

Company registration number 06653439 (England and Wales)

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 16
Governance statement	17 - 21
Statement of regularity, propriety and compliance	22
Statement of trustees' responsibilities	23
Independent auditor's report on the financial statements	24 - 27
Independent reporting accountant's report on regularity	28 - 29
Statement of financial activities including income and expenditure account	30 - 31
Balance sheet	32
Statement of cash flows	33
Notes to the financial statements including accounting policies	34 - 58

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

J R Brearley - Chair of Trustees
H A Hartley - Bishop of Newcastle
P Pearson - Appointment by Newcastle Diocesan Education Board
C Sourbut-Groves - Representing Newcastle Diocesan Education Board
R Wilson - Appointment by Newcastle Diocesan Education Board in consultation with Northumberland Estates

Trustees

R Bishopp
J R Brearley (Chair and Member of the Finance, Operations and Risk Committee)
E J Gadsby
A Hardie (CEO, Accounting Officer and Member of the Finance, Operations and Risk Committee)
A M Hodson
J Hope
J Marshall (Vice Chair)
R J Mays
F C Nash (Member of the Finance, Operations and Risk Committee)
S Ross
A Cox (Resigned 31 August 2025)
R Scheffer (Resigned 24 September 2025)

Senior management team

A J Hardie - (Accounting Officer), Chief Executive
A J Alden - Chief Finance and Operating Officer
C Mullen - Headteacher of James Knott C of E Primary School
S Cole - Headteacher of Grace Darling C of E Primary School
A Thompson - Headteacher of Bishop's C of E Primary School
R Atkinson - Principal of Duke's Secondary School
P Ford-Hutchinson - Principal of Castle School
J Hodson - Headteacher of Thomas Bewick C of E Primary School
G Johnson - Headteacher of Harry Hotspur C of E Primary School until 27 April 2025
C Marriott - Headteacher of Bishop's C of E Primary School until 27 April 2025
J Booth - Headteacher of Warkworth C of E Primary School
J MacFarlane - Headteacher of Harry Hotspur C of E Primary School
H Barnes - Headteacher of William Leech C of E Primary School

Company registration number

06653439 (England and Wales)

Principal and registered office

Wansbeck Workspace
Rotary Parkway
Ashington
Northumberland
NE63 8QZ

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Sumer Auditco Limited
Finchale House
Belmont Business Park
Durham
DH1 1TW

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2024 to 31 August 2025. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Trust operates nine academies for pupils aged 2 to 19 serving a catchment area in East Ashington, Newbiggin-by-the-Sea, Alnwick, Lynemouth and Warkworth, including a special school. It had 2,876 pupils on roll in the school census in May 2025 from nursery to Year 14.

All mainstream pupils are admitted through the criteria in each school's approved and published admissions policy, available on the relevant school website.

Structure, governance and management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association and Articles of Association are the primary governing documents of the Trust. The Trustees of Northumberland Church of England Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Northumberland Church of England Academy Trust.

Details of the Trustees who served during the year, 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

The Trust has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on Trust business. Further details are provided in note 11.

Method of recruitment and appointment or election of trustees

The Members appoint a minimum of eight Trustees. The Chief Executive Officer is a Trustee (ex-officio) and Accounting Officer. A staff representative and two parent representatives sit on each of the local governing bodies (LGB). The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected. Newcastle Diocesan Board of Education is an RLE with the right, directly or indirectly, to appoint or remove a majority of the Board of Trustees.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary, induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the academies and the chance to meet with staff and students. All Trustees are provided with copies of policies, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored to the individual.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Organisational structure

The CEO is responsible for the day-to-day running of the Trust. There are nine school Headteachers or Principals and a Chief Finance and Operating Officer (CFOO). Headteachers and Principals respectively have responsibility for leading our schools.

The CEO and CFOO are responsible for all central services operations. The CEO is responsible for the strategic leadership of school improvement. The CEO, CFOO and the Headteachers and Principals form the Trust's Executive Leadership Team.

The next layer of management includes Deputy and Assistant Headteachers who have responsibility for key areas of standards and operation of Trust/school policies. Deputy and Assistant Headteachers meet with their relevant Headteacher or Principal at least weekly. For Central Services, the next layer of management comprises the Directors of each sub-area of operations e.g. HR.

The Trust has a Joint Consultative Committee to discuss with staff association representatives' issues affecting them. This meets as required but can meet more regularly on request from the Trust or from staff representatives.

Arrangements for setting pay and remuneration of key management personnel

An annual cycle of staff appraisal and performance management is in operation. All staff are part of this system and objectives are aligned to the Trust's priorities for development. Appraisals carried out by line managers are moderated by Principals and the CEO. An annual anonymised statement of those staff awarded additional salary payments is presented to each local governing body each November.

A panel of Trustees, supported by an external advisor, undertakes the appraisal and performance management of the CEO. The panel is tasked with setting the targets for the CEO, and by extension the Trust's targets, by 31 December each year. Progress towards those targets and leadership of the Trust are discussed at regular intervals throughout the year.

The performance management of the CFOO is undertaken by a panel of Trustees from the Finance, Operations and Risk Committee, covering finance, HR, ICT, marketing and communications, estates and facilities, governance and leadership.

A panel of Governors and the CEO, supported by the relevant School Improvement Partner or External Advisor, undertake the appraisal and performance management of the Headteachers and Principals. Progress towards those targets and leadership of the Trust are discussed at regular intervals throughout the year.

The Director of HR provides quality assurance for the Trust's performance management processes. The Director of HR monitors the annual pay progression of staff and attends all pay committee meetings. The Headteachers or Principals of each school will recommend approval to the Trust Remuneration Panel, who have delegated authority from the Trust Board.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where a Trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The Trust pays into a local authority scheme which provides this service.

Relevant union officials

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

-

Full-time equivalent employee number

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

Engagement with employees (including disabled persons)

The Trust engages with all of its employees in a number of ways, including both one-to-one and group sessions and in face to face, online and written communications. The aim of these communications is to ensure all staff have access to relevant information as employees and, in many cases, to seek their views on changes which might affect them. The Trust is now prioritising improvement in both internal and external communications even further.

The Trust is committed to ensuring equality of opportunity for all who learn and work in its schools. We respect and value differences in race, gender, sexual orientation, ability, class and age. We strive to remove conditions which place people at a disadvantage and we actively address bigotry and discrimination. The Trust considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment within the Trust continues.

