

**NORTHERN LEARNING TRUST**  
(a company limited by guarantee)

**Trustees Annual Report  
and  
Financial Statements  
for the  
Year Ended 31 March 2023**

**Charity No: 1120330**

**Company No: 06316736**



## **NORTHERN LEARNING TRUST**

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**NORTHERN LEARNING TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD ENDED 31 MARCH 2023**

**Legal and Administrative Information**

The Directors of the charitable company (the charity) are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

Charity Number:	1120330
Company Number:	06316736
Principal Office:	Cheviot House Beaminster Way East Newcastle upon Tyne NE3 2ER <a href="http://www.northernlearningtrust.org.uk">www.northernlearningtrust.org.uk</a>
Trustees:	Anthony Brown                      Chair Ann Wynn                          Vice Chair Michael Ranson                  Treasurer Roy Alexander Anne Delandre Natalie Maidment (appointed 20 October 2022)
Secretary:	Liz Sheerin
Key management personnel:	Gill Smith                          Chief Executive Liz Sheerin                        Business Manager Nicola Robinson                Operations Manager
Bankers:	Lloyds Bank PLC 102 Grey Street Newcastle upon Tyne NE1 6AG
Accountants:	Azets Audit Services Chartered Accountants Bulman House, Regent Centre Newcastle upon Tyne NE3 3LS
Solicitors:	Ward Hadaway Sandgate House, 102 Quayside Newcastle upon Tyne NE1 3DX
Investment Advisors:	UBS Wealth Management (UK) Ltd 2 St James' Gate Newcastle upon Tyne NE4 7JH

**NORTHERN LEARNING TRUST**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD ENDED 31 MARCH 2023**

**1. Aims and Objectives**

**1.1 Purpose and Aims**

The purpose of the Trust as set out in the objects contained in the company's Memorandum and Articles of Association is to:

- advance learning including literacy, numeracy and communication skills across the North East of England.

The Trust has the aim of contributing to the quality of life of the people across the North East by increasing skills, confidence and self-esteem through a range of supportive and personalised programmes. These include Functional Skills, Employability Skills, ESOL, Alternative Education, programmes for those Not in Education, Employment or Training (NEETS), Family Learning and Parenting, Mentoring and first step engagement activities.

The unique selling point of the Trust is the ability of staff to engage, motivate and retain the hardest to reach individuals, by delivering unique, flexible programmes of learning and enterprise in the heart of our communities in the North East. The Trust aims to improve skill levels of residents and additionally give them confidence to:

- seek further education, training, employment and enterprise;
- support their children's learning;
- support their communities in learning;
- improve their mental health and well being through learning

**1.2 Ensuring the Work Delivers Our Aims**

The Trust reviews its aims, objectives and activities each year and updates both the Business and Delivery Plans to reflect the decisions taken. The review looks at achievements and outcomes of the work over the previous 12 months. Additionally, it looks at the success of each key activity and the benefits brought to the groups of people the Trust was set up to help. It also helps us ensure the aim, objectives and activities remain focussed on the stated purpose. The Trustees have taken account of the guidance contained in the Charity Commission's guidance on Public Benefit when reviewing our aims and objectives, and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives.

**1.3 The Focus of Our Work**

The main objectives for the year were to continue to work to build relationships with current and potential new partners and explore new markets to develop and deliver services.

Key areas of work included:

- continue to maintain and develop new Learning Hives™ across the region;
- explore new opportunities for partnership working within housing health and wellbeing and other services;
- develop and expand the reach of our specialist mentoring services;
- market and deliver our Family and Community Learning offering;
- further develop our work in Criminal Justice;
- expand and grow our support for young people at risk of disengaging from mainstream education.



## **Adult and Community Services**

The removal of all Covid restrictions in March 2022 enabled us to return to a full face-to-face delivery model and increase participation in our provision.

We maintained 6 Learning Hives™ across the region and continued to deliver our services in Newcastle, Northumberland and County Durham, in partnership with Social Housing providers and other VCSE organisations.

We completed delivery on two of our ESF contracts, the Bridge project in Northumberland and the North of Tyne Working Homes project, achieving all project targets and outcomes.

We secured two new contracts with the North of Tyne Combined Authority, successfully delivering Family Learning in schools as part of the Child Poverty Prevention Programme, and Family and Community maths provision under the Multiply strategy.

We also delivered Family maths provision under the Multiply strategy in South Tyneside and resumed delivery on the National Careers Service, providing Information Advice and Guidance to learners.

## **Mentoring Services**

We continued to work in partnership with VCSE organisations and Tees, Esk and Wear Valleys NHS in County Durham, to provide community-based mentoring and psychological intervention support for those impacted by Covid 19.

Our Veterans' Cycle Club in Newcastle continued to provide mentoring services for former members of the Armed Forces, supporting those with mental and physical health issues and combatting social isolation.

## **Criminal Justice Services**

Our Reaching Out project continued to support people with an offending history, providing intensive mentoring support enabling service users to negotiate life after offending, offering stability and helping them to avoid reoffending.

