durham and Newcastle Diocesan Learning Trust on 5 November 2020.

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

##### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Articles of Association of the Academy Trust were amended in Autumn 2020 to reflect the new name, membership and move to the most up to date approved Church, model Articles. These changes reflect the fact that the Trust is now also open to schools within the Diocese of Newcastle.

The Trustees of the Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as the Durham and Newcastle Diocesan Learning Trust.

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

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

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

##### **Trustees' indemnities**

All 17 of the schools within the Academy Trust are Members of the government's Risk Protection Arrangement (RPA) scheme to protect Trustees from claims arising from negligent acts, errors or omissions occurring whilst undertaking Academy Trust business.

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Method of recruitment and appointment or election of trustees

Trustees are appointed in relation to the type of Trusteeship held and as follows:

- Under Article 50 Members shall appoint a minimum of 5 Trustees. 8 Trustees are currently appointed under this Article.
- Articles 53-56 do provide the scope to have Parent Trustees, however this does not apply currently as there are two parent members of each AC.
- Under Article 57 the Members may appoint the CEO as a Trustee. The CEO was appointed as a Trustee on incorporation.
- Under Article 58 the Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Company as a Co-opted Trustee if thereby the number of Trustees who are employees of the Company would exceed one third of the total number of Trustees. The Company does not currently have any Co-opted Trustees.

#### Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new Trustees is tailored to reflect their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and any other documents as required to undertake their role as Trustees. Five of the current Trustees have been in place since September 17. Two Trustees (Madeleine Hope and Helen Beaton) were appointed on 19 July 2021 in response to the Board's skills audit and bring financial, operational and Trust growth expertise to the Board.

Berry Education, with Claire Mitchell as lead governance support professional provides Governance Support Services to the Academy Trust and works with the Trust and local academy councils to develop a bespoke training and support package, including induction meetings for new local Academy Councillors and Trustees and to help advise individuals on the requirements and responsibilities of their roles. The Academy Trust is now in its sixth full year of operation and regular Trustees' strategy sessions are now part of the annual programme of activity. These sessions have included a regular review of the latest self-evaluation of governance by the Board. Termly meetings between the Chairs and Vice Chairs of the Academy Councils and CEO are now a feature of the Trust's wider governance activity and these support a continuity of approach to governance across all schools in the Academy Trust. These meetings are virtual to save travel time and ensure attendance from as many Chairs and Vice Chairs as possible. A cycle of governance activity has been developed to support a consistent approach to each school's governance activity and this is now well-established and helping to drive the work of the Academy Councils. The CEO attends one Academy Council meeting for each school annually and a schedule of link directors and bi-annual visits to each school has been established. There is also a link safeguarding director who is working with the CEO and the Trust safeguarding providers, Clennell to develop this role. In addition, each school in the Academy Trust, and the Trustees, have access to NGA e-learning resources to ensure a greater focus on on-line training (as well as bespoke virtual training sessions) to give more flexible options that better support Academy Councillors and Trustees in their important roles. Trustees and Academy Councillors are required to sign a code of conduct when they join the Trust and then on an annual basis. In addition, Trustees and academy councillors have access to both the School Bus (a guidance and advice site) and a secure portal via the Trust website containing copies of key policies, induction and guidance documents and all meeting minutes and related papers.

#### Organisational structure

The Academy Trust comprised of seventeen primary schools during the reporting period. The Academy Trust's Board is responsible for the strategic direction of the Academy Trust and has overall responsibility for academic standards, financial management, assets and other resources of the Academy Trust.

The Academy Trust is also the admissions authority and employer for all academies within the Academy Trust. Executive leadership is provided by the Academy Trusts' CEO working with each of the Head Teachers of the individual schools. The Accounting Officer is the CEO. The Academy Trust has appointed seven Challenge and Support Partners who work with the Head Teachers to support school effectiveness and improvement.

This team is led by Andy Jones Lead CISP who is the headteacher of a large Primary School and a Lead Ofsted Inspector. As part of the Lead CISP role he is responsible for the quality assurance of all reports and ensuring the Networks across the Trust are facilitated. Coupled with this the lead CISP works with the CEO to identify any common themes across the Trust that would benefit from joint working or a combined response. An example of this for the coming year would be assessment at school and Trust level.

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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Delegated authority and powers of decision making in relation to the Board of Trustees and its committees, including each Academy's own Academy Council (AC), is defined in the Academy Trust's Scheme of Delegation (which was approved by Trustees at the Academy Trust's first Board meeting on 23 November 2017 and has been reviewed and updated where appropriate by the Trust Board each year). The Scheme of Delegation (SoD) identifies what responsibility resides at both individual academy and Board / Board Committee level.

All staffing appointments are made at an AC level with the exception of Head Teachers, who are appointed by a panel established by the Trustees and including the input of the AC and also advice from the relevant Diocesan Board of Education.

Systems and procedures for financial management, HR and administration are undertaken at an academy level but supported and overseen by the Academy Trust's Central Team comprising the Chief Operating Officer ("COO"), the Chief Finance Officer ("CFO") and two further members of the Finance Team. The Central Team also utilises additional support from two finance business partners who work for the central team for part of their week as well as working as school business managers in schools. The Academy Trust operates a single bank account and one finance policy and associated procedures across all of its schools.

During 2022/23 the Academy Trust has continued to review and where appropriate develop a number of centrally approved policies covering statutory and non-statutory areas, ensuring they comply with guidance from both the DfE and the ESFA. During the period the Trust has started working with Eddison's who successfully tendered to lead and support on Estates Management. This has allowed the Board to have greater oversight of Risks within the Trust and those forthcoming when new schools join.

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

Key management personnel are defined as those persons of the Academy Trust having authority and responsibility for planning, directing and controlling the activities of the Academy Trust, directly or indirectly and including all Trustees. Trustees who are not employees of the Academy Trust receive no remuneration for the roles they undertake. For this accounting period the CEO and COO were joint employees of the Newcastle Diocesan Education Board and the Durham Diocesan Board of Finance (known as the Joint Education Team (JET)). The CFO was also a seconded employee up to January 2023 however, in January the Trust Appointed a new directly employed CFO to lead and manage the finances of the Trust. All services from the Diocese were provided to the Academy Trust at a rate which was at or below cost. The Academy Trust's key management personnel are therefore defined to be the Head Teachers. The CEO has since been directly employed by the Trust as of September 2023.

Head Teachers have their pay set in line with the Academy Trust Pay Policy which is reviewed annually and set in accordance with the School Teachers' Pay and Conditions Guidance. This provides for each respective AC to oversee the appraisal and pay of the school Head Teacher. This is undertaken with the support the designated Challenge and Support Partners who carry out the performance management of each Head Teacher within the Academy Trust.

The Head Teacher organises the performance management arrangements for all staff within each academy and the objectives of staff are layered to reflect key priorities for the period. This ensures performance of staff is linked to improvements identified by the AC and the Head Teacher. These improvements are, in turn, linked to the improvement priorities identified in the Board's strategic plan.

The Chief Finance Officer and Chief Operations Officer are line managed by the CEO and Chair of the Trust Board respectively.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	10
Full-time equivalent employee number	9.50

##### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	9
1%-50%	1
51%-99%	-
100%	-

##### *Percentage of pay bill spent on facility time*

Total cost of facility time	£ 2,926
Total pay bill	9,803,346
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	72%
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#### Engagement with employees

As of 1 September 2023 the Trust employed 511 staff. Many Trust staff work under more than one contract to cover additional small part-time roles in school.

The Trust is an equal opportunities employer and reviews its equal opportunities policy on an annual basis as part of an overall review of the Staff Handbook. The Trust meets with recognised Union reps on a termly basis and seeks their feedback on changes to the staff handbook as well as discussing employment issues generally. The CEO of the Trust attends staff meetings and meets with staff on at least an annual basis and the Head Teacher of each school holds regular staff meetings as well as ensuring staff are consulted on policies and procedures in school. The CEO regularly updates staff on key Trust developments by email and Trust wide training is offered to staff in various areas including complaints handling, GDPR, SIAMs and HR training. The Trust offers various networks to support staff including the Head Teacher and School Business Manager network, an RSHE network, a Mental Health and Wellbeing network, Equality Diversity and inclusion network, RSHE and Personal development network and an Early Years network.

The Trust has a confidential counselling helpline available to all staff which is notified to all staff via the handbook, the Headteacher and advertised in the school staff room. The Trust is very conscious of the ongoing potential impact on the mental health and well-being of staff arising from staffing and funding pressures in school. The Trust has organised training for mental health first aiders in its schools and there are now mental health first aiders in each of the Trust schools and a Trust facilitated network in place to offer support to those staff in this important role.

Within its Staff Handbook the Trust has policies that positively support the recruitment, promotion and training of people with disabilities. Recruitment and selection policies apply to all aspects of the recruitment process from advertising jobs through to appointing staff, including making reasonable adjustments to interview processes where required and taking positive action to recruit applicants with a disability. The Trust supports employees who are disabled by making reasonable adjustments to working conditions or arrangements and ensuring equal access to opportunities for training, promotion and career development.



# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Related parties and other connected charities and organisations

The Academy Trust was set up by the Church of England Diocese of Durham and worked alongside the Joint Education team which works for the Durham Diocesan Board of Finance on behalf of the Durham Diocesan Board of Education as well as the Newcastle Diocesan Board of Education.

15 of the Academy Trust's schools are Church of England Schools within the Diocese of Durham and 2 joined during the period from the Diocese of Newcastle. All officer time is provided at cost or less and the board obtained ESFA approval to related party transactions with both the Durham Diocesan Board of Finance and the Newcastle Diocesan Education Board for the work of the seconded staff from the Joint Education Team from 1 September 2022.

#### **Objectives and activities**

##### Objects and aims

The objects of the Academy Trust are to advance for the public benefit, education in the United Kingdom, in particular establishing, maintaining, carrying on, managing and developing Academies offering a broad and balanced curriculum including designated Church of England schools and which may include other academies whether with or without a designated religious character. There is a secondary ancillary 'community use' object subject to any restrictions contained within any Trusts applying to the land. Note these objects changed slightly upon adoption of the new Articles, Membership and change to new Company name to the Durham and Newcastle Diocesan Learning Trust in Autumn 2020.

At the heart of our vision is our commitment to ensure all of our schools are places where children and young people develop and thrive academically, socially, culturally and spiritually. The drive for excellence and effectiveness in our schools is paramount, but not merely because the Government says so. The enabling of every child to flourish in their potential as a child of God is a sign and expression of the Kingdom and is at the heart of the Church's distinctive mission.

Our mission is to support and encourage the work of schools in our Academy Trust, promoting Christian distinctiveness through the high-quality education of children and young people across the Academy Trust whilst enabling and actively encouraging each school to retain and develop its own unique identity within the local community it serves.

The Durham and Newcastle Diocesan Learning Trust works with all phases of Church Schools in the Diocese of Durham (Darlington, Durham, Hartlepool, Gateshead, South Tyneside, Stockton and Sunderland) and since September 2021 the Diocese of Newcastle (covering Newcastle, North Tyneside and Northumberland Local Authority areas).

At present the Academy Trust will also support any community school where possible should such support be sought, since all schools in the Diocese are members of the wider Diocesan community. The region has an extreme range of socio-economic circumstance, from extreme wealth to areas with significant poverty.

The Academy Trust's core values and aims are:-

- To ensure that our schools are centres of excellence for all with a focus on academic outcomes, flourishing children in distinctively Christian schools that nurture of resilience and respect. Schools where every child matters and no child is ever left behind.
- To promote high quality professional development and encourage mutual support in the pursuit of effective teaching and good pupil progress.
- To develop innovative and aspirational thinking building on our long educational heritage and to make use of the latest research in pedagogy and child development.
- To foster, maintain and celebrate Christian distinctiveness in our schools.
- To ensure our schools have a particular vocation to the least advantaged, enabling them through education to change their life opportunities.

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Objectives, strategies and activities

The Academy Trust is a strong option within the Diocese of Durham and the Diocese of Newcastle for any church school which wishes to become an academy and, over time, will act as the lead sponsor for any Church schools within the Diocese which are being directed to become sponsored academies by the Department for Education.

Our school improvement approach seeks to build strong capacity to improve from within and a culture that looks outward and never stops trying to be better. Schools which join our MAT are able to help shape our work and benefit both from the support they receive and the opportunities for school improvement they are able to offer. The behaviours we expect to see are:

- We encourage strong and capable system leaders
- We enable our people to excel to provide outstanding education
- We build trust and respect across our schools
- We want to ensure all of our children flourish as children of God

In accordance with the Articles of Association the Academy Trust has adopted a Scheme of Delegation which specifies, amongst other things, composition and appointment to ACs, functions delegated to ACs including recruitment, admission procedures and the teaching of a broad and balanced curriculum.

Each academy has its own development plan and this, together with the Academy Trust's Medium-Term Financial Strategy, links into the Academy Trust's overall Strategic Plan. The Academy Trust is committed to developing Academy Trust-wide policies where appropriate.

The Academy Trust's Head Teacher and School Business Managers Group meets regularly to discuss ongoing operational and strategic matters that support the objectives in the Academy Trust's Strategic Plan, with reports on academic performance and the financial position of the Academy Trust being reported to the Academy Trust's Board on a regular basis.

#### Public benefit

The Academy Trust's aims and achievements are set out within this report and have been undertaken to further the charitable purposes for the public benefit, including the provision of state funded education. The Trustees have complied with the duty under section 4 of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Trustees have considered this guidance in deciding what activities the Academy Trust should undertake and consider its aims are demonstrably for the public benefit. Individual schools within the Academy Trust contribute directly to their own community through initiatives such as the letting out of premises to community groups and working within their local parishes to develop community involvement in each academy and the church.

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **Strategic report**

##### **Achievements and performance**

The key achievements against the Academy Trust's stated objectives during 2022/23 include:

- Continued growth to now 17 schools – 3500+ children
- Increasing numbers of qualified staff to support our children who have benefitted from a wealth of CPD
- All non-sponsored schools remain GOOD or OUTSTANDING with our sponsored Academy continuing to make progress. The latest inspection in the Trust (outside of this reporting period) was deemed to be Good with Outstanding features by Ofsted.
- The Trust has now taken in two Rural Schools in Northumberland where the Trust plans to run a Rural Cluster
- The Health and Safety support from Citation continues to be embedded across the Trust keep our staff and children safe
- Clennell have furthered their offer in our school supporting some with attendance. All schools are now audited at regular intervals and supported by the team to further ensure all of our schools are safe places to be and support a consistent safeguarding culture across the Trust
- The introduction of a Lead CISP has enabled greater oversight of standards for children across all of our schools allowing us to make informed interventions where issues may be at their infancy and easily rectified or challenged
- Catch up and Tutoring has been effectively deployed across all schools with improved outcomes for children – noticeably supporting those children who had 'stood still' during the pandemic.
- Continued school improvement with the first Trust Headteacher starting her role as a CISP where the Trust has 'grown its own'. One more Headteacher has gained Ofsted Accreditation.
- The Trust has now introduced a Standard Committee which will meet each term to review standards in all school
- Mental Health First Aiders are now in all schools and training is ready for new schools joining the Trust.
- Governance has remained a key focus for the Trust, this has been ably supported with additional time from the Trust to ensure AC's have met regularly and in a timely fashion to respond to the challenges of the Pandemic. A full review of governance skills via an annual skills audit was carried out across the Trust and has contributed to a wider training offer provided by Berry Education, targeted at skills gaps.
- We have continued to work with schools to ensure budgets are affordable and realistic in what are incredibly challenging times.
- The Trust is continuing to develop a culture of strong financial management and delivery of savings to our schools through increased shared buying/procurement and implementation of SRMA report findings, a new SRMA is due in the next period
- The Trust's risk management framework is continuing to be developed and embedded at both the operational and strategic levels. A finance, audit and risk (FAR) committee was set up in early 2020 comprising all trustees apart from the CEO to ensure further separate scrutiny and reporting of finance and internal assurance and audit arrangements in line with the Academies Financial Handbook. This meets termly before the main board.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Key performance indicators

Ofsted and SIAMS Outcomes:

Name of Academy	Ofsted Rating	SIAMS
Bishopton Redmarshall CofE Primary School	GOOD	GOOD
Heighington Church of England Primary School	GOOD	OUTSTANDING
St. George's Church of England Academy	GOOD	GOOD
St John's Church of England Academy	OUTSTANDING	OUTSTANDING
Cleadon Church of England Academy	Outstanding (Legacy)	OUTSTANDING
Holy Trinity Church of England Primary School	Outstanding (Legacy)	GOOD
St Aidan's Church of England Memorial Primary School	GOOD	OUTSTANDING
Egglescliffe Church of England Primary School	GOOD	EXCELLENT
St Mary's Church of England Primary School	GOOD	OUTSTANDING
Bishop Ian Ramsey CofE Primary School	Awaiting Inspection	Awaiting Inspection
Stanhope Barrington CofE Primary School	Outstanding (Legacy)	Meeting Vision
Ingleton CofE Primary School	GOOD	OUTSTANDING
Northern Saints Church of England Academy	GOOD	OUTSTANDING
Ward Jackson Church of England Primary School	GOOD	GOOD
Newbrough Church of England Primary School	GOOD	GOOD
Green Lane Church of England Primary School	GOOD	OUTSTANDING
Wark Church of England Primary School	GOOD	GOOD

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Year 1 Phonics Check

School	Year 1 Phonics Nat Av 75%
Bishopton Redmarshall CofE Primary School	68%
Heighington Church of England Primary School	92%
St. George's Church of England Academy	72%
St John's Church of England Academy	87%
Cleadon Church of England Academy	91%
Holy Trinity Church of England Primary School	77%
St Aidan's Church of England Memorial Primary School	80%
Egglescliffe Church of England Primary School	95%
St Mary's Church of England Primary School	79%
Bishop Ian Ramsey CofE Primary School	68%
Stanhope Barrington CofE Primary School	83%
Ingleton CofE Primary School	67%
Northern Saints Church of England Academy	75%
Ward Jackson Church of England Primary School	71%
Newbrough Church of England Primary School	100%
Green Lane Church of England Primary School	67%
Wark Church of England Primary School	86%