The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as is possible, identical to those for other employees. The Trust works with employee trade unions and professional associations across all of its schools and engages in consultation, as required, to ensure that all aspects of the company affecting its employees, including financial and economic factors, are discussed, conveyed and consulted on with them.

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

The Trust is committed to working with suppliers, customers and others with whom it has a business relationship in a fair and transparent way, with integrity and courtesy. We work closely with suppliers and aim to pay them in accordance with our contractual obligations. We pay many suppliers ahead of these obligations, as a publicly funded body. The Trust does not have customers in the traditional sense, although it does provide some of its facilities for hire. The Trust runs all of its lettings business in-house, including its expansion to become more of a community hub for local people to use and enjoy in a sustainable and cost effective way.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Related parties and other connected charities and organisations

The Trust is not part of any wider network or federation.

The Newcastle Diocesan Education Board (NDEB) is the sole sponsor of the Trust. The sponsor is represented by four appointed Members of the Trust and appoints a minimum of eight Trustees.

The Trust is supported by an endowment trust known as The Northumberland Church of England Academy Endowment Trust. This trust was established by the original sponsors and is a separate legal entity, with funds invested separately with professional investment managers. Under the terms of the trust deed, the income generated and the capital donated by the sponsors to the fund shall be applied by the Trustees to advance education for the benefit of the community served by Northumberland Church of England Academy Trust from time to time in accordance with the principles of the Church of England in particular by:

- Assisting and supporting the education of students at the Trust including the provision of awards, prizes and other awards.
- Relieving the financial hardship of pupils and ex-pupils of the Trust by the provision of bursaries, scholarships, equipment or in any other way the Trust thinks fit to enable them to pursue their education.
- Providing grants or other financial assistance to assist pupils in financial need to undertake extra-curricular activities (including educational travel in the United Kingdom and overseas).
- Providing or assisting in the provision of services or facilities at the Trust not provided for under the Funding Agreement between the Trust and the Secretary of State for Education.
- Fostering closer ties between the Trust and community, including promoting education in the community.

The Trust is also a related party of Ward Hadaway Solicitors, by virtue of one Trustee also being a partner at that firm until 31 August 2025. Further details are stated in note 24 to the Financial Statements.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

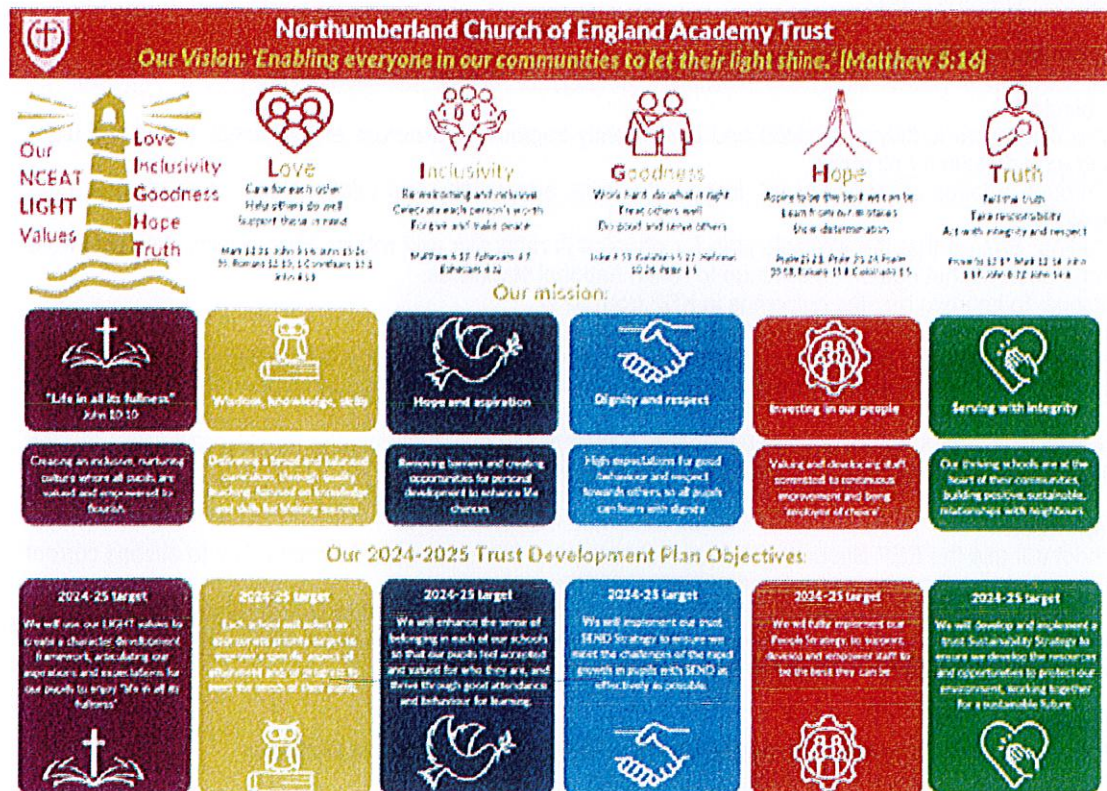
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Objectives and activities

Objects and aims

Trust Development Plan 2024-2025



NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Life in all its fullness

1a. We will develop a Character Development Framework based on our LIGHT values. This will set out our expectations for the character traits we value in our pupils and will develop through our spiritual, moral, social and cultural development programmes.

Educating for wisdom, knowledge and skills

2a. Bishop's: Develop a clearer and more consistent strategy to include the stem sentences in writing in all foundation subjects.

2b. Castle: The curriculum is fully embedded and consistently implemented across all pathways, promoting high-quality learning experiences for all pupils.

2c. Duke's: Through a focus on engagement, lesson structure, adaptability and relationships we will improve the quality of teaching.

2d. Grace Darling: Ensure that the strategic plan for phonics is reflective and robust. High quality delivery of the RWI programme ensures that outcomes continue to reach national standards.

2e. Harry Hotspur: To improve reading outcomes in KS2 from 52%

2f. James Knott: To develop a clear communication and oracy strategy

2g. Thomas Bewick: To improve attainment of phonics by the end of KS1 to be in line with national averages.

2h. Warkworth: Enhance and further embed the agreed research-informed pedagogical approach - 'the Warkworth Way'.

2i. William Leech: Continue to develop a bespoke writing plan which builds stamina for writing and leads to high quality extended pieces of writing where children are able to apply SPAG.

Hope and aspiration

3a. Each school will use the EEF Supporting School Attendance – Reflection and Planning Tool to assess current practice and identify areas for improvement under each of the five areas.