Following our successful Prison Leavers' Project in 2022, our Mentoring Services Manager was seconded to the Ministry of Justice as a consultant, advising on the setting up of a new employability support service for prisoners as they complete their sentences.

## **Children and Young People's Service**

We have delivered intensive one-to-one support, to enable young people not in education or at risk of disengaging from education, to continue learning whilst out of school and re-engage in mainstream education or training.

### **1.4 How Our Activities Deliver Public Benefit**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charitable objectives are also set out in order to provide a clear and demonstrable public benefit.

All our charitable activities focus on increasing the learning and skills levels of individuals thereby providing skills, confidence and self-esteem enabling them to improve their quality of life. By providing these activities they further our charitable purpose for the public benefit.

### **1.5 Who Used and Benefitted from Our Services?**

The objects of the Trust and the funding we receive limits the area in which we are able to provide services to the North East of England.

The North East economy continues to lag behind the national averages, particularly in employment, skills and earnings. Significant gaps in terms of education, achievement and

employment continue to exist between different areas and the challenge is to achieve active and resilient communities in a sustainable economy. Because economic activity and exclusion levels are above the national average, the North East Local Enterprise Strategic Economic Plan identifies the need to create opportunities for people and to improve prosperity and inclusion. To achieve this it is necessary to ensure individuals have the skills and competencies to take up available employment opportunities.

The funding we receive is targeted at families and individuals with low level skills, low confidence and low aspiration. Most of our work is in the most deprived areas with the highest level of need. All services are provided free of charge to learners. Further information about who benefits directly from our services is explained in the analysis of achievements and performance.

## **1.6 Fundraising**

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

## **2. Achievements**

The main areas of charitable activity are the provision of a range of bespoke programmes and sessions offering skills development and mentoring to those individuals who have the lowest levels of skills and confidence, and who are least likely to seek support from the more formal statutory agencies.

2022-2023 saw a full return to face-to-face working post pandemic, enabling us to extend our reach into the communities we serve and significantly increasing the number of beneficiaries we were able to support. During this year we supported over 800 people to improve their functional and digital skills, develop employability skills, improve their mental health and wellbeing, support their child's learning and development and achieve qualifications to support their progress towards employment and financial stability.

These activities and the achievements are described below.

### **2.1 Adult and Community Services**

#### **Learning Hives™**

A Learning Hive™ provides community based teaching, learning and support for people from hard to reach neighbourhoods with high levels of inactivity, unemployment and low levels of social capital. From agreed community venues such as vacant residential properties or community centres, specialist Community Engagement Tutors work with learners to develop new skills for learning and working in their neighbourhoods. At the end of this reporting period, six Learning Hives™ were maintained across the region with support from European Social Fund as part of the 2014–2020 European Structural and Investment Funds for Growth programme in England.

We delivered the Learning Hives™ through the Bridge Project in Northumberland and the North of Tyne Working Homes projects in Northumberland and Newcastle. Our Durham Hive was supported by the LINKCD project in County Durham. The Learning Hives™ provided support with employability skills, literacy and numeracy, ICT, volunteering and learning for well-being, for those furthest away from the jobs market. The Bridge project was funded by the European Social Fund and the National Lottery Community Fund; the North of Tyne Working Homes project and the LINKCD project are funded by the European Structural and Investment Funds for Growth Programme 2014-2020.

## **Multiply**

We were successful in securing a contract from the North of Tyne Combined Authority, to deliver on the national Multiply strategy, which aims to improve the standards of adult numeracy in the UK. Between December 2022 and March 2023, we worked with over 250 learners on short programmes designed to engage and teach those for whom maths is intimidating.

## **Family Learning**

We have secured two new contracts from the North of Tyne Combined Authority this year, which have significantly increased the amount of Family Learning delivered. Under the Child Poverty Prevention Programme, we have delivered Family Learning programmes in 32 local schools, engaging and supporting 279 families. Under the Multiply strategy we have delivered Family Maths programmes in schools, Family Hubs and community venues across Newcastle, North Tyneside and Northumberland.

## **2.2 Mentoring Services**

### **County Durham Covid Resilience Service**

The Trust remains a partner on the County Durham Covid Resilience project, a partnership between NHS and VCSE organisations, providing mentoring and low-level psychological interventions for people affected by Covid 19. As Covid 19 becomes more a part of everyday life, the scope of the project is broadening and the range of activities and support offered is continually developing to meet changing client needs.

### **Veterans' Cycle Club**

Delivery of the Veterans' Cycle Club has fully resumed post pandemic and continues to provide activities, social and psychological support for former members of the armed services. Responding to increased demand, we have introduced additional activities to the club such as walking and healthy cooking sessions to ensure that those unable to cycle are able to participate and receive support.

## **2.3 Criminal Justice Services**

### **Reaching Out Project**

We have continued to deliver our Reaching Out Project for service users with an offending history, offering intensive mentoring support to help people stabilise, reintegrate to life outside of prison and prevent reoffending.