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Key Stage 1 Data

School	Reading Exp +%	or Writing Exp +%	or Maths Exp +%	or Reading GD %	or Writing GD %	or Maths GD %
Bishopton Redmarshall CofE Primary School	100	83	83	33	33	33
Heighington Church of England Primary School	84	65	84	15	24	24
St. George's Church of England Academy	67	54	75	27	0	23
St John's Church of England Academy	67	43	67	10	3	17
Cleadon Church of England Academy	88	85	85	32	23	29
Holy Trinity Church of England Primary School	67	0	67	23	73	27
St Aidan's Church of England Memorial Primary School	70	66	78	12	12	10
Egglescliffe Church of England Primary School	80	76	76	28	24	32
St Mary's Church of England Primary School	87	67	87	20	10	13
Bishop Ian Ramsey CofE Primary School	76	53	71	6	8	0
Stanhope Barrington CofE Primary School	75	13	63	6	79	6
Ingleton CofE Primary School	83	17	83	17	50	17
Northern Saints Church of England Academy	69	18	75	8	70	18
Ward Jackson Church of England Primary School	56	0	44	0	89	0
Newbrough Church of England Primary School	80	40	80	40	80	30
Green Lane Church of England Primary School	78	74	65	26	9	30
Wark Church of England Primary School	78	78	78	44	22	33

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Key Stage 2 Data

	RWM Combined% Nat Av 59	Reading Progress	Writing Progress	Maths Progress
Bishopston Redmarshall CofE Primary School	67	0.50	1.81	1.36
Heighington Church of England Primary School	70	-0.95	0.68	0.05
St. George's Church of England Academy	60	0.09	-1.10	-2.43
St John's Church of England Academy	80	1.05	0.76	0.68
Cleadon Church of England Academy	67	-1.24	-0.68	-2.71
Holy Trinity Church of England Primary School	73	-0.56	0.18	-1.99
St Aidan's Church of England Memorial Primary School	72	-1.24	-1.28	2.14
Egglescliffe Church of England Primary School	84	3.06	1.16	4.24
St Mary's Church of England Primary School	64	3.49	-0.84	-1.35
Bishop Ian Ramsey CofE Primary School	64	-0.75	1.27	-2.52
Stanhope Barrington CofE Primary School	53	1.22	-1.04	-0.50
Ingleton CofE Primary School	100	-1.96	-0.95	-3.35
Northern Saints Church of England Academy	65	-0.45	2.25	3.15
Ward Jackson Church of England Primary School	69	1.76	1.66	-0.19
Newbrough Church of England Primary School	43	-1.92	-3.01	-4.85
Green Lane Church of England Primary School	78	1.19	2.51	0.26
Wark Church of England Primary School	NA	6.45	NA	-3.76

- Attendance has been at or above the national expectations across the Academy Trust. Clennell Education Solutions are working proactively to support some of the Trust Schools where this remains a challenge.
- Reading and phonics remain areas of intense work – improvements have been seen in almost all schools since the pandemic.
- Partnership working across the Trust has enabled improvements in the management of SEND and vulnerable learners. A mentor system has been put in place to ensure newer heads / schools to the Trust have started to flourish new schools joining the Trust have benefitted for this.
- The lead CSP continues to develop his role working with the CEO and a new Standards Committee will be in operation in the next academic year.
- The Trust is confident that every child has been given the right opportunity and been equipped to continue to thrive despite the pressures of the pandemic and financial hardship.

A new CFO started in the trust in January who has brought a wealth of experience from her role in another Trust. She has started to work closely with the finance team and recruit a Management Accountant to support the finance arm of the Trust.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

The table below shows the KPI's monitored by Trustees during Finance, Audit and Risk Committee meetings over the last academic year, this also shows the Target (budget) as well as last year's position:-

KPI	Approved budget	Projected outturn	Previous year outturn
Total staff % expenditure	78%	76%	77%
Average teacher cost	£59,800	£66,473	£57,957
Education Resources percentage expenditure	2.5%	2.7%	4%
Pupil Teacher ratio	19.1	23.11	18.7
Teaching costs as a % of total expenditure	48%	45%	48%
Education support costs as a % of total income	27%	30%	16% - not monitored as previously combined

#### Going concern

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

#### Financial review

The majority of the Academy Trust's income for the period of account is obtained from either the ESFA (Education and Skills Funding Agency) or Local Authorities as commissioners of pupil places, the use of this income is restricted to particular purposes. The grants and funding received from these bodies for the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust continued to grow as previously stated and is now home to 17 schools.

The Trust received approval for a further TCAF grant which is a competitive grant fund to help trusts develop their capacity to grow and had to be spent by 31 March 2023. The grant was spent on school improvement, additional training, central team support, additional finance support, a safeguarding development plan and ICT set up costs.

The Trust's financial position is subject to risks and sensitivities that may adversely affect financial performance. These include any future continuing impact of COVID-19 and related increase in staff sickness as schools are still being affected by this quite significantly along with continued related impact on well-being. This will unfortunately also increase staff supply costs.

Going forward there are significant risks arising from the unfunded pay rises for both support staff and teaching staff which were only announced in the school summer holidays after budgets had been set and the ongoing risk of huge increases in energy costs. As always there are premises risks relating to unplanned urgent repairs.



# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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The Trust plans to manage these risks through cautious budget setting and Finance, Audit and Risk Committee oversight of pupil numbers and key changes to assumptions used, as well as regular monitoring and review both termly and in response to any change which could result in a significant variance. As with many schools, these risks and uncertainties are a significant concern and could unfortunately result in the need for restructures in several of our schools.

During the period ended 31 August 2023 total expenditure of £18,663,509 was less than grant funding from the ESFA and commissioned place income from Local Authorities together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and before pension transfer) was £1,326,290.

At 31 August 2023 the net book value of fixed assets was £5,306,565. The assets were used exclusively for providing education and associated support to the pupils in the schools within the Academy Trust.

The Academy Trust occupies land, including buildings, which are owned by site trustees including the Durham Diocesan Board of Finance or site trustees linked to the church (e.g. the Vicar and Church Wardens). The Academy Trust therefore occupies the land and buildings under a Church Supplemental land agreement licence. The continuing permission of the occupation is pursuant to, and subject to, the site trustee's charitable objectives and is part of the Church of England's contribution since 1847 to provide state funded education in partnership with the state. The licence delegates aspects of the management of the land and buildings to the Academy Trust, but does not vest any rights over the land in the Academy Trust. The site trustees have given an undertaking to the Secretary of State for Education that they will not give the Academy Trust less than two year's notice to terminate the occupation of the land and buildings. Having therefore considered the basis of which the Academy Trust is occupying the land and buildings the Trustees have concluded that the value of these land and buildings will not be recognised on the Academy Trust's balance sheet.

#### Reserves policy

The level of reserves was reviewed by the Trustees regularly throughout the period as part of budget monitoring processes and the minimum level of reserves for the ongoing needs of the Academy Trust will be reviewed by Trustees on at least an annual basis and is set out in the Academy Trust's Financial Reserves Policy. This was reviewed for a seventh time in March 2023. This policy identifies potential risks to Trust's financial reserves, the need to match income with spending commitments in school budget setting and the nature of the reserves held. It also sets out a process for schools to apply for an advance of reserves in exceptional circumstances for one-off projects and to enable the CEO to agree a payment from reserves for exceptional educational reasons where certain conditions are met. In reviewing the sufficient level of reserves required the Trustees have decided that the minimum level of reserves should equate to one calendar month's-worth of budgeted expenditure both in terms of salaries and invoices.

The Academy Trust's current level of reserves are in surplus by £3,513,207 (comprising £nil of restricted reserves (excluding pension and fixed assets) and £3,513,207 of unrestricted reserves) and are therefore considered more than sufficient for the ongoing needs of the Academy Trust.

The importance of reserves is recognised for the sustainability of the Academy Trust's operations and its capacity to deal with unforeseen events. Ongoing reviews of the strategic risks that the Academy Trust faces will help in informing the level of reserves required going forward.

#### Investment policy

The Academy Trust operates an interest-bearing current account with a bank approved by the Board of Trustees currently Lloyds Bank and maintains sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments.

The Academy Trust's Treasury Management and Investment Policy allows for applicable monies surplus to the working requirements to be invested in low risk deposit accounts or in term deposits in regulated institutions. The Academy Trust will not take out any long-term deposits until a reliable cash flow pattern has been established, monies will only be paid into term deposits not exceeding six months. The Academy Trust will only deposit funds with bodies protected by the Financial Services Compensation Scheme.

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Principal risks and uncertainties

The principal risks and uncertainties facing the Academy Trust are recorded and monitored on an operational basis in each Academy's risk register which link into the Academy Trust's overall strategic risk register which is overseen by the Trustees in line with the Academy Trust's Risk Management Policy.

Principal financial risks are centred on the impact of the nationally agreed teachers and support staff pay rises, the uncertainty around dramatically increased premises costs arising from energy bills, changes in the level of funding from the ESFA, the need for significant capital investment in the Academy Trust's estate, drops in pupil numbers due to the relatively small schools in the Academy Trust and the continued Membership of the Local Government Pension Scheme which could result in the recognition of a deficit on the Academy Trust's balance sheet. Trustees have implemented a number of controls to ensure financial risks are well managed.