3b. Each school will prioritise appropriate actions from the review to include within their School Development Plan (SDP). Although the prime target is to reduce absence, there may be a focus on areas such as pupil voice, behaviour for learning and parental engagement which impact on attendance.

Dignity and respect

4a. Expansion of our EYFS provision, including specialist SEND provision, at Grace Darling..

4b. Creation of specialist SEMH units at Bishop's and Duke's.

4c. Training and upskilling of our staff, including partnerships with other specialist providers.

4d. Creation of specialist SEND roles for teaching assistants through the apprenticeship levy

4e. The further growth of specialist provision at Castle School.

4f. Implement further improvements to primary to secondary transition.

Investing in our people

5a. We will fully implement our People Strategy, to support, develop and empower staff to be the best they can be.

Serving with integrity

6a. We will develop a trust Sustainability Strategy to set out how the trust will act as sustainably as possible in all aspects of its work.

6b. We will deliver the objectives from the Sustainability Strategy for action in 2024-25.

Objectives, strategies and activities

Public benefit

The Trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the Trust should undertake.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Strategic report

Achievements and performance

The external examination results for A level/ Level 3 vocational courses were the best ever achieved. GCSE results were down from the record breaking results of 2023, as expected due to lower prior attainment of the year group, however progress was strong. Primary results were strong in the Early Years and Key Stage 1 measures, along with the Year 4 multiplication check, but Key Stage 2 results showed some variations between schools. Attendance across Trust primary schools and Castle School was close to national averages but improving attendance at Duke's remains a priority.

School	OFSTED Overall grade	Last inspected
NCEA Bishop's	Good overall and Good every category	October 2022
NCEA Castle	Good overall and Good every category	November 2022
NCEA Duke's Secondary	Requires Improvement but Good in 4 out of 5 categories	June 2023
NCEA Grace Darling	Good overall and Good every category	July 2024
NCEA James Knott	Good every category*	October 2024
NCEA Thomas Bewick	Good overall and Good every category	May 2024
NCEA St Michael's	Good overall and Good every category	November 2022
NCEA Warkworth	Good overall and Good every category	May 2023
NCEA William Leech	Good overall and Good every category	June 2024
The Nest (nursery)	Good overall and Good every category	October 2023

*OFSTED stopped making overall judgements from September 2024 onwards.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Key performance indicators

The Trust has a number of financial KPIs as shown below.

	2024-25	2023-24	2022-23
Average number of pupils	2,913	2,942	2,853
Publicly funded income per pupil	£8,832	£7,997	£7,086
Staff costs per pupil	£7,084	£6,391	£5,754
Staff costs as a % of total costs	80.97%	78.85%	79.94%
Staff costs as a % of income	80.21%	79.92%%	81.20%
Net cash inflow/(outflow)	£623k	£491k	(£11k)

Although there has been more stability this year, there have been positive and negative effects on the trust's financial performance and position. Most of our indicators mask a great many individual factors where reality has not conformed to expectations or the budget and the Trust is satisfied that it has done all it can to manage its KPIs effectively in this period.

Going concern

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

Protecting the success of the academy trust

The Board of Trustees, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Trust for the benefit of its members, its pupils, its staff and the wider community and in doing so have regard to a range of matters when making decisions. Key decisions and matters that are of strategic importance to the Trust are appropriately informed by s172 factors.

The Board of Trustees makes decisions with a long-term view in mind and with the highest standards of conduct. Where possible, decisions are discussed with the affected groups and therefore fully understood and supported when taken. Reports are regularly made to the Board from the Chief Executive about the Trust and the strategy and key performance decisions which are made. Regular reporting enables the Trust Board to stay in touch and make the decisions with the best interests of the Trust in mind. In addition, the Board of Trustees contains members from many interested areas including the sponsor, professional educators and the local business community so that their views are constantly considered when long term decisions are made.

The Board is aware of the impact its decisions may have on the wider community and hold our reputation to the highest standards, ensuring that the Trust is compliant with laws and regulations whilst delivering the best service education to our pupils and students. We engage with the DfE and the Regional Schools Director throughout the year and keep up to date with Government regulations ensuring that any changes are acted on swiftly. In addition, we have regular internal audits to ensure that the controls operating with the Trust are operating effectively. The Finance, Operations and Risk Committee is updated on legal and regulatory requirements and any control deficiencies on a regular basis and takes these into account when considering future actions.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

Most of the Trust's income is obtained from the Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2025 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also received grants for fixed assets from the DfE. In accordance with the Charities' SORP (FRS 102), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2025 total expenditure of £26,321,000 (2024: £24,271,000) was in excess of recurrent grant funding from DfE together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, excluding the endowment funds and excluding fixed asset funds) was £918,000 (2024: £670,000).

The in-year surplus, excluding the pension reserve, endowment funds and restricted fixed asset funds, was £168,000.

The financial outcome for the year was only achieved by tight adherence to cost control and after some challenging financial decisions. We received significant additional income, but this was largely immediately offset by matching costs.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Trust's objectives.

At 31 August 2025 net book value of tangible fixed assets was £44,218,000 and movements in tangible fixed assets are shown in Note 20. The assets were used exclusively for providing education and the associated shown in Note 13 to the Financial support services to the students of the Trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a deficit of £nil (2024: £nil) recognised on the Balance Sheet.

The Trust held fund balances as at 31 August 2025 of £46,698,000 (2024: £46,055,000) comprising £239,000 (2024: £365,000) of restricted general funds, £376,000 (2024: £82,000) of unrestricted funds, £44,484,000 (2024: £44,123,000) of restricted fixed asset funds, a pension deficit of £nil (2024: £nil) and £1,607,000 (2024: £1,485,000) of endowment funds. The total of restricted general funds, excluding pension reserves, plus unrestricted funds as of 31 August 2025 was a surplus of £643,000.

Reserves policy

The Trust holds endowment, restricted and unrestricted funds. The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for reserves is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trust's current level of free reserves (total funds less the amount held in restricted fixed assets, endowment reserves and restricted general funds) is £Nil. The balance on restricted general funds excluding the pension reserve plus the balance on unrestricted funds at 31 August 2025 is a net surplus of £846,000. The Trust will require this surplus to support the financial resilience of the Trust in the current financial year.