Following the success of our Prison Leavers' Project in 2021-2022, our Mentoring Services Manager was seconded to the Ministry of Justice as a consultant, to advise on and help create an employability support programme for those completing custodial sentences.

## **2.4 Children and Young People Services**

### **Special Education Needs**

Referrals to our out of school provision of intensive, one-to-one support for young people in Newcastle have remained consistent this year. We have noticed an increase in referrals for those unable to attend school due to anxiety and mental ill health.

## **3. Consultancy, Research and Training**

The Trust continues to offer consultancy, training and research services to other organisations.

#### **4. Financial Review**

During the year we have secured additional grants, contracts and donations to achieve strong growth in income of 10% from last year. To continue to deliver our services we have employed additional tutors, leading to staff costs increasing by 12% in the same period, and costs overall increasing by 14%. We report a net surplus of £59,891, after a reduction of £21,501 in the value of Investments. The increase in reserves is highlighted in our accounts for the year.

We expect funding levels to reduce a little throughout 2023/24, but have been pleased so secure funding to enable the continued delivery of most of our services. We continue to seek new funding opportunities.

We have updated our business plan and will continue to invest and develop new relationships, markets and innovative programmes to ensure the future sustainability of the organisation.

Trustees and managers continue to review and regularly monitor progress against the business and delivery plans.

#### **5. Principal Funding Sources**

The Trustees are grateful to the following for funding the work of the Trust during the period:

- Armed Forces Covenant
- Bernicia
- Browns Solicitors
- Community Foundation
- DWP
- Durham County Council
- East Bedlington Parish Council
- Education Development Trust
- European Social Fund
- Lloyds Bank Foundation
- National Lottery Community Fund
- Newbiggin Town Council
- Newcastle City Council
- North of Tyne Combined Authority
- Northumberland County Council
- Operation Veteran
- Pioneering Care Partnership
- Sir James Knott
- South Tyneside Council

Their support has been essential in allowing the Trust to continue to deliver services across the North East.

#### **6. Investment Policy**

The strategic aims and development of the Trust specify that the Trustees should ensure the best use of reserves over the long term showing due diligence and an agreed level of risk averseness. The Trustees have adopted a policy of investing a proportion of reserves with UBS Wealth Management Ltd. The investment objective is to create a balance between capital growth and income, which over the long term aims to maintain the real value of the assets. This Investment Policy is kept under regular review.

#### **7. Pay Policy for Key Management Personnel**

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charitable company are, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charitable company on a day to day basis.

The pay of the KMP is reviewed annually. The Trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charitable company can afford any proposed increases. The Board of Trustees then consider any uplift to remuneration.

## **8. Reserves Policy and Going Concern**

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The Trustees have examined the requirements of the charitable company to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated or restricted for a purpose. Resulting from this, the trustees consider it appropriate to maintain unrestricted free reserves at a level equivalent to four months' operating costs, which equates to a range of £190,000 to £210,000. At the year end, free reserves were £263,685 (2022: £218,488).

As part of the reserves policy the trustees have designated the following funds: Future Cost Reserve of £79,221 (2022: £61,205) and Development Fund of £32,510 (2022: £0). Narrative for these funds can be found in note 14 of the financial statements.

The trustees recognise that the charity needs to generate surpluses in order to maintain their target level of free reserves. The need for the charity's services continues to grow and therefore the demand on future reserves will also be greater, hence the charity continues to require future funding towards its unrestricted reserves and the support of its funding partners.

The Trustees have prepared a budget and cash flow forecast and have concluded that the charity continues to be a going concern for the foreseeable future. On that basis they have continued to adopt the going concern basis when preparing the financial statements.

## **9. Plans for Future Periods**

We will continue to work to build relationships with current and potential new partners and explore new markets to develop and deliver services.

The Trust will focus on the following areas:

- continue to maintain and develop new Learning Hives™ across the region;
- explore new opportunities for partnership working within housing, health and wellbeing and other services;
- develop and expand the reach of our specialist mentoring services;
- market and deliver our Family and Community Learning offering;
- further develop our work in criminal justice;
- expand our services for Veterans;
- expand and grow our support for young people at risk of disengaging from mainstream education;
- continue to support and develop our workforce to enable them to meet the challenges presented by a dynamic and changing environment.

## **10. Structure, Governance and Management**

### **10.1 Governing Document**

Northern Learning Trust is a charitable company limited by guarantee. It was registered as a charity on 24 February 1999 and incorporated on 18 July 2007. The company was established under a Memorandum and Articles of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount of £1.00.

### **10.2 Appointment of Trustees**

As set out in the Memorandum and Articles of Association the Board shall consist of no more than 12 Trustees and no less than 3. At each Annual General Meeting a quarter of the Trustees retire from office, the longest serving retiring by rotation. A retiring Trustee is eligible for re-election. No Trustee may serve more than 8 years without at least a 1 year break unless they are unanimously requested to do so by members.



Mrs Anne Delandre and Mr Roy Alexander retire by rotation and offer themselves for re-election.