The principal non-financial risks that the Academy Trust faces are focused around ensuring effective governance and leadership to drive up and maintain academic standards, managing attendance and behaviour of pupils and ensuring that safeguarding and health and safety systems for the protection and well-being of the Academy Trust's pupils and staff are effective. Cyber security is another non-financial risk which the Trust board are aware of and has been included in the internal assurance review programme to test systems and ensure assurance. The Academy Trust has sponsor capacity status and sponsors one primary school. This school currently holds a Special Measures judgment from Ofsted so this has been recorded as a specific risk on the risk register in light of the support required and potential for reputational risk.

Trustees have implemented a number of systems to assess and manage risks particularly in operational areas and these include the use of external health and safety consultants, external safeguarding consultants alongside robust safeguarding policies and procedures, compliance with RPA cyber security conditions, continued review of IT systems with external IT support providers, ongoing development and support of governance support with a single governance support consultant (Berry), a network of CSPs with increased quality assurance and ongoing CPD and training for all employees. The Trust Health and Safety consultants carry out an annual inspection and fire risk assessment and internal assurance was undertaken in respect of both cyber risk and health and safety during the year giving a substantial level of assurance.

During the period the Trust ran a procurement process for Estate Management Consultants to ensure the Trust's estate is maintained and complies with relevant regulations going forwards, Eddisons were successful in being awarded this contract and started carrying out surveys on all Trust schools in the summer term to ensure a comprehensive picture of risks to the Trust's estate.

#### **Fundraising**

Fundraising is undertaken by each academy's Parent Teacher Association, equivalent committee or the academy itself at local level to fund activities and events for the children at each academy. None of the schools work with commercial participators or professional fundraisers and funds raised by fund raising are audited as part of the Academy Trust wide audit and also looked at through the programme of internal assurance. There have not been any complaints about fundraising but any complaints that were raised would be dealt with under the Academy Trust complaints policy. The schools and the Academy Trust only fund raise locally through events and by engagement with parents and the community. There is no use of intrusive or persistent fundraising approaches and no undue pressure to donate. Fundraising activities such as Christmas fairs and other events continued to be affected and many could not take place or raise the same level of funds due to the ongoing impact of the Covid-19 pandemic.

#### **Plans for future periods**

The Academy Trust's objective is to provide outstanding education in schools, currently only primary schools, across the Diocese of Durham and now Newcastle. We hope to achieve this through our distinctive vision of inclusivity where every child matters and no child is ever left behind. Every school offers a broad and balanced curriculum with the aim of raising educational standards with a particular emphasis on characteristics that are deeply Christian. We aim to provide value for money; to comply with all statutory and curriculum requirements; and to conduct business with the highest standards of openness, probity and integrity. One new school is due to join the school during 2023/2024 provided approval is obtained from the DfE.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trust continues to grows ensuring:-

- The trust operates effectively and has the capacity and infrastructure for future growth
- There is a clear growth strategy and the capacity in place to deliver it
- There is effective oversight and direction from all layers of leadership (including governance) across the Trust

All schools deliver a high-quality education with the aim that:-

- All schools have a quality curriculum offer that is responsive to an ever-changing need.
- All school staff have the skills, knowledge and resources to deliver a high quality remote/ blended learning offer.
- All schools make effective use of all resources leading to accelerated progress or halting of regression

A renewed focus on vulnerable learner groups including SEND and Pupil Premium to ensure that:-

- Additional support from CISPS to ensure staff in schools are using appropriate assessment to track vulnerable learners.
- Regular school attendance is targeted at all vulnerable learner groups to ensure at least national average
- School leaders are constantly reviewing the structure of the curriculum to make sure children are being given the correct diet of learning to meet their needs.

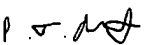
#### Auditor

In so far as the trustees are aware:

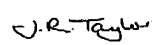
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14/12/2023..... and signed on its behalf by:

  
Paul Rickard 14 Dec 2023 17:33:03 GMT (UTC +0)  
.....

P Rickard  
CEO

  
John Taylor 14 Dec 2023 17:18:33 GMT (UTC +0)  
.....

J Taylor  
Chair

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Durham and Newcastle Diocesan Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### Governance

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

Trustees	Meetings attended	Out of possible
H Beaton	5	6
T Dillon	5	6
M Hope	6	6
T Jones	5	6
C McCabe	5	6
P Rickeard (CEO)	6	6
J Taylor (Chair)	6	6
J Wade	5	6
P Bowens (Appointed 1 September 2023)	0	0
M Stouph (Resigned 31 August 2023)	5	6

The CEO reports on educational performance at each meeting of the Board following meetings with the Head Teachers of the schools and review of their school development plans. Review of the risk register and UK GDPR compliance are standing items at each board agenda along with policy review and updates from the Chief Operating Officer and CEO.

The Board of Trustees has reviewed both financial and educational performance information at its regular Board meetings. These meetings took place in person during the reporting period. Trustees have also received the monthly management accounts for review via email from the Academy Trust's CFO.

#### Conflicts of interest

The Board of Trustees adopted a conflicts of interests policy in November 2017 which has been reviewed and updated on an annual basis since that date. The board maintain and update a register of interests of members, trustees and central team staff and each academy council also maintains a register of interests for local academy councillors. Standing declarations of interest (including the fact that the CEO is currently employed by the DDBF and NDEB) are noted at the start of Trust Board and FAR committee meetings and personal pecuniary interests are expressly declared at the start of any meeting with relevant trustees taking leave of the meeting and abstaining from voting before any discussions where they may have an interest are to take place. The Trust had express permission from the ESFA for off-payroll appointment of the CEO and CFO (up to January 2023) and approval for the related party transaction arising from their secondments is in place from 1 September 2022. The CFO was directly employed by the Trust from 1 September 2023.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Governance reviews

Reflecting on 2022/23 the Board are positive about the work undertaken to date in relation to the development of the trust's governance arrangements believing there is a clear shared long-term vision in place for the Trust, with structures that meet compliance and regulatory requirements, effective clerking to the Board and with Trustees feeling secure in being able to articulate their own contribution into the progress made over the last 12 months.

Trustees recognise the continued and significant input and contribution from the Trust's local academy councillors. This has been continued to develop through 2022/23 through our work with a team of outsourced Governance Professionals who work collaboratively to support the effective governance function of the Trust and provide consistent communication between Trustees and local governance.

Key developments continue to be made during the year on monitoring performance data on academic attainment, pupil welfare and progress, staff wellbeing and strategic management of timely Trust growth. In addition, all Trustees receive our monthly management accounts and the Trust's Finance, Audit and Risk committee receives quarterly budget monitoring reports with key variances to budget highlighted and financial benchmarking data across a number of key indicators for all schools. This allows comparisons on staffing costs and value for money to be evaluated. As a result of this comprehensive approach the Board is satisfied in respect of the quality of performance information that it receives and is confident that it allows timely interventions across all of operations where required.

Areas that have been identified for future development include:

- Continuing to ensure effective two-way communication is in place across the Trust at all levels and with all stakeholders.
- A continued review of central team capacity now that the Trust is maturing as an organisation and with continued growth into 2023/24.
- Delivery of a Trustee and local governance CPD package to underpin key areas such as induction, safeguarding, understanding of Ofsted's reviews of Trusts, UKGDPR, HR and the mental health and wellbeing of both pupils and staff.
- Ensuring there is effective succession planning in place for Board leadership roles.
- Continued embedding of overall quality assurance systems across the Trust to provide Trustees with more regular assurance on issues of statutory compliance.

The Board's Finance, Audit and Risk Committee deals with all matters relating to auditing, internal scrutiny, finance and risk management that may be referred by the Board of Trustees. Membership of this committee comprises all members of the Board with the exception of the CEO. This committee meets termly.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
H Beaton	3	3
T Dillon	3	3
M Hope	2	3
T Jones	2	3
C McCabe	1	3
J Taylor (Chair)	3	3
J Wade	2	3
M Stouph (Resigned 31 August 2023)	2	3

#### Review of value for money

As accounting officer, the Chief Executive had responsibility for ensuring that the Trust delivered good value in the use of public resources during the period. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the tax payers' resources received.

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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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 available.

The accounting officer for the Trust has delivered value for money during the year by:

- Recruiting a new CFO to review and develop the central finance team and ensure the most efficient use of systems and management of the school budgets
- Continuing to work closely with CSPs and safeguarding consultants to ensure quality of education and safeguarding in our schools is effective
- Working closely with Health and Safety consultants to ensure safety of the Trust estate
- Procuring Estate Management consultants to ensure effective management of the Trust estate

#### **The purpose of the system of internal control**

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

#### **Capacity to handle risk**

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

#### **The risk and control framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Board of Trustees 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.

In this financial period Wylie Bissett have carried out a range of checks on the Academy Trust's financial and other systems through a programme of internal assurance.