Investment policy

The Trustees' policy regarding investments is to regularly monitor cash flow and cash balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments. The trust invests surplus funds through money market accounts. Interest rates are reviewed prior to each investment. This approach maximises investment return whilst minimising risk.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Principal risks and uncertainties

The Trust is subject to a number of risks and uncertainties. The Trust has in place procedures to identify and mitigate these risks. The principal financial risks and uncertainties are centred on changes in the level of funding from DfE. In addition, the Trust is a member of the Local Government Pension Scheme (LGPS), which can result in the recognition of a significant deficit on the Trust Balance Sheet. The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating specifically to its buildings and facilities, its IT estate including cyber-security, health and safety and safeguarding. After assessing the design and operation of controls, where significant risk still remains, they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial control and this is explained in more detail in the Governance Statement.

Fundraising

General charitable fundraising of the kind envisaged under the provisions of the Charities (Protection and Social Investment) Act 2016 represents a very small part of the Trust's activities and income, and is generally restricted to fundraising for specific events such as school fairs and performances. Other fundraising is for specific expenditure to support educational activities. Professional fundraisers are not used and there is therefore no monitoring required in this area.

Complaints regarding fundraising would be dealt with in accordance with the Trust's Complaints Policy, available on the website.

Streamlined energy and carbon reporting

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1st April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all nine schools controlled during the reporting period as well as minibuses. Additionally, it includes the mandatory reporting of scope 3 business travel in employee-owned or hired vehicles (referred to as "grey fleet").

Reporting period

The annual reporting period is 1 September 2024 to 31 August 2025 and the energy and carbon emissions are aligned to this period.

UK Greenhouse gas emissions and energy use data for the period

	2025 kWh	2024 kWh
Energy consumption used to calculate emissions (kWh)	6,160,403	5,697,837
Energy consumption breakdown:		
- Gas	3,543,313	3,462,344
- Purchased electricity from the grid	1,916,567	1,341,047
- Transport fuel	56,865	31,255
- Biomass	621,224	829,277
- Consumed electricity from on-site renewable sources	22,434	33,914

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

	2025 tonnes CO2e	2024 tonnes CO2e
Emissions calculated (metric tonnes CO2e):		
<i>Scope 1 emissions</i>		
- Gas	648.30	633.50
- Trust-owned vehicles (minibuses)	7.80	3.50
- Biomass (N2O & CH4 emissions only)	6.60	8.70
<i>Total scope 1</i>	662.70	645.70
<i>Scope 2 emissions</i>		
- Purchased electricity (location-based)	339.20	277.70
- Consumed electricity from on-site renewable sources	-	-
<i>Scope 3 emissions</i>		
- Category 6: Business travel (grey fleet)	6.10	4.00
<i>Total gross emissions</i>	1,008.00	927.40
<u>Outside of Scopes:</u>		
- Biomass (CO2 emissions only)	203.00	271.00
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.35	0.32
Tonnes CO2e per square meter floor area	0.03	0.03

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2025 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Zenergi Limited (trading as Briar Consulting Engineers Limited).

Electricity, gas, and biomass consumption were based on invoice records, while fuel cards and mileage expense claims were used to calculate energy and emissions from fleet vehicles and grey fleet. On-site renewable solar photovoltaic (PV) electricity is included within scope 2 emissions, excluding exported energy. Although exported energy is not directly measured, it is estimated to constitute 50% of the total generation. Where data falls outside the reporting period, the apportioning and pro-rata techniques have been applied to ensure alignment. Gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur because of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2023/24	2024/25
Mandatory requirements		
Gas	3,462,344	3,543,313
Purchased electricity from the grid	1,341,047	1,916,567
Transport fuel	31,255	56,865
Biomass	829,277	621,224
Consumed electricity from on-site renewable sources	33,914	22,434
Total energy (mandatory)	5,697,837	6,160,404

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Breakdown of emissions associated with the reported energy use (tCO2e):

Energy type	2023/24	2024/25
Mandatory requirements		
Scope 1		
Gas	633.5	648.3
Trust owned vehicles (minibuses)	3.5	7.8
Biomass (N2O & CH4 only emissions)	8.7	6.6
Scope 2		
Purchased electricity (location based)	277.7	339.2
Consumed electricity from on-site renewable sources	0.0	0.0
Scope 3		
Category 6: Business travel (grey fleet)	4.0	6.1
Total gross emissions (mandatory)	927.1	1,008.0
Outside of scopes		
Biomass (CO2 emissions only)	271.0	203.0

Note: figures may not sum due to rounding

Intensity ratio

Two intensity ratios are reported: emissions (tCO2e) per pupil and per square meter of floor area. Emissions per pupil is the recommended ratio for the sector, ensuring consistency and comparability, with pupil numbers based on the Autumn 2024 Census. Emissions per square meter of floor area are reported to reflect the energy efficiency of the buildings, which are the primary source of emissions.

Intensity ratio type	2023/24	2024/25
Intensity ratios (mandatory emissions only)		
Tonnes of CO2 per pupil	0.320	0.345
Tonnes of CO2 per square metre floor area	0.030	0.032

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Measures taken to improve energy efficiency

In the reporting period September 2024 – August 2025, the Trust has taken the following energy efficiency actions:

- Installation of Electric Vehicle (EV) Chargers at Josephine Butler Campus. This initiative encourages staff and visitors to adopt electric vehicles, contributing to reduced scope 1 & 3 emissions with the reduction of petrol and diesel vehicles.
- Energy audits have been conducted throughout the Trust, to identify opportunities for reducing energy consumption. The audits provide actionable insights that will be implemented in the future.
- Two older boilers were replaced with modern, high-efficiency models. These new systems are expected to reduce gas consumption and improve heating performance, contributing to lower carbon emissions.

The Trust remains committed to reducing its carbon footprint and continues to look out for new energy saving and funding opportunities going forwards.

Plans for future periods

Continued growth within the trust is a clear objective, however this will be considered only where it is seen as controlled and sustainable.

For the next year, our objectives continue to focus on further improving the quality of education and cultural capital for our pupils and students, as well as enhancing their digital learning. We are also working on strengthening our attractiveness as an employer to ensure that the trust and its schools are seen as great places to work. We will continue to invest in our staff and our facilities to ensure that achieving positive outcomes for our pupils and students remains at the heart of all that we do.

Funds held as custodian trustee on behalf of others

There are no funds held as a custodian Trustee on behalf of others, aside from 16-19 bursary funds.

Auditor

Insofar as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and that 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 auditors are aware of that information.
- that 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 auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2025 and signed on its behalf by:

A resolution proposing that Sumer Auditco Limited 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 10 December 2025 and signed on its behalf by:



J R Brearley

Chair and Member of the Finance, Operations and Risk Committee

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2025

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Northumberland Church of England Academy 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.