When considering the appointment of new Trustees, the Board has regard to specialist or professional skills of the existing Trustees and any requirement for additional skills. In the event of any particular skills being lost through retirement or resignation, suitable individuals are recruited through an advertisement and selection process for appointment to the Board.

All Trustees give their time voluntarily and received no benefits from the charity. No Trustees claimed expenses during the year.

### **10.3 Trustee Induction and Training**

New Trustees are invited to meet with the Chair and Chief Executive to familiarise themselves with the Trust and the context in which it operates. This covers:

- the obligations of Trustees;
- the main documents which set out the operational framework for the Trust;
- resourcing and the current financial position;
- future plans and objectives;
- risks facing the Trust.

Trustees also receive an induction pack of internal information together with publications from the Charity Commission. The Chief Executive organises opportunities for the Trustees to become familiar with the work of the Trust by visiting the different projects and meeting the staff. Trustees are also invited to attend issue specific focus groups or projects.

### **10.4 Organisation**

The Board of Trustees has responsibility for the strategic direction and policy of the charity. It meets quarterly and when necessary working groups are constituted.

The Chief Executive is appointed by the Trustees to manage the day to day operations. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of delegation approved by the Trustees, for operational matters including finance, employment and service delivery.

### **10.5 Risk Management**

The Trustees have a risk management strategy that comprises:

- monitoring the strategic, business and operational risks the charity may face, including safeguarding and Health & Safety, with Key Risks documented in an organisational Risk Register that is reviewed regularly;
- the establishment of systems and procedures to mitigate identified risks;
- the implementation of systems and procedures designed to minimise any potential impact on the Trust should they materialise.

Every 3 years the organisation undertakes a strategic review. Each year the organisation produces updated Business and Action Plans which are fully consulted with Trustees, management and staff teams. They are very much working documents which recognise the need for diversification, development and expansion of the Trust's core business. A key element in the management of financial risk is the setting of a Reserves Policy and its regular review by Trustees and the managed investment of its reserves.

### **10.6 Going Concern**

The Trustees recognise that Northern Learning Trust is currently dependent on income from a variety of sources in order to sustain its activities.

All projects are currently funded, most until at least March 2024, and are operating effectively. We are experiencing increasing demand for our services and the Senior Management Team and Trustees are working to secure ongoing funding to deliver the Trust's future strategic aims.

The Trustees have prepared a budget and cashflow forecast and have concluded that the charity continues to be a going concern for the foreseeable future. On that basis they have continued to adopt the going concern basis when preparing the financial statements.

### **10.7 Statement of Trustees' Responsibilities**

The Trustees (who are also the directors of Northern Learning Trust for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure the financial statements comply with the Companies Act 2006. The Trustees 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.


### **10.8 Independent Examiner**

Simon Brown BA ACA DChA of Azets Audit Services has been re-appointed as independent examiner for the ensuing year.

### **10.9 Small Company Provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Board on 20 July 2023 and signed on its behalf by:

  
.....  
A Brown  
Chair

Date..... 20. 07. 23

## NORTHERN LEARNING TRUST

### INDEPENDENT EXAMINER'S REPORT TO THE COMPANY'S MEMBERS

I report to the charity Trustees on my examination of the accounts of the Charitable Company for the year ended 31 March 2023.

#### Responsibilities and basis of report

As the charity's trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charitable Company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### Independent examiner's statement

Since the Charitable Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am member of the Institute of Chartered Accountants in England and Wales (ICAEW) which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Simon Brown BA ACA DChA  
Azets Audit Services  
Chartered Accountant  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date 26/7/2023

Azets Audit Services is a trading name of Azets Audit Services Limited



# NORTHERN LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Restricted 2023	Unrestricted 2023	Year to 31.03.23 Total £	Year to 31.03.22 Total £
<b>Income from:</b>					
Donations and grants	2	192,921	20,125	213,046	65,071
Other grants	2	-	-	-	22,433
<b>Donations and Grants</b>		<b>192,921</b>	<b>20,125</b>	<b>213,046</b>	<b>87,504</b>
Charitable activities	3	169,829	252,700	422,529	488,899
Investments	4	-	4,382	4,382	3,572
<b>Total Income</b>		<b>362,750</b>	<b>277,207</b>	<b>639,957</b>	<b>579,975</b>
<b>Expenditure</b>					
Charitable activities	5	366,308	192,257	558,565	489,354
<b>Total Expenditure</b>		<b>366,308</b>	<b>192,257</b>	<b>558,565</b>	<b>489,354</b>
<b>Net income/(expenditure)</b>		<b>(3,558)</b>	<b>84,950</b>	<b>81,392</b>	<b>90,621</b>
<b>Other recognised gains/(losses):</b>					
Profit/(loss) on revaluation of investments	9	-	(21,501)	(21,501)	2,824
<b>Net income/(expenditure) before transfers</b>		<b>(3,558)</b>	<b>63,449</b>	<b>59,891</b>	<b>93,445</b>
Transfers between funds	13	1,278	(1,278)	-	-
<b>Net movement in funds</b>		<b>(2,280)</b>	<b>62,171</b>	<b>59,891</b>	<b>93,445</b>
<b>Reconciliation of Funds:</b>					
Total funds brought forward		42,860	560,352	603,212	509,767
<b>Total funds carried forward</b>		<b>40,580</b>	<b>622,523</b>	<b>663,103</b>	<b>603,212</b>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