In particular, checks carried out in the period included:

- Budget Monitoring and setting processes and procedures
- Cyber-risk management, processes and procedures
- Health and safety risk management, processes and procedures
- Follow up on previous cycle of internal assurance

On a regular basis, the internal reviewer, Wylie Bissett reports in writing to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities via a formal written report and presentation and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The internal reviewer has delivered the schedule of work as planned and recommendations have been acted on. Moving into the new financial period Wylie Bissett and the Finance, Audit and Risk Committee has agreed a programme of work including Financial Controls, Corporate Governance and Staff Retention and Recruitment as well as a follow up review.

### Review of effectiveness

As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the external auditor; and
- The work of the CFO, COO and the Trust's procured internal auditors (Wylie Bissett) who have responsibility for the development and maintenance of the internal control framework with the oversight of the Board of Trustees.

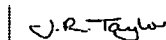
The accounting officer has been advised of the implications of the result of their review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 14/12/2023..... and signed on its behalf by:



Paul Rickard 14 Dec 2023 17:33:03 GMT (UTC +0)

**P Rickard**  
**CEO**



John Taylor 14 Dec 2023 17:18:33 GMT (UTC +0)

**J Taylor**  
**Chair**

## **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

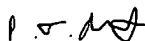
**FOR THE YEAR ENDED 31 AUGUST 2023**

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As accounting officer of Durham and Newcastle Diocesan Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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



Paul Rickard 14 Dec 2023 17:33:03 GMT (UTC +0)

**P Rickard**  
**Accounting Officer**

**14 December 2023**  
.....



# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of Durham and Newcastle Diocesan Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

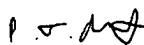
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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.

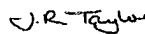
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 14/12/2023 and signed on its behalf by:



Paul Rickard 14 Dec 2023 17:33:03 GMT (UTC +0)

**P Rickard**  
**CEO**



John Taylor 14 Dec 2023 17:18:33 GMT (UTC +0)

**J Taylor**  
**Chair**

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinion**

We have audited the accounts of Durham and Newcastle Diocesan Learning Trust 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 accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- 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 Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### **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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

### **Emphasis of matter**

We draw your attention to the key judgements made in relation to the accounting treatment and assumptions regarding the Local Government Pension Scheme ('LGPS'). The key judgements are disclosed in note 2 and the pension note includes the relevant pension scheme disclosures. It should be noted that for sector-wide comparability users of these financial statements should take into consideration differing sector judgements relating to asset ceiling calculations, where appropriate. Our Auditor's Report is unmodified in this respect.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

We have nothing to report in this regard.

## **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

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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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

##### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiries of management about any actual or potential litigation and claims;
- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reading correspondence with regulators including the OFSTED; and
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing support documentation.

## **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the Charities Act 2011 and UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available 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.

**Brian Laidlaw BA CA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**

**Chartered Accountants**  
**Statutory Auditor**

*Azets Audit Services*  
Brian Laidlaw 15 Dec 2023 09:27:54 GMT (UTC +0)  
.....

Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS  
15 December 2023

## **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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In accordance with the terms of our engagement letter dated 22 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Durham and Newcastle Diocesan Learning Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Durham and Newcastle Diocesan Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Durham and Newcastle Diocesan Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Durham and Newcastle Diocesan Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Durham and Newcastle Diocesan Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Durham and Newcastle Diocesan Learning Trust's funding agreement with the Secretary of State for Education dated 1 November 2017 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

## **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting our responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

#### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Azets Audit Services*

Brian Laidlaw 15 Dec 2023 09:27:54 GMT (UTC +0)

#### **Reporting Accountant**

Azets Audit Services

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Dated: 15 December 2023

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

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

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	221,558	-	290,828	512,386
Donations - transfer from local authority on conversion	27	875,640	(717,000)	-	158,640
Donations - transfer of existing academy into the trust	27	431,837	(95,231)	717,188	1,053,794
Charitable activities:					
- Funding for educational operations	4	-	17,276,339	-	17,276,339
Other trading activities	5	806,145	-	-	806,145
Investments	6	17,596	-	-	17,596
<b>Total</b>		<b>2,352,776</b>	<b>16,464,108</b>	<b>1,008,016</b>	<b>19,824,900</b>
<b>Expenditure on:</b>					
Raising funds	7	55,131	-	-	55,131
Charitable activities:					
- Educational operations	8	10,290	18,201,602	396,486	18,608,378
<b>Total</b>	<b>7</b>	<b>65,421</b>	<b>18,201,602</b>	<b>396,486</b>	<b>18,663,509</b>
Losses on investments		(9,973)	-	-	(9,973)
<b>Net income/(expenditure)</b>		<b>2,277,382</b>	<b>(1,737,494)</b>	<b>611,530</b>	<b>1,151,418</b>
Transfers between funds	19	(803,706)	605,108	198,598	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	21	-	2,024,000	-	2,024,000
<b>Net movement in funds</b>		<b>1,473,676</b>	<b>891,614</b>	<b>810,128</b>	<b>3,175,418</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		2,043,698	(1,340,614)	4,503,079	5,206,163
Total funds carried forward		3,517,374	(449,000)	5,313,207	8,381,581

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	106,037	-	87,473	193,510
Donations - transfer of existing academy into the trust	27	465,418	(1,480,743)	2,187,941	1,172,616
<b>Charitable activities:</b>					
- Funding for educational operations	4	-	10,077,432	-	10,077,432
Other trading activities	5	608,390	-	-	608,390
Investments	6	14,859	-	-	14,859
<b>Total</b>		<b>1,194,704</b>	<b>8,596,689</b>	<b>2,275,414</b>	<b>12,066,807</b>
<b>Expenditure on:</b>					
Raising funds	7	48,871	-	-	48,871
<b>Charitable activities:</b>					
- Educational operations	8	2,000	11,413,961	284,393	11,700,354
<b>Total</b>	7	<b>50,871</b>	<b>11,413,961</b>	<b>284,393</b>	<b>11,749,225</b>
Losses on investments		(25,515)	-	-	(25,515)
<b>Net Income/(expenditure)</b>		<b>1,118,318</b>	<b>(2,817,272)</b>	<b>1,991,021</b>	<b>292,067</b>
Transfers between funds	19	-	(103,199)	103,199	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	21	-	5,970,000	-	5,970,000
<b>Net movement in funds</b>		<b>1,118,318</b>	<b>3,049,529</b>	<b>2,094,220</b>	<b>6,262,067</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		925,380	(4,390,143)	2,408,859	(1,055,904)
Total funds carried forward		2,043,698	(1,340,614)	4,503,079	5,206,163



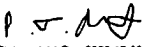
# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

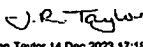
## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	13		5,306,565		4,456,576
<b>Current assets</b>					
Debtors	14	632,800		600,032	
Investments	17	515,489		525,462	
Cash at bank and in hand		4,118,747		2,134,378	
		5,267,036		3,259,872	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(1,639,767)		(1,022,285)	
<b>Net current assets</b>			3,627,269		2,237,587
<b>Total assets less current liabilities</b>			8,933,834		6,694,163
Creditors: amounts falling due after more than one year	16		(103,253)		-
<b>Net assets excluding pension liability</b>			8,830,581		6,694,163
Defined benefit pension scheme liability	21		(449,000)		(1,488,000)
<b>Total net assets</b>			8,381,581		5,206,163
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	19				
- Fixed asset funds			5,313,207		4,503,079
- Restricted income funds			-		147,386
- Pension reserve			(449,000)		(1,488,000)
<b>Total restricted funds</b>			4,864,207		3,162,465
<b>Unrestricted income funds</b>	19		3,517,374		2,043,698
<b>Total funds</b>			8,381,581		5,206,163

The accounts on pages 29 to 59 were approved by the trustees and authorised for issue on 14/12/2023 and are signed on their behalf by:

  
 Paul Rickeard 14 Dec 2023 17:33:03 GMT (UTC +0)  
 P Rickeard  
 CEO

  
 John Taylor 14 Dec 2023 17:18:33 GMT (UTC +0)  
 J Taylor  
 Chair

Company registration number 10847279 (England and Wales)

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## 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	820,339		471,360	
Cash funds transferred on conversion	27	1,257,246		761,675	
		<u>2,077,585</u>		<u>1,233,035</u>	
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		17,596		14,859	
Capital grants from DfE Group		290,828		63,117	
Capital funding received from sponsors and others		-		24,356	
Purchase of tangible fixed assets		(529,289)		(539,602)	
Purchase of investments		9,973		25,516	
		<u>(210,892)</u>		<u>(411,754)</u>	
<b>Net cash used in investing activities</b>			(210,892)		(411,754)
<b>Cash flows from financing activities</b>					
New other loan		144,230		-	
Repayment of other loan		(26,554)		-	
		<u>117,676</u>		<u>-</u>	
<b>Net cash provided by/(used in) financing activities</b>			117,676		-
<b>Net increase in cash and cash equivalents in the reporting period</b>			<u>1,984,369</u>		<u>821,281</u>
<b>Cash and cash equivalents at beginning of the year</b>			<u>2,134,378</u>		<u>1,313,097</u>
<b>Cash and cash equivalents at end of the year</b>			<u><u>4,118,747</u></u>		<u><u>2,134,378</u></u>

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **1 Accounting policies**

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.