As Trustees, we have reviewed and taken account of the DfE's Academy Trust Governance Guide.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Northumberland Church of England Academy 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.

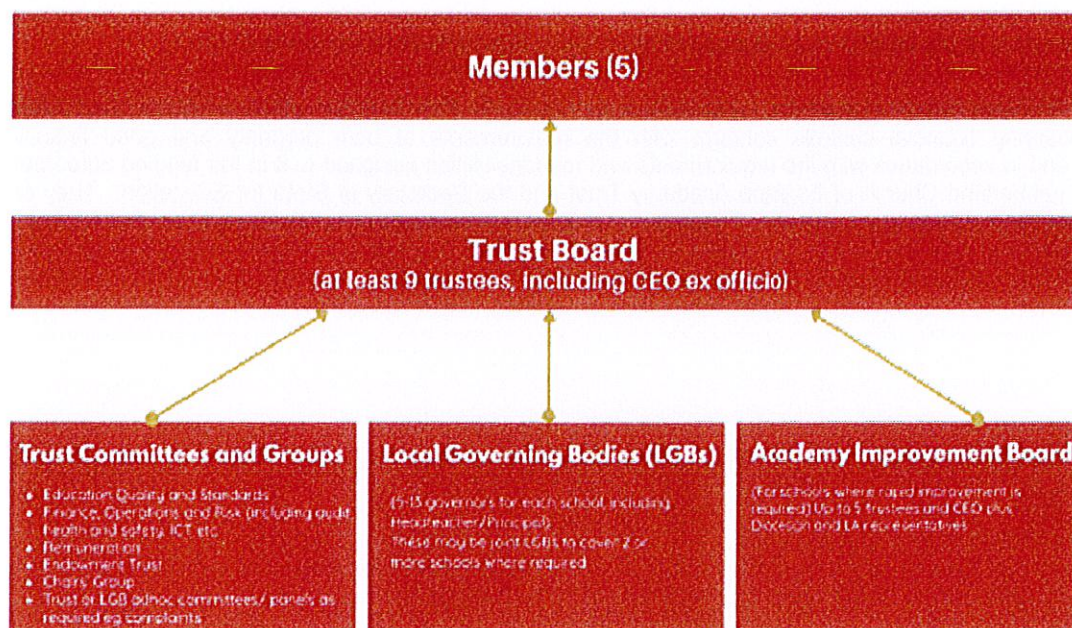
NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Governance

Governance Structure 2024-25



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 seven times during the year. The Board has clearly established committees/portfolio groups of Trustees who can deal with specific areas of responsibility following robust terms of reference.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
R Bishop	6	6
J R Brearley (Chair and Member of the Finance, Operations and Risk Committee)	6	6
E J Gadsby	6	6
A Hardie (CEO, Accounting Officer and Member of the Finance, Operations and Risk Committee)	6	6
A M Hodson	6	6
J Hope	5	6
J Marshall (Vice Chair)	5	6
R J Mays	5	6
F C Nash (Member of the Finance, Operations and Risk Committee)	4	6
S Ross	5	6
A Cox (Resigned 31 August 2025)	0	6
R Scheffer (Resigned 24 September 2025)	4	6

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Key Governance events 2024-35

Headteachers as governors: All headteachers within the Trust take on roles as governors for their respective schools, further aligning leadership with governance.

Trust board stability: Membership of the Trust Board has remained stable throughout the year with no new trustees appointed.

Governor recruitment: Efforts remain focused on recruiting local governors to ensure a diverse range of skills, while strengthening the challenge and support offered to school leadership.

OFSTED participation: Governors participated in the inspection of James Knott School which received 'Good' judgements in all areas.

The annual strategy day held on 11 January 2025 and attended by Trustees and Governors, was a great success. The theme was developing a five year trust strategy and the event was opened by The Venerable Catherine Sourbut-Groves, Archdeacon of Lindisfarne.

Conflicts of interest

Trustees and Governors are reminded at each meeting of the requirement to declare any interest(s) they have or have recently arisen that may influence their decision-making. An annual register is retained on GovernorHub, the Trust's storage and communication platform.

Governance reviews

The **Education Quality and Standards Committee (EQS)** ensures robustness in standards across all schools in the Trust and to support accountability and challenge to the CEO.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
R Bishopp	4	4
A Hardie (CEO, Accounting Officer and Member of the Finance, Operations and Risk Committee)	4	4
R J Mays	4	4
S Ross	3	4

The **Finance, Operations and Risk Committee (FORC)** is a sub-committee of the main Board of Trustees and has met six times. It is responsible for the execution oversight, governance and validation of the Trust's responsibilities to the Secretary of State as outlined in the extant version of the Academy Trust Handbook. FORC undertakes the responsibilities of audit, risk and internal scrutiny ensuring the Trust's fiscal systems are robust and transparent.

Effective communication between the Board and its committees continues to be a key priority. A Chairs' Forum, led by the Chair of Trustees, is convened prior to each Trust Board meeting. This forum provides an informal platform for committee and Local Governing Body (LGB) chairs to raise concerns, share best practices and celebrate achievements. To ensure consistency, a standardised feedback process has been implemented following LGB meetings with a summary of this feedback discussed at every board meeting.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Attendance during the year at meetings was as follows (the CEO and CFOO are in attendance):

Trustees	Meetings attended	Out of possible
J R Brearley (Chair and Member of the Finance, Operations and Risk Committee)	6	6
A Hardie (CEO, Accounting Officer and Member of the Finance, Operations and Risk Committee)	6	6
J Hope	6	6
J Marshall (Vice Chair)	5	6
F C Nash (Member of the Finance, Operations and Risk Committee)	5	6
R Scheffer (Resigned 24 September 2025)	4	6

Review of value for money

As accounting officer, the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. 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 taxpayer resources received.

The accounting officer considers how the academy 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 or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- ensuring some energy prices were fixed until 2029 prior to the recent significant increases in prices
- ensuring frameworks are used to their fullest extent where possible and engaging the services of a professional procurement specialist
- reviewing all school staffing structures to get maximum value from existing staff numbers
- engaging with employees to improve wellbeing, thereby reducing absence figures and reliance on agency staff
- ensuring that health and safety and estates audits have been completed across all sites, including remedial actions identified and completed

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 system of internal control has been in place in Northumberland Church Of England Academy Trust for the period 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the 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 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

The risk and control framework

The academy trust's system of internal 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 finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has decided to buy-in an internal scrutiny service from Azets. This option has been chosen to provide professional independence and objectivity covering both internal control activities within functions such as HR and finance and also non-financial systems and controls.