**NORTHERN LEARNING TRUST**  
Company Registration Number: 06316736

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Notes	31.03.23	31.03.22
		£	£
<b>Fixed Assets</b>			
Tangible assets	8	1,698	115
Investments	9	324,630	341,749
		<u>326,328</u>	<u>341,864</u>
<b>Current Assets</b>			
Debtors	10	134,924	75,768
Cash at bank and in hand		260,011	232,606
		<u>394,935</u>	<u>308,374</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(58,160)</u>	<u>(47,026)</u>
<b>Net Current Assets</b>		<u>336,775</u>	<u>261,348</u>
<b>NET ASSETS</b>	12	<u><b>663,103</b></u>	<u><b>603,212</b></u>
<b>Funds of the Charity</b>			
Designated funds	14	111,731	81,900
Revaluation funds	14	39,702	61,203
General funds	14	471,090	417,249
		<u>622,523</u>	<u>560,352</u>
Total unrestricted funds	13+14	622,523	560,352
Restricted funds		<u>40,580</u>	<u>42,860</u>
<b>TOTAL</b>	13	<u><b>663,103</b></u>	<u><b>603,212</b></u>

For the year ending 31st March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the Directors and signed on their behalf by:

  
.....

Date 20.07.23  
.....

**A Brown, Chair and Director**

**NORTHERN LEARNING TRUST**  
**Company Registration Number: 06316736**

**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	31.03.23	31.03.22
		£	£
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities		<u>81,392</u>	<u>90,621</u>
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		164	197
Investment income	4	<u>(4,382)</u>	<u>(3,572)</u>
		77,174	87,246
<b>Working capital adjustments</b>			
(Increase)/decrease in debtors	10	(59,156)	39,530
Increase/(decrease) in creditors	11	<u>11,134</u>	<u>(13,078)</u>
Net cash flows from operating activities		<u>29,152</u>	<u>113,698</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	8	(1,747)	-
Investment income received	4	4,382	3,572
Purchase of investments	9	<u>(4,382)</u>	<u>(3,572)</u>
Net cash flows from investing activities		<u>(1,747)</u>	<u>-</u>
Net increase in cash and cash equivalents		27,405	113,698
<b>Cash and cash equivalents at 1 April</b>		<u>232,606</u>	<u>118,908</u>
<b>Cash and cash equivalents at 31 March</b>		<u>260,011</u>	<u>232,606</u>

## **NORTHERN LEARNING TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. ACCOUNTING POLICIES**

##### **1.1 General Information**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Northern Learning Trust, Cheviot House, Beaminster Way East, Kingston Park, Newcastle upon Tyne, NE3 2ER.

##### **1.2 Accounting Basis**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) effective 1 January 2019) and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value.

The functional currency of the charity is Sterling.

##### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. In accordance with the Charities SORP (FRS 102) the charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS102, in full to all of its financial instruments.

##### **1.3 Preparation of the accounts on a going concern basis**

After a reduction in income in previous years, the Trust's sources of income have become more stable. The Trustees have prepared a budget and cash flow forecast and have concluded that the charity continues to be a going concern for the foreseeable future. Therefore, the Trustees are of the view that the charitable company has sufficient resources to maintain its activities for at least the next 12 months (from the date of approving the financial statements). As a result, the charitable company's financial statements have been prepared on a going concern basis.

##### **1.4 Income**

Income includes amounts received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided).

Donations and grant income is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

In the event that a donation or grant is subject to conditions that require a level of performance before the charitable company is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charitable company and it is likely that those conditions will be fulfilled in the reporting period.

### **1.5 Investment income**

Income from investments is included in incoming resources once the dividend is declared and notification has been received of the dividend due. This is normally upon receiving notification by our investment advisor of the dividend.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

### **1.6 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. Note 5 contains further information on the basis for allocation.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

### **1.7 Allocation of support and governance costs**

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charitable company and its compliance with regulation and good practice. These costs include costs related to the independent examination and other costs with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned as set out in Note 5.

### **1.8 Realised and unrealised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

### **1.9 Pension**

The charitable company makes employer contributions to a defined contribution pension scheme on behalf of its employees. Contributions are included as part of staff costs within support and governance costs and allocated to the funds of the charitable company on the basis outlined in Note 5.

### **1.10 Fund Accounting**

Restricted funds are maintained in accordance with the restrictions placed upon monies received from the donor.

Unrestricted funds are the free funds of the charitable company to use at the discretion of the Trustees in the furtherance of the charitable company's objectives. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

### **1.11 Tangible Fixed Assets**

All fixed assets are initially recorded at cost. Items under £500 in value are not capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over the expected useful economic lives as follows:

Office Equipment - 3 years straight line basis

The carrying values of tangible fixed assets are reviewed for impairment periodically if events or changes in circumstances indicate the carrying value may not be recoverable.