##### **1.1 Basis of preparation**

The accounts of the academy trust, which is a public benefit entity under FRS 102, 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

These financial statements are prepared in sterling which is the functional currency of the entity,

##### **1.2 Going concern**

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

##### **1.3 Conversion to an academy trust**

The conversion from a state maintained school to 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 from predecessor school to the academy 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 as transfers from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 27.

##### **1.4 Income**

All incoming resources are recognised when the academy 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 are not deferred over the life of the asset on which they are expended.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

##### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

##### Other income

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

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

Donated fixed assets are 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 academy trust's accounting policies.

##### Investment income

Interest receivable is included in the statement of financial activities on an accruals basis.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### 1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land and buildings	125 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	7 years straight line

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

##### 1.7 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.

##### 1.8 Leased assets

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

##### 1.9 Investments

Current asset investments are included in the Balance Sheet at fair value. Fair value gains and losses are recognised in the Statement of Financial Activities.

##### 1.10 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

###### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.11 Taxation

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

#### 1.12 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure 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.

#### 1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy 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 Department for Education Group.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

### Local Government Pension Scheme

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 21, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. The UK corporate bond yields at 31 August 2023 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the academy trust and the valuation has been based on the following estimates:

- There is a minimum funding requirement in relation to LGPS
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period
- The present values in the above calculations are calculated using an annuity representing participation into perpetuity.

There is no known intention to exit the LGPS and therefore the economic benefit of a refund would be highly unlikely and on that basis recognition of an asset is considered inappropriate. We have however considered the economic benefit available to the Academy trust as a future contribution reduction and whether it is appropriate to recognise the net asset in full. Under FRS 102, a net asset restriction may apply as the prevailing view is that a minimum funding requirement for future service exists in the LGPS. We requested our actuaries consider the impact of the minimum funding requirement on the asset ceiling and as a result we not have restricted the assets calculated in the Teesside and Tyne and Wear pension schemes based upon an asset restriction calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at the 31 August 2023. A liability is reported due to the valuation of other schemes for which the Trust belongs.

### Critical areas of judgement

Accounting estimates and assumptions are made concerning the future and, by their nature will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

### Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience recoverability. There have been no indicators of impairment identified during the current financial year.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## 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	-	290,828	290,828	87,473
Other donations	221,558	-	221,558	106,037
	<u>221,558</u>	<u>290,828</u>	<u>512,386</u>	<u>193,510</u>

#### 4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	12,925,470	12,925,470	7,756,955
Other DfE/ESFA grants:				
- UIFSM	-	350,201	350,201	204,838
- Pupil premium	-	1,102,298	1,102,298	559,825
- Start up grants	-	-	-	83,500
- ITT bursaries grants	-	18,609	18,609	2,250
- PE and sports grant	-	349,881	349,881	170,988
- Others	-	1,292,812	1,292,812	437,077
	<u>-</u>	<u>16,039,271</u>	<u>16,039,271</u>	<u>9,215,433</u>
<b>Other government grants</b>				
Local authority grants	-	1,100,494	1,100,494	820,153
	<u>-</u>	<u>1,100,494</u>	<u>1,100,494</u>	<u>820,153</u>
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Catch-up premium	-	-	-	11,555
Other DfE/ESFA COVID-19 funding	-	50,825	50,825	11,388
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	85,749	85,749	18,903
	<u>-</u>	<u>136,574</u>	<u>136,574</u>	<u>41,846</u>
<b>Total funding</b>	<u>-</u>	<u>17,276,339</u>	<u>17,276,339</u>	<u>10,077,432</u>



# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## 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 £
Hire of facilities	31,975	-	31,975	20,792
Catering income	214,454	-	214,454	171,366
Other income	559,716	-	559,716	416,232
	<u>806,145</u>	<u>-</u>	<u>806,145</u>	<u>608,390</u>

#### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	<u>17,596</u>	<u>-</u>	<u>17,596</u>	<u>14,859</u>

#### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Expenditure on raising funds					
- Direct costs	-	-	55,131	55,131	48,871
Academy's educational operations					
- Direct costs	11,672,245	-	1,105,996	12,778,241	7,683,223
- Allocated support costs	2,179,338	1,766,161	1,884,638	5,830,137	4,017,131
	<u>13,851,583</u>	<u>1,766,161</u>	<u>3,045,765</u>	<u>18,663,509</u>	<u>11,749,225</u>

#### Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	44,842	29,891
Depreciation of tangible fixed assets	396,486	284,393
Fees payable to auditor for:		
- Audit	14,200	8,760
- Other services	2,865	2,734
Net interest on defined benefit pension liability	<u>67,000</u>	<u>96,000</u>

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	10,290	12,767,951	12,778,241	7,683,223
<b>Support costs</b>				
Educational operations	-	5,830,137	5,830,137	4,017,131
	<u>10,290</u>	<u>18,598,088</u>	<u>18,608,378</u>	<u>11,700,354</u>
			<b>2023 £</b>	<b>2022 £</b>
<b>Analysis of support costs</b>				
Support staff costs			2,197,438	1,862,441
Depreciation			396,486	284,393
Technology costs			261,561	161,041
Premises costs			1,369,675	630,755
Legal costs			585,791	376,162
Other support costs			979,777	674,824
Governance costs			39,409	27,515
			<u>5,830,137</u>	<u>4,017,131</u>

#### 9 Central services

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

Include list of services, such as:

- Chief Executive Officer
- Chief Operating Officer
- Chief Finance Officer
- Audit Services
- Finance Management System
- Management Information System
- HR Service
- Finance Service
- Governance Service
- Leadership/H&S Support Service
- Payroll
- School Improvement Support
- Safeguarding Support and Advice
- CPOMS/Staff Safe Systems
- Estate Management Services

The academy trust charges for these services on the following basis:

- 6.00% of each schools' budget share, which the Academy Trust subsidised for the first year of operations only

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 9 Central services

(Continued)

The amounts charged during the year were as follows:

	2023	2022
	£	£
St Aidan's Memorial CE Primary	93,268	81,068
Holy Trinity CE Primary	61,527	51,681
Egglescliffe CE Primary	47,210	38,376
St Mary's CE Primary	33,976	27,416
Heighington CE Primary	67,040	64,800
Bishopton Redmarshall CE Primary	32,266	25,618
Bishop Ian Ramsey CE Primary-	47,600	42,213
Ingleton CE Primary	15,960	12,479
Stanhope Barrington CE Primary	44,494	35,434
St George's CE Academy	107,838	38,483
St John's CE Academy	70,934	25,107
Cleadon CE Academy	83,700	-
Northern Saints CE Academy	75,000	-
Newbrough CE Primary	10,947	-
Ward Jackson CE Primary	14,578	-
Wark CE Primary	1,785	-
Green Lane CE Primary	4,826	-
	<u>812,949</u>	<u>442,675</u>

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Staff

##### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	10,177,410	5,948,521
Social security costs	936,397	564,000
Pension costs	2,364,679	2,007,063
Staff costs - employees	13,478,486	8,519,584
Agency staff costs	351,431	226,395
Staff restructuring costs	21,666	15,000
	13,851,583	8,760,979
Staff development and other staff costs	96,223	69,143
Total staff expenditure	13,947,806	8,830,122

Staff restructuring costs comprise:

Redundancy payments	15,254	-
Severance payments	6,412	15,000
	21,666	15,000

##### Severance payments

The academy trust paid 2 severance payments in the year, disclosed in the following bands:

£0 - £25,000	2
--------------	---

##### Staff numbers

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

	2023 Number	2022 Number
Teachers	141	106
Administration and support	248	196
Management	18	11
	407	313

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2023 Number	2022 Number
Teachers	138	80
Administration and support	148	64
Management	9	9
	<u>295</u>	<u>153</u>

#### 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
£60,000-£70,000	3	3
£70,000-£80,000	4	-
£80,000-£90,000	2	1
£90,000-£100,000	1	1
	<u>10</u>	<u>5</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,306,307 (2022: £700,291).

#### 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 academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

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

The Chief Executive Officer only receives remuneration in respect of services provided undertaking the role of Chief Executive Officer and not in respect of services as a trustee. Other trustees did not receive any payments, other than expenses, from the Trust in respect of their role as trustees. The value of the trustees' remuneration, including pension contributions in respect of defined benefit schemes is noted above.

During the year ended 31 August 2023, travel and subsistence expenses totalling £nil (2022: £335) were reimbursed or paid directly to no trustee's (2022: 1 Trustee).

Other related party transactions involving the trustees are set out in note 27.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 12 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one. The cost of this insurance is included in the total insurance cost.