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of compliance with Good Estates Management Strategy for Schools
- testing of cyber security posture and activities
- testing of longer term strategy arrangements and documentation.

On a termly basis, the internal auditor reports to the Board of Trustees through the Finance, Operations and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. Annually, the auditor reports to the committee, summarising areas reviewed, key findings and recommendations. This report informs the committee's assessment of progress and actions required.

During the year, the schedule of work was delivered as planned. No material control weaknesses were identified.

Review of effectiveness

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


- the work of the internal auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor

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

Conclusion

Based on the advice of the Finance, Operations and Risk Committee committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the board of trustees on 10 December 2025 and signed on its behalf by:



J R Brearley

Chair and Member of the Finance, Operations and Risk Committee



A Hardie

CEO, Accounting Officer and Member of the Finance, Operations and Risk Committee

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2025

As accounting officer of Northumberland Church of England Academy Trust, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the trust's funding agreement with the Department for Education (DfE), and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify the academy trust board of trustees and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management.

I confirm that I and the board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the framework of authorities.

I confirm that no instances of material irregularity, impropriety or 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 DfE.



A Hardie
Accounting Officer

10 December 2025

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees (who are also the directors of Northumberland Church of England Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Academies Accounts Direction 2024 to 2025 published by the Department for Education, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

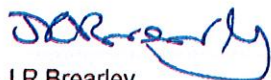
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 10 December 2025 and signed on its behalf by:



J R Brearley

Chair and Member of the Finance, Operations and Risk Committee

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2025

Opinion

We have audited the financial statements of Northumberland Church of England Academy Trust for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 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 2024 to 2025.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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 financial statements are prepared is consistent with the financial statements; 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.

Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management and from our commercial knowledge and experience of the manufacturing sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, employment and health and safety legislation, GDPR and safeguarding;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was a susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation claims;
- reviewing correspondence with HMRC, the Department for Education and the company's legal advisers.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.



David Holloway BA FCA DChA (Senior Statutory Auditor)

For and on behalf of Sumer Auditco Limited, Statutory Auditor

Chartered Accountants

Finchale House

Belmont Business Park

Durham

DH1 1TW

Date: 12th December 2025

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST AND THE SECRETARY OF STATE FOR EDUCATION

FOR THE YEAR ENDED 31 AUGUST 2025

In accordance with the terms of our engagement letter dated 22 May 2025 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Northumberland Church of England Academy Trust during the period 1 September 2024 to 31 August 2025 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Northumberland Church of England Academy Trust and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northumberland Church of England Academy Trust and the Secretary of State for Education 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 Northumberland Church of England Academy Trust and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the accounting officer of Northumberland Church of England Academy Trust and the reporting accountant

The accounting officer is responsible, under the requirements of Northumberland Church of England Academy Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. 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 2024 to 31 August 2025 have not been applied for the 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 the DfE, which requires a limited assurance engagement as set out 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.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Review of documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Trustees;
- Review of payroll, purchases and expenses 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 cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

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 2024 to 31 August 2025 has not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Sumer Auditco Limited

Date: 12th December 2025.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
Income and endowments from:							
Donations and capital grants	3	38	-	613	-	651	441
Charitable activities:							
- Funding for educational operations	4	363	25,369	-	-	25,732	23,527
Other trading activities	5	332	-	-	-	332	335
Investments	6	69	250	-	30	349	309
Total		<u>802</u>	<u>25,619</u>	<u>613</u>	<u>30</u>	<u>27,064</u>	<u>24,612</u>
Expenditure on:							
Charitable activities:							
- Educational operations	9	508	24,995	802	-	26,305	24,263
Endowment repayment and costs		-	-	-	16	16	8
Total	7	<u>508</u>	<u>24,995</u>	<u>802</u>	<u>16</u>	<u>26,321</u>	<u>24,271</u>
Gains on endowment investments		-	-	-	100	100	139
Net income/(expenditure)		294	624	(189)	114	843	480
Transfers between funds	20	-	(550)	550	-	-	-
Other recognised gains/(losses)							
Actuarial losses on defined benefit pension schemes	22	-	(200)	-	-	(200)	(220)
Net movement in funds		294	(126)	361	114	643	260
Reconciliation of funds							
Total funds brought forward		82	365	44,123	1,485	46,055	45,795
Total funds carried forward		<u>376</u>	<u>239</u>	<u>44,484</u>	<u>1,599</u>	<u>46,698</u>	<u>46,055</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2025

Comparative year information Year ended 31 August 2024	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Restricted funds: Endowment funds £'000	Total 2024 £'000
Income and endowments from:						
Donations and capital grants	3	34	-	407	-	441
Charitable activities:						
- Funding for educational operations	4	345	23,182	-	-	23,527
Other trading activities	5	335	-	-	-	335
Investments	6	40	230	-	39	309
Total		<u>754</u>	<u>23,412</u>	<u>407</u>	<u>39</u>	<u>24,612</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	766	22,730	767	-	24,263
Endowment repayment and costs		-	-	-	8	8
Total	7	<u>766</u>	<u>22,730</u>	<u>767</u>	<u>8</u>	<u>24,271</u>
Gains on endowment investments		-	-	-	139	139
Net income/(expenditure)		(12)	682	(360)	170	480
Transfers between funds	20	-	(274)	274	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	22	-	(220)	-	-	(220)
Net movement in funds		(12)	188	(86)	170	260
Reconciliation of funds						
Total funds brought forward		94	177	44,209	1,315	45,795
Total funds carried forward		<u>82</u>	<u>365</u>	<u>44,123</u>	<u>1,485</u>	<u>46,055</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £'000	2024 £'000
Fixed assets			
Tangible assets	13	44,218	44,061
Investments	14	1,504	1,411
		<u>45,722</u>	<u>45,472</u>
Current assets			
Stock	15	7	8
Debtors	16	883	819
Cash at bank and in hand		2,305	1,682
		<u>3,195</u>	<u>2,509</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(2,199)	(1,899)
		<u>996</u>	<u>610</u>
Net current assets			
		<u>46,718</u>	<u>46,082</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	18	(20)	(27)
		<u>46,698</u>	<u>46,055</u>
Net assets excluding pension asset			
Defined benefit pension scheme asset	22	-	-
		<u>46,698</u>	<u>46,055</u>
Total net assets			
		<u>46,698</u>	<u>46,055</u>
Funds of the academy trust:			
Restricted funds	20		
- Fixed asset funds		44,484	44,123
- Restricted income funds		239	365
- Endowment funds		1,599	1,485
		<u>46,322</u>	<u>45,973</u>
Total restricted funds			
		<u>46,322</u>	<u>45,973</u>
Unrestricted income funds	20	376	82
		<u>46,698</u>	<u>46,055</u>
Total funds			
		<u>46,698</u>	<u>46,055</u>