### **1.12 Investments**

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Investments are split between fixed and current assets on the basis of a review by the Trustees of cash requirements over the coming year.

The charitable company does not acquire or use put options, derivatives or other complex financial instruments.

### **1.13 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### **1.14 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **1.15 Creditors and provisions**

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### **1.16 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### **1.17 Operating Leases**

Rentals payable under operating leases are charged in the income and expenditure account on a straight line basis over the lease term.

### **1.18 Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During the year, no key judgements or estimates have been made within the financial statements.

## 2. DONATIONS AND GRANTS

	Restricted	Unrestricted	Year to 31.03.23 Total	Year to 31.03.22 Total
	£	£	£	£
Education Endowment-Browns Solicitors	-	20,000	20,000	20,000
North of Tyne – Multiply Programme	158,938	-	158,938	-
Garfield Weston	-	-	-	10,000
Veterans Foundation	-	-	-	6,560
Swire Charitable Trust	-	-	-	3,400
Cycling UK	-	-	-	1,140
Operation Veteran	500	-	500	-
Sir James Knott Trust	5,000	-	5,000	-
Armed Forces Covenant	7,630	-	7,630	-
Bernicia Community Fund	500	-	500	-
East Bedlington Parish Council	300	-	300	-
Northumberland County Council Community Hub Grant	500	-	500	-
Newbiggin Town Council – Warm Space Grant	100	-	100	-
YHN Community Fund – Women’s Snug	-	-	-	5,000
League of Helping Hands	-	-	-	250
Community Foundation	4,750	-	4,750	1,250
National Lottery Community Fund	7,651	-	7,651	2,013
Durham County Council AAP	7,052	-	7,052	14,105
Church of St John	-	-	-	603
Sundry donations	-	125	-	750
	<u>192,921</u>	<u>20,125</u>	<u>213,046</u>	<u>65,071</u>
<b>Other Grants</b>				
HMRC Job Retention Scheme Grants	-	-	-	6,098
Covid Business Grants	-	-	-	16,335
	<u>192,921</u>	<u>20,125</u>	<u>213,046</u>	<u>87,504</u>
 For the year ended 31 March 2022	 <u>43,718</u>	 <u>43,786</u>		

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted	Unrestricted	Year to 31.03.23 Total	Year to 31.03.22 Total
	£	£	£	£
Lloyds Bank Foundation	-	27,250	27,250	26,896
Newcastle City Council	-	7,820	7,820	-
Ponteland High School	-	2,300	2,300	644
Northern Education Trust	-	1,104	1,104	-
Excelsior Academy	-	368	368	-
South Tyneside Council	-	5,600	5,600	840
North Of Tyne – Family Learning	-	48,852	48,852	-
North of Tyne CLLD funded by ESIF	-	-	-	36,446
Your Homes Newcastle-Newcastle Learning Hives™	-	-	-	14,583
Bridge Project	61,275	-	61,275	114,013
Good Things Foundation	-	-	-	3,920
Education Development Trust	-	6,164	6,164	1,391
North of Tyne Working Homes funded by ESF	-	76,414	76,414	58,635
New Start – Karbon Homes	-	11,350	11,350	4,890
Bernicia – Northumberland Learning Hives™	50,342	-	50,342	42,391
Northumberland County Council Housing	-	-	-	14,231
Durham County Council L!NKCD	-	45,326	45,326	50,624
Bernicia – Durham L!NKCD Hive Project	7,482	-	7,482	17,135
Sodexo - Transforming Rehabilitation	-	-	-	8,605
DWP Prison Leavers	-	20,090	20,090	54,000
Pioneering Care Partnership	50,730	-	50,730	39,655
Sundry income	-	62	62	-
	<u>169,829</u>	<u>252,700</u>	<u>422,529</u>	<u>488,899</u>
For the year ended 31 March 2022	<u>243,904</u>	<u>244,995</u>		

### 4. INVESTMENT INCOME

	Restricted	Unrestricted	Year to 31.03.23 Total	Year to 31.03.22 Total
	£	£	£	£
Dividends	-	4,382	4,382	3,572
	<u>-</u>	<u>4,382</u>	<u>4,382</u>	<u>3,572</u>
For the year ended 31 March 2022	<u>-</u>	<u>3,572</u>		