#### 13 Tangible fixed assets

	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 September 2022	3,530,100	437,024	1,060,997	5,028,121
Transfer on conversion	-	62,383	(62,383)	-
Transfer of school joining	703,956	228,940	95,736	1,028,632
Additions	74,481	147,484	307,324	529,289
<b>At 31 August 2023</b>	<b>4,308,537</b>	<b>875,831</b>	<b>1,401,674</b>	<b>6,586,042</b>
<b>Depreciation</b>				
At 1 September 2022	82,414	234,783	254,348	571,545
Transfer of school joining	67,145	195,875	48,425	311,445
Charge for the year	51,317	164,634	180,536	396,487
<b>At 31 August 2023</b>	<b>200,876</b>	<b>595,292</b>	<b>483,309</b>	<b>1,279,477</b>
<b>Net book value</b>				
At 31 August 2023	4,107,661	280,539	918,365	5,306,565
At 31 August 2022	3,447,686	202,241	806,649	4,456,576

The Academy Trust occupies land, including buildings, which are owned by the Durham Diocesan Board of Finance (the DDBF). The Durham Diocesan Board of Education (DDBE) acting through the DDBF are the providers of the academies on the same basis as when they were maintained schools. The Academy Trust therefore occupies the land and buildings under a licence. The continuing permission of the DDBF is pursuant to, and subject to, the DDBE and DDBF's charitable objectives and is part of the Church of England's contribution since 1847 to provide state funded education in partnership with the state. The licence delegates aspects of the management of the land and buildings to the Academy Trust, but does not vest any rights over the land in the Academy Trust. The DDBE and DDBF have given an undertaking to the Secretary of State for Education that they will not give the Academy Trust less than two years notice to terminate the occupation of the land and buildings. Having therefore considered the basis of which the Academy Trust is occupying the land and buildings the Trustees have concluded that the value of these land and buildings will not be recognised on the Academy Trust's balance sheet.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 14 Debtors

	2023 £	2022 £
Trade debtors	95,064	109,023
VAT recoverable	13,523	37,929
Other debtors	-	4,888
Prepayments and accrued income	524,213	448,192
	<u>632,800</u>	<u>600,032</u>

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

	2023 £	2022 £
Other loans	14,423	-
Trade creditors	70,947	217,115
Other taxation and social security	261,649	158,104
Other creditors	313,777	203,347
Accruals and deferred income	978,971	443,719
	<u>1,639,767</u>	<u>1,022,285</u>

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

	2023 £	2022 £
Other loans	103,253	-
	<u>103,253</u>	<u>-</u>

#### Analysis of loans

	2023 £	2022 £
Wholly repayable within five years	117,676	-
Less: included in current liabilities	(14,423)	-
Amounts included above	<u>103,253</u>	<u>-</u>
<b>Loan maturity</b>		
Debt due in one year or less	14,423	-
Due in more than two years but not more than five years	57,692	-
Due in more than five years	45,561	-
	<u>117,676</u>	<u>-</u>

Loans of £117,676 from Department of Education which is provided on the following terms: CIF loan (Heighington First School) - 10 year loan repayable in monthly installments of £1,475 from September 2022. Interest rate of 2.09% is payable on the loan.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Current asset investments

Current asset investments are made up of shares held for resale or capital gains.

The market value of the listed investments at 31 August 2023 was £515,489 (2022: £525,463). If the investment had been held at historic cost the value would be £500,000 (2022: £500,000).

At the year end, the following investments represented more than 5% of the total value of the investment portfolio:

CBF Church of England Funds - £515,489

#### 18 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	363,628	175,783
	<u>363,628</u>	<u>175,783</u>
Deferred income at 1 September 2022	175,783	132,867
Released from previous years	(175,783)	(132,867)
Resources deferred in the year	363,628	175,783
	<u>363,628</u>	<u>175,783</u>
Deferred income at 31 August 2023	363,628	175,783

At the balance sheet date the Trust was holding funds received in advance in respect of ESFA Rates Relief, Universal Infant Free School Meals income, Early Years funding and trip income



# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 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)	147,386	12,875,239	(13,627,733)	605,108	-
UIFSM	-	350,201	(350,201)	-	-
Pupil premium	-	1,102,298	(1,102,298)	-	-
Other DfE/ESFA COVID-19 funding	-	50,825	(50,825)	-	-
Other Coronavirus funding	-	85,749	(85,749)	-	-
Other DfE/ESFA grants	-	1,661,302	(1,661,302)	-	-
Other government grants	-	1,100,494	(1,100,494)	-	-
Pension reserve	(1,488,000)	(762,000)	(223,000)	2,024,000	(449,000)
	<u>(1,340,614)</u>	<u>16,464,108</u>	<u>(18,201,602)</u>	<u>2,629,108</u>	<u>(449,000)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	<u>4,503,079</u>	<u>1,008,016</u>	<u>(396,486)</u>	<u>198,598</u>	<u>5,313,207</u>
<b>Total restricted funds</b>	<u>3,162,465</u>	<u>17,472,124</u>	<u>(18,598,088)</u>	<u>2,827,706</u>	<u>4,864,207</u>
<b>Unrestricted funds</b>					
General funds	<u>2,043,698</u>	<u>2,352,776</u>	<u>(65,421)</u>	<u>(813,679)</u>	<u>3,517,374</u>
<b>Total funds</b>	<u>5,206,163</u>	<u>19,824,900</u>	<u>(18,663,509)</u>	<u>2,014,027</u>	<u>8,381,581</u>

# **DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **19 Funds**

**(Continued)**

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

The General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at the balance sheet date.

A start up grant was received from the ESFA as a result of the conversion to academy status. The full grant was allocated.

Other DfE/ESFA grants include teachers pay and pension grants, pupil premium, PE and sports grant and other DfE/ESFA grants.

Other government grants comprise funding received from the Local Authority.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to Local Government Pension Scheme ('LGPS') and the pension liability has therefore been aligned with these funds. The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

The inherited fixed asset fund reflects the fixed assets acquired from the Local Authority on conversion to academy status. Depreciation on these assets is charged against this fund.

DfE/ESFA capital grants received in year consist of capital grants received in the year which have been received for expenditure on acquisition and maintenance of fixed assets.

The transfer from the Local Authority reflects the fixed assets, the pension deficit, the surplus GAG and any surplus school funds acquired on conversion.

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Funds

(Continued)

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

	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)	481,857	7,757,018	(7,988,290)	(103,199)	147,386
Start up grants	-	83,500	(83,500)	-	-
UIFSM	-	204,838	(204,838)	-	-
Pupil premium	-	559,825	(559,825)	-	-
Catch-up premium	-	11,555	(11,555)	-	-
Other DfE/ESFA COVID-19 funding	-	11,388	(11,388)	-	-
Other Coronavirus funding	-	18,903	(18,903)	-	-
Other DfE/ESFA grants	-	906,509	(906,509)	-	-
Other government grants	-	820,153	(820,153)	-	-
Pension reserve	(4,872,000)	(1,777,000)	(809,000)	5,970,000	(1,488,000)
	<u>(4,390,143)</u>	<u>8,596,689</u>	<u>(11,413,961)</u>	<u>5,866,801</u>	<u>(1,340,614)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	<u>2,408,859</u>	<u>2,275,414</u>	<u>(284,393)</u>	<u>103,199</u>	<u>4,503,079</u>
<b>Total restricted funds</b>	<u>(1,981,284)</u>	<u>10,872,103</u>	<u>(11,698,354)</u>	<u>5,970,000</u>	<u>3,162,465</u>
<b>Unrestricted funds</b>					
General funds	<u>925,380</u>	<u>1,194,704</u>	<u>(50,871)</u>	<u>(25,515)</u>	<u>2,043,698</u>
<b>Total funds</b>	<u>(1,055,904)</u>	<u>12,066,807</u>	<u>(11,749,225)</u>	<u>5,944,485</u>	<u>5,206,163</u>

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Funds

(Continued)

#### Total funds analysis by academy

	2023	2022
	£	£
Fund balances at 31 August 2023 were allocated as follows:		
St Aidan's Memorial CE Primary	277,501	255,453
Holy Trinity CE Primary	264,142	230,188
Egglescliffe CE Primary	36,360	34,697
St Mary's CE Primary	87,816	67,285
Heighington CE Primary	349,999	360,146
Bishopton Redmarshall CE Primary	201,471	247,002
Bishop Ian Ramsey CE Primary-	70,507	65,021
Ingleton CE Primary	39,586	75,773
Stanhope Barrington CE Primary	(45,433)	(32,186)
St George's CE Academy	245,108	268,638
St John's CE Academy	449,834	459,583
Cleadon CE Academy	209,623	-
Northern Saints CE Academy	1,014,753	-
Newbrough CE Primary	81,012	-
Ward Jackson CE Primary	(3,860)	-
Wark CE Primary	2,572	-
Green Lane CE Primary	(1,286)	-
Central services	237,669	159,484
Total before fixed assets fund and pension reserve	3,517,374	2,191,084
Restricted fixed asset fund	5,313,207	4,503,079
Pension reserve	(449,000)	(1,488,000)
Total funds	8,381,581	5,206,163

Stanhope Barrington Church of England Primary School is carrying a net deficit of £45,000 on these funds. This is an agreed deficit due to financial challenges during the year of their conversion. A plan was put in place from 19/20 onwards to reduce this deficit, this work continues with further in-depth reviews of savings and income generation.

Ward Jackson Church of England Primary School is carrying a net deficit of £4,000 on these, this is due to late closure of their Local Authority account and transfer of revenue surplus.