The financial statements on pages 30 to 58 were approved by the trustees and authorised for issue on 10 December 2025 and are signed on their behalf by:



J R Brearley
Chair and Member of the Finance, Operations and Risk Committee

Company registration number 06653439 (England and Wales)

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Net cash provided by operating activities	23	952	652
Cash flows from investing activities			
Dividends, interest and rents from investments		69	40
Capital grants from DfE Group		522	407
Capital funding received from sponsors and others		37	-
Purchase of tangible fixed assets		(971)	(639)
Purchase of investments		(525)	(1,348)
Proceeds from sale of investments		532	1,355
Net cash used in investing activities		(336)	(185)
Cash flows from financing activities			
Repayment of long term bank loan		(7)	(8)
Repayment of other loan		-	1
Endowment fund income		30	39
Endowment fund expenditure		(16)	(8)
Net cash provided by financing activities		7	24
Net increase in cash and cash equivalents in the reporting period		623	491
Cash and cash equivalents at beginning of the year		1,682	1,191
Cash and cash equivalents at end of the year		2,305	1,682
Relating to:			
Bank and cash balances		1,105	1,682
Short term deposits		1,200	-

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

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 financial statements 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025 issued by the Department for Education, the Charities Act 2011 and the Companies Act 2006.

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 financial statements 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 financial statements.

1.3 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.

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.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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 financial statements 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.

1.4 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.

1.5 Tangible fixed assets and depreciation

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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	Over the life of the lease straight line and 10% straight line
Assets under construction	Not depreciated
Computer equipment	33% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	10% 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.

1.6 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.

1.7 Leased assets

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

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 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.

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.

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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].

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.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

2 Critical accounting estimates and areas of judgement

(Continued)

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.

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 22, 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 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Capital grants	-	613	613	407
Other donations	38	-	38	34
	<u>38</u>	<u>613</u>	<u>651</u>	<u>441</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	16,503	16,503	15,539
Other DfE/ESFA grants:				
- UIFSM	-	178	178	189
- Pupil premium	-	1,616	1,616	1,548
- 16-19 core education funding	-	513	513	550
- Mainstream schools additional grant	-	-	-	511
- PE and Sport Premium	-	142	142	147
- Teachers' pay grant	-	267	267	355
- Teachers' pension grant	-	327	327	275
- Core schools budget grant	-	568	568	-
- Others	-	177	177	209
	-	20,291	20,291	19,323
Other government grants				
Local authority grants	-	5,077	5,077	3,519
COVID-19 additional funding				
DfE/ESFA				
Recovery Premium	-	-	-	258
National Tutoring Program	-	-	-	79
	-	-	-	337
Other incoming resources	363	1	364	348
Total funding	363	25,369	25,732	23,527

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Income from facilities and services	122	-	122	167
Rental and lettings income	81	-	81	86
Other income	129	-	129	82
	332	-	332	335

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
Short term deposits	69	-	-	69	40
Pension income	-	250	-	250	230
Endowments	-	-	30	30	39
	<u>69</u>	<u>250</u>	<u>30</u>	<u>349</u>	<u>309</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2025 £'000	Total 2024 £'000
Expenditure on investment management	-	-	16	16	8
Academy's educational operations					
- Direct costs	17,647	-	1,179	18,826	16,640
- Allocated support costs	3,880	2,307	1,292	7,479	7,623
	<u>21,527</u>	<u>2,307</u>	<u>2,487</u>	<u>26,321</u>	<u>24,271</u>

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the academy
- Fixed asset losses
- Stock losses
- Cash losses

There were total unrecoverable debts experienced by the Trust of £10,000 (2024: £40,153). This related to the subsidiary NCEA Trading Ltd which has now ceased to trade.

There were no ex-gratia payment made in the year.

Net income/(expenditure) for the year includes:

	2025 £'000	2024 £'000
Operating lease rentals	158	105
Depreciation of tangible fixed assets	814	780
Fees payable to auditor for:		
- Audit	25	25
- Other services	3	1

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

8 Central services

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

- Educational support staff;
- External Audit service provision;
- Internal Audit service provision;
- ICT support costs and licences;
- HR services;
- Minibus costs;
- Data management services;
- Learner welfare services; and
- Others non-educational professional services

The academy trust changed the basis which it uses to calculate the charges for these services to each academy during the year from being based on a percentage of GAG income which each academy contributions toward the Trust, to being based on total income, to more fairly reflect the workload associated with each school.

The amounts charged during the year were as follows:

	2025 £'000	2024 £'000
NCEA Duke's Secondary School	428	187
NCEA Bishops Primary School	371	51
NCEA Castle School	199	125
NCEA Warkworth Church of England Primary School	13	18
NCEA James Knott CofE Primary School	154	27
NCEA William Leech Cof Primary School	(38)	19
NCEA Grace Darling CofE Primary School	256	51
NCEA Thomas Bewick C of E Primary School	222	32
NCEA Harry Hotspur Church of England Primary School	36	15
Central services	(1,641)	(525)
	<u>-</u>	<u>-</u>

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Direct costs				
Educational operations	1	18,825	18,826	16,640
Support costs				
Educational operations	507	6,972	7,479	7,623
	<u>508</u>	<u>25,797</u>	<u>26,305</u>	<u>24,263</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

9 Charitable activities

(Continued)

Analysis of costs	2025 £'000	2024 £'000
Direct costs		
Teaching and educational support staff costs	17,647	15,530
Staff development	64	67
Technology costs	6	18
Educational supplies and services	858	810
Examination fees	121	117
Educational consultancy	57	50
Other direct costs	73	48
	<u>18,826</u>	<u>16,640</u>
Support costs		
Support staff costs	3,880	3,925
Depreciation	814	780
Technology costs	337	416
Maintenance of premises and equipment	614	544
Cleaning	54	122
Energy costs	647	599
Rent, rates and other occupancy costs	178	225
Catering	495	482
Legal costs	23	25
Other support costs	390	460
Governance costs	47	45
	<u>7,479</u>	<u>7,623</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