## 5. CHARITABLE ACTIVITIES

	Restricted provision of services £	Unrestricted provision of services £	Unrestricted Governance £	Year to 31.03.23 Total £	Year to 31.03.22 Total £
<b>Costs directly allocated to activities</b>					
Staff costs	284,575	140,753	-	425,328	385,484
Supplies/Resources	36,931	12,452	-	49,383	29,862
Recruitment	359	461	-	821	1,164
Travel	5,018	1,637	-	6,655	3,431
Volunteers	791	385	-	1,176	1,520
Depreciation	-	164	-	164	197
	<u>327,674</u>	<u>155,852</u>	<u>-</u>	<u>483,526</u>	<u>421,658</u>
<b>Support costs apportioned to activities</b>					
Premises	16,016	4,003	588	20,607	22,230
Staff costs	15,016	10,288	14,401	39,705	30,195
Resources	3,770	1,025	141	4,935	5,491
Communications	3,832	2,285	180	6,297	6,643
Accountancy and other services	-	-	3,300	3,300	3,000
Legal and Professional	-	-	195	195	137
	<u>366,308</u>	<u>173,453</u>	<u>18,804</u>	<u>558,565</u>	<u>489,354</u>
For the year ended 31 March 2022	<u>303,138</u>	<u>169,102</u>	<u>17,114</u>		

### Analysis of Governance & Support Costs

The charitable company allocates costs direct to activities as far as possible, then identifies the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

- Direct to governance: Accountancy Fees, bank charges and legal & professional fees.
- Direct to charitable activities: Monthly meeting costs.

Other expenses have been apportioned using a 97:3 split, which approximately equates to staff time spent on governance activities.

## 6. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging

	Year to 31.03.23 Total £	Year to 31.03.22 Total £
Depreciation	164	197
Independent examiner's fees	<u>3,300</u>	<u>3,000</u>

## 7. STAFF COSTS AND NUMBERS

	Year to 31.03.23 Total £	Year to 31.03.22 Total £
<b>Staff costs comprise:</b>		
Salaries	419,853	378,611
Social Security costs	27,593	22,487
Pension	<u>17,587</u>	<u>14,581</u>
	<u>465,033</u>	<u>415,679</u>

**The average number of persons (expressed as Full Time Equivalents) employed by the Trust was as follows:**

Chief Executive	1	1
Charitable activities	12	12
Administration and support	<u>2</u>	<u>2</u>
	<u>15</u>	<u>15</u>

### **Analysis of staff costs, trustee remuneration & expenses, cost of key management personnel and related party transactions**

None of the directors/trustees of the charitable company received remuneration or expenses.

The key management personnel of the charitable company, comprise the Trustees, the Chief Executive, Business Manager and an Operations Manager. The total employee benefits of the key management personnel of the charitable company were £103,720 (2022: £91,894).

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period.

None of the employees received benefits exceeding £60,000 in the year (2022: Nil)

## 8. FIXED ASSETS

	Office Equipment £
<b>Cost</b>	
At 1 April 2022	5,543
Additions in the year	1,747
Disposals	(3,403)
At 31 March 2023	<u>3,887</u>
<b>Depreciation</b>	
At 1 April 2022	5,428
Charge for the year	164
Eliminated on disposals	(3,403)
At 31 March 2023	<u>2,189</u>
<b>Net Book Value</b>	
At 31 March 2023	<u>1,698</u>
<b>Net Book Value</b>	
At 31 March 2022	<u>115</u>

## 9. INVESTMENTS

	At 31.03.23 Total £	At 31.03.22 Total £
Investment in subsidiary	1	1
Other investments (at market value)	324,518	341,637
Cash held for reinvestment	111	111
	<u>324,630</u>	<u>341,749</u>
<b>Reconciliation of other investments:</b>		
Investment value at 1 April 2022	341,637	
Additions: Income reinvested	4,382	
Net loss on revaluation	(21,501)	
Investments value at 31 March 2023	<u>324,518</u>	

All investments shown above are held at market valuation.

### Analysis of other investments at market value:

	At 31.03.23 Total £	At 31.03.22 Total £
Asset Allocation Funds	<u>324,518</u>	<u>341,637</u>

The historical cost of other investments at 31 March 2023 was £284,816 (£280,434 at 31 March 2022).

The investment of £1 represents 100% shareholding in NLT Learning Ltd. The results of this company have not been consolidated into these financial statements due to their immaterial nature.

	Year to 31.03.23 Total £	Year to 31.03.22 Total £
Profit for the year	-	-
Capital and Reserves	31	31

#### 10. DEBTORS

	At 31.03.23 Total £	At 31.03.22 Total £
Trade debtors – contract income receivable	132,499	73,205
Other debtors and prepayments	2,425	2,563
	134,924	75,768

#### 11. CREDITORS: amounts falling due within one year

	At 31.03.23 Total £	At 31.03.22 Total £
Taxation and social security	8,569	6,815
Other creditors and accruals	25,664	13,097
Deferred income	23,896	27,083
Owed to subsidiary company	31	31
	58,160	47,026

#### Reconciliation of deferred income:

Deferred income at 1 April 2022	27,083
Received	80,126
Utilised	(83,313)
Deferred income at 31 March 2023	23,896

#### 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	1,698	-	-	1,698
Investments	245,409	79,221	-	324,630
Net Current Assets	263,685	32,510	40,580	336,775
Net assets at 31 March 2023	510,792	111,731	40,580	663,103

General Funds includes the Revaluation Fund. The Revaluation Fund represents the uplift in the market value of Fixed Asset Investments over historic cost.