Green Lane Church of England Primary School is carrying a net deficit of £1,000 on these funds, this is due to their conversion on 1st August 2023 and their revenue surplus still sitting with their Local Authority.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 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
	£	£	£	£	£	£
St Aidan's Memorial CE Primary	1,444,055	160,572	266,049	104,683	1,975,359	1,849,809
Holy Trinity CE Primary	820,671	128,359	190,829	102,860	1,242,719	1,174,650
Egglescliffe CE Primary	659,045	114,218	182,818	78,382	1,034,463	969,638
St Mary's CE Primary	461,621	51,815	114,155	35,483	663,074	620,385
Heighington CE Primary	913,732	146,910	183,385	65,929	1,309,956	1,247,430
Bishopton Redmarshall CE Primary	461,457	70,081	109,551	56,003	697,092	577,658
Bishop Ian Ramsey CE Primary-	510,145	164,981	148,328	60,584	884,038	933,818
Ingleton CE Primary	287,788	55,992	72,925	36,674	453,379	933,818
Stanhope Barrington CE Primary	629,340	133,430	143,230	74,147	980,147	811,451
St George's CE Academy	1,481,282	233,205	250,015	82,774	2,047,276	813,558
St John's CE Academy	1,078,372	102,935	207,703	60,260	1,449,270	583,708
Cleadon CE Academy	1,131,937	227,476	237,536	79,392	1,676,341	-
Northern Saints CE Academy	1,341,381	241,450	334,137	108,254	2,025,222	-
Newbrough CE Primary	146,661	33,014	21,725	8,055	209,455	-
Ward Jackson CE Primary	227,356	34,488	56,731	21,475	340,050	-
Wark CE Primary	24,147	3,613	999	-	28,759	-
Green Lane CE Primary	59,485	18,398	9,548	676	88,107	-
Central services	-	192,394	694,683	62,215	949,292	560,034
	11,678,475	2,113,331	3,224,347	1,037,846	18,053,999	560,034

#### 20 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds: General	Fixed asset	Endowment Funds	Total Funds
	£	£	£	£	£
<b>Fund balances at 31 August 2023 are represented by:</b>					
Tangible fixed assets	-	-	5,306,565	-	5,306,565
Current assets	3,517,374	1,625,344	124,318	-	5,267,036
Current liabilities	-	(1,625,344)	(14,423)	-	(1,639,767)
Non-current liabilities	-	-	(103,253)	-	(103,253)
Pension scheme liability	-	(449,000)	-	-	(449,000)
<b>Total net assets</b>	<b>3,517,374</b>	<b>(449,000)</b>	<b>5,313,207</b>	<b>-</b>	<b>8,381,581</b>

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>					
Tangible fixed assets	-	-	4,456,576	-	4,456,576
Current assets	2,043,698	1,169,671	46,503	-	3,259,872
Current liabilities	-	(1,022,285)	-	-	(1,022,285)
Pension scheme liability	-	(1,488,000)	-	-	(1,488,000)
<b>Total net assets</b>	<b>2,043,698</b>	<b>(1,340,614)</b>	<b>4,503,079</b>	<b>-</b>	<b>5,206,163</b>

#### 21 Pension and similar obligations

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

##### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to 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. The valuation report was published by the Department for Education on 30 October 2023.

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £1,447,877 (2022: £871,928).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. 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 above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 15.00% for employers and 5.50 - 12.50% for employees.

As described in note 27 the LGPS obligation relates to the employees of the academy 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 academy 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	734,000	401,000
Employees' contributions	222,000	122,000
	<hr/>	<hr/>
Total contributions	956,000	523,000
	<hr/>	<hr/>

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
<b>Teesside Pension Fund</b>		
Rate of increase in salaries	4.00	4.05
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
	<u>          </u>	<u>          </u>
<b>Durham Pension Fund</b>		
Rate of increase in salaries	3.60	3.70
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.00	4.10
	<u>          </u>	<u>          </u>
<b>Tyne &amp; Wear Pension Fund</b>		
Rate of increase in salaries	4.10	4.10
Rate of increase for pensions in payment/inflation	2.60	2.60
Discount rate for scheme liabilities	5.10	4.60
	<u>          </u>	<u>          </u>

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
<b>Teesside Pension Fund</b>		
Retiring today		
- Males	20.50	21.70
- Females	23.50	23.50
Retiring in 20 years		
- Males	21.30	22.90
- Females	25.00	25.30
	<u>          </u>	<u>          </u>
<b>Durham Pension Fund</b>		
Retiring today		
- Males	21.70	22.10
- Females	23.90	24.20
Retiring in 20 years		
- Males	22.90	23.20
- Females	25.00	25.70
	<u>          </u>	<u>          </u>
<b>Tyne &amp; Wear Pension Fund</b>		
Retiring today		
- Males	20.50	21.60
- Females	24.10	24.60
Retiring in 20 years		
- Males	22.20	21.60
- Females	25.50	26.10
	<u>          </u>	<u>          </u>



# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Pension and similar obligations

(Continued)

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

	2023	2022
	£	£
Discount rate + 0.1%	(236,000)	(249,000)
Discount rate - 0.1%	236,000	255,000
Mortality assumption + 1 year	(328,000)	(302,000)
Mortality assumption - 1 year	328,000	302,000
CPI rate + 0.1%	54,000	215,000
CPI rate - 0.1%	(54,000)	(215,000)

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

	2023	2022
	Fair value	Fair value
	£	£
Equities	8,024,972	4,771,898
Bonds	1,910,800	793,478
Multi asset credit	1,071,054	732,830
Cash	352,640	484,036
Property	1,809,860	955,896
Other assets	675,674	267,862
Total market value of assets	13,845,000	8,006,000

The actual return on scheme assets was £814,000 (2022: £(232,000)).

#### Amount recognised in the statement of financial activities

	2023	2022
	£	£
Current service cost	890,000	1,114,000
Interest income	(454,000)	(108,000)
Interest cost	521,000	204,000
Total operating charge	957,000	1,210,000

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2023 £
At 1 September 2022	9,494,000
Obligations acquired on conversion	3,276,000
Transferred in on existing academies joining the academy trust	1,652,000
Current service cost	890,000
Interest cost	521,000
Employee contributions	222,000
Actuarial gain	(1,664,000)
Benefits paid	(97,000)
At 31 August 2023	14,294,000

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

	2023 £
At 1 September 2022	8,006,000
Assets acquired on conversion	2,559,000
Transferred in on existing academies joining the academy trust	1,607,000
Interest income	454,000
Actuarial (gain)/loss	360,000
Employer contributions	734,000
Employee contributions	222,000
Benefits paid	(97,000)
At 31 August 2023	13,845,000

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## 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)		1,151,418	292,067
Adjusted for:			
Net surplus on conversion to academy	27	(158,640)	-
Net surplus on transfer of academy in the trust	28	(1,053,794)	(1,172,616)
Capital grants from DfE and other capital income		(290,828)	(87,473)
Investment income receivable	6	(17,596)	(14,859)
Defined benefit pension costs less contributions payable	21	156,000	713,000
Defined benefit pension scheme finance cost	21	67,000	96,000
Depreciation of tangible fixed assets		396,488	284,393
(Increase)/decrease in debtors		(32,768)	123,575
Increase in creditors		603,059	238,016
Stocks, debtors and creditors transferred on conversion	27	-	(743)
<b>Net cash provided by operating activities</b>		<b>820,339</b>	<b>471,360</b>

#### 23 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	2,134,378	1,984,369	4,118,747
Loans falling due within one year	-	(14,423)	(14,423)
Loans falling due after more than one year	-	(103,253)	(103,253)
	<b>2,134,378</b>	<b>1,866,693</b>	<b>4,001,071</b>

#### 24 Long-term commitments

##### Operating leases

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

	2023 £	2022 £
Amounts due within one year	29,370	30,147
Amounts due in two and five years	43,977	76,539
	<b>73,347</b>	<b>106,686</b>

# DURHAM AND NEWCASTLE DIOCESAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

##### Expenditure related party transactions

##### **Durham Diocesan Board of Finance**

There were related party transactions during the period with the Newcastle Diocesan Education Board (NDEB) and Durham Diocesan Board of Finance (DDBF) as joint employers of the seconded CEO, CFO (up to January 2023) and COO. £187,635 (2022: £167,517) was paid, of which 50% was paid to the NDEB for the secondments during the period and 50% to the DDBF. In addition, there were further transactions with NDEB totalling £47,488 (2022: £34,970) as part of the basic partnering support agreement charged to all CofE schools within the Diocese. These transactions were approved for the period by the ESFA as both off payroll appointments (in respect of the CEO and CFO as required) and related party transactions. The CFO has been directly employed from January 2023 and the CEO is now directly employed as of 1 September 2023.

##### **Northern Lights Learning Trust**

Northern Lights Learning Trust is a related party by virtue of Mark Stouph being a common director. During the period, Northern Lights Learning Trust were charged £1,955 (2022 - £nil) in respect of training provided to the Academy Trust.

#### 26 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

#### 27 Conversion to an academy

Throughout the period, the following schools converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Durham and Newcastle Diocesan Learning Trust from various Local Authorities 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>
Northern Saints CE Academy	Sunderland	1 January 2023
Newbrough CE Primary	Northumberland	1 April 2023
Ward Jackson CE Primary	Hartlepool	1 April 2023
Wark CE Primary	Northumberland	1 August 2023
Green Lane CE Primary	County Durham	1 August 2023