### 13. ANALYSIS OF FUND MOVEMENTS

	At 01.04.22	Incoming Resources	Outgoing Resources	Transfers & Other Gains/ (Losses)	At 31.03.23
	£	£	£	£	£
Restricted Funds:					
North of Tyne Multiply Programme	-	158,938	(142,739)	-	16,199
Veterans Cycle Project	7,483	13,130	(13,114)	-	7,499
Bernicia Community Fund	614	500	(552)	-	562
Learning Hives™ Support Fund	527	900	(561)	-	866
YHN Community Fund	3,109	-	(3,198)	89	-
Soft Skills Northumberland Project	-	12,401	(12,442)	41	-
Soft Skills Durham Project	3,395	7,052	(10,662)	215	-
Tutor Teaching resources fund	1,207	-	(165)	-	1,042
Newbiggin Town Council	130	-	(57)	-	73
Bridge Project	6,485	61,275	(63,258)	-	4,502
Northumberland Learning Hives™	5,655	50,342	(56,650)	653	-
Durham Learning Hive™	14,255	7,482	(11,900)	-	9,837
Community Resilience Project	-	50,730	(51,010)	280	-
Total Restricted	42,860	362,750	(366,308)	1,278	40,580
Total Unrestricted (Note 14)	560,352	277,207	(192,257)	(22,779)	622,523
TOTAL	603,212	639,957	(558,565)	(21,501)	663,103

North of Tyne Multiply Programme delivers Maths engagement and learning through community, family, and one-to-one learning programmes, and is ongoing until March 2024. The Veterans Cycle Project has been extended and is part funded until March 2025. Bernicia Community Fund and Learning Hives™ Support Fund provides additional resources for our Learning Hives™ in Northumberland. These funds are ongoing as we continue to seek funds to support extra resources for our Learning Hives™.

YHN Community Fund supported our Reaching Out project during the year and is now fully spent. Our Soft Skills Northumberland and Durham Projects funded engagement activities and both have now ended.

Delivery on the Bridge Project, an employability project funded by the European Social Fund and the National Lottery Community fund, ended in March 2023 with all activity due to be completed by June 2023. Northumberland Learning Hives™ and Durham Learning Hives™ provide match funding towards our North of Tyne Working Homes (NoTWH) and Durham LINKCD projects respectively. Both projects are part funded by the European Social Fund as part of the European Structural and Investment Funds Growth Programme 2014-2020. NoTWH project ended in March 2023 and Durham LINKCD project is due to end in December 2023.

Our Community Resilience Project fund, providing community mentoring support, is ongoing and currently expected to continue until March 2024.

Transfers reflect balance transfers from unrestricted funds to cover project overspends and investment asset revaluation.

#### 14. MOVEMENT IN FUNDS

	At 01.04.22	Incoming Resources	Outgoing Resources	Transfers & Other Gains/ (Losses)	At 31.03.23
	£	£	£	£	£
<b>Restricted funds:</b>					
Charity activities	42,860	362,750	(366,308)	1,278	40,580
Total restricted funds	42,860	362,750	(366,308)	1,278	40,580
<b>Unrestricted funds:</b>					
Match Fund Reserve	20,695	-	(4,082)	(16,613)	-
Development Fund	-	32,510	-	-	32,510
Future Cost Reserve	61,205	18,016	-	-	79,221
Revaluation Fund	61,203	-	-	(21,501)	39,702
General funds	417,249	226,681	(188,175)	15,335	471,090
Total unrestricted funds	560,352	277,207	(192,257)	(22,779)	622,523
Total Funds	603,212	639,957	(558,565)	(21,501)	663,103

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the trustees, at their discretion, have created a fund for a specific purpose.

The basis for calculating 'free reserves' is after allowing for all designated and restricted funds, fixed assets and other non-current assets and liabilities.

Designated Funds comprise a Development Fund, to fund planned contributions to projects in development, and a Future Cost Reserve, a contingent fund to cover the cost of any potential redundancies arising as a result of reducing activities. The Revaluation fund represents the difference between market valuation and historical cost of Investments.

#### 15. PENSION SCHEME

Our stakeholder pension scheme is operated by Scottish Life and all new employees are auto-enrolled into the scheme. The Trust's contributions in 2022/23 were £17,587 (2021/22 £14,581) at an employer's contribution rate of 5% of pensionable pay. Of this, £2,650 was outstanding at 31 March 2023 (£1,258 at 31 March 2022).

#### 16. OPERATING LEASE COMMITMENTS

The charity has no operating lease commitments.

#### 17. ULTIMATE CONTROLLING PARTY

In the opinion of the Trustees, the charitable company has no ultimate controlling party, other than the board of Trustees themselves.

#### **18. LIMITED BY GUARANTEE**

The charitable company is a private limited company limited by guarantee and registered in England and Wales. The charity meets the definition of a public benefit entity under FRS 102. In the event of the charitable company being wound up members are required to contribute an amount of £1.00.

#### **19. RELATED PARTY TRANSACTIONS**

The charitable company has had no transactions with any Related Parties.