10 Staff

Staff costs and employee benefits

Staff costs during the year were:

	2025 £'000	2024 £'000
Wages and salaries	15,337	14,306
Social security costs	1,714	1,408
Pension costs	3,588	3,099
Staff costs - employees	20,639	18,813
Agency staff costs	888	641
Staff restructuring costs	-	1
	21,527	19,455
Staff development and other staff costs	64	67
Total staff expenditure	21,591	19,522

Staff restructuring costs comprise:

Other restructuring costs	-	1
---------------------------	---	---

Staff numbers

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

	2025 Number	2024 Number
Teachers	172	180
Administration, support and teaching assistants	385	357
Management	13	11
	570	548

Higher paid staff

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

	2025 Number	2024 Number
£60,001 - £70,000	14	15
£70,001 - £80,000	9	4
£80,001 - £90,000	2	-
£90,001 - £100,000	-	1
£100,001 - £110,000	2	-
£120,001 - £130,000	1	2

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

10 Staff

(Continued)

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 £1,233,210 (2024: £1,246,000).

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:

Alan Hardie (principal and trustee):

- Remuneration £120,000 - £125,000 (2024: £115,000 - £120,000)
- Employer's pension contributions £35,000 - £40,000 (2024: £25,000 - £30,000)

During the year, travel and subsistence payments totalling £253 (2024: £291) were reimbursed or paid directly to Trustees.

Other related party transactions involving the trustees are set out within the related parties note.

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. It is not possible to quantify the Trustees' and officers indemnity element from the overall cost of the RPA scheme membership.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

13 Tangible fixed assets

	Leasehold land and buildings £'000	Assets under construction £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 September 2024	49,516	332	2,410	1,069	40	53,367
Transfers between classes	667	(786)	-	119	-	-
Additions	123	636	83	129	-	971
Disposals	-	-	(91)	-	(16)	(107)
At 31 August 2025	50,306	182	2,402	1,317	24	54,231
Depreciation						
At 1 September 2024	6,276	-	2,208	799	23	9,306
On disposals	-	-	(91)	-	(16)	(107)
Charge for the year	590	-	125	97	2	814
At 31 August 2025	6,866	-	2,242	896	9	10,013
Net book value						
At 31 August 2025	43,440	182	160	421	15	44,218
At 31 August 2024	43,240	332	202	270	17	44,061

14 Fixed asset investments

	Listed investments £'000	Unlisted investments £'000	Total £'000
Market value			
At 1 September 2024	1,403	8	1,411
Disposals at opening book value	(532)	-	(532)
Acquisitions at cost	524	1	525
Change in value in the year	100	-	100
At 31 August 2025	1,495	9	1,504
Historical cost:			
At 31 August 2025	1,414	9	1,423
At 31 August 2024	1,403	8	1,411

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

14 Fixed asset investments

(Continued)

Holdings of more than 20%

The academy trust holds more than 20% of the share capital of the following undertakings:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
NCEA Trading Ltd	Wansbeck Workspace Office, Rotary Parkway, Ashington, Northumberland, NE63 8QZ	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activities	Capital and reserves £'000	Profit/(loss) for the year £'000
NCEA Trading Ltd	Dormant	-	-
		<u>-</u>	<u>-</u>
15 Stock		2025 £'000	2024 £'000
Catering stock		7	8
		<u>7</u>	<u>8</u>
16 Debtors		2025 £'000	2024 £'000
Trade debtors		17	24
Amounts owed by group undertakings		-	10
VAT recoverable		138	76
Other debtors		2	96
Prepayments and accrued income		726	613
		<u>883</u>	<u>819</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

17 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Other loans	8	8
Trade creditors	539	225
Other taxation and social security	401	293
Other creditors	428	470
Accruals and deferred income	823	903
	<u>2,199</u>	<u>1,899</u>

18 Creditors: amounts falling due after more than one year

	2025 £'000	2024 £'000
Other loans - Government	20	27
	<u>20</u>	<u>27</u>

Analysis of loans	2025 £'000	2024 £'000
Wholly repayable within five years	28	35
Less: included in current liabilities	(8)	(8)
	<u>20</u>	<u>27</u>
Amounts included above	<u>20</u>	<u>27</u>

Loan maturity

Debt due in one year or less	8	8
Due in more than one year but not more than two years	8	8
Due in more than two years but not more than five years	12	19
	<u>28</u>	<u>35</u>

This loan was received in 2019 to enable the Trust to update the fire safety equipment at its Thomas Bewick campus. The loan is repayable from GAG over ten years, with a repayment holiday until March 2021. It attracts an interest rate of 2.29%.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

19 Deferred income

	2025 £'000	2024 £'000
Deferred income is included within:		
Creditors due within one year	519	331
Deferred income at 1 September 2024	331	285
Released from previous years	(331)	(285)
Resources deferred in the year	519	331
Deferred income at 31 August 2025	519	331

At the reporting date the Trust was holding funds received in relation to UIFSM and other immaterial balances.

20 Funds

	Balance at 1 September 2024 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2025 £'000
Restricted general funds					
General Annual Grant (GAG)	365	16,503	(16,079)	(550)	239
UIFSM	-	178	(178)	-	-
Pupil premium	-	1,616	(1,616)	-	-
Other DfE/ESFA grants	-	1,994	(1,994)	-	-
Other government grants	-	5,077	(5,077)	-	-
Other restricted funds	-	1	(1)	-	-
Pension reserve	-	250	(50)	(200)	-
	365	25,619	(24,995)	(750)	239
Restricted fixed asset funds					
Inherited on conversion	42,315	-	(377)	-	41,938
DfE group capital grants	537	522	484	-	1,543
Capital expenditure from GAG	269	-	(102)	550	717
Other fixed asset funds	1,002	91	(807)	-	286
	44,123	613	(802)	550	44,484
Restricted endowment fund	1,485	30	(16)	100	1,599
Total restricted funds	45,973	26,262	(25,813)	(100)	46,322
Unrestricted funds					
General funds	82	802	(508)	-	376
Total funds	46,055	27,064	(26,321)	(100)	46,698

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

20 Funds

(Continued)

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

The General Annual Grant (GAG), along with the 16-19 core education funding, 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 which could be carried forward.

Other restricted funds relate to income received from DfE/ESFA and the local authority and are to be used in line with the associated grant terms.

SEN funding is used to provide additional support for pupils with additional needs.

Pupil premium is additional fund to be spent as the school sees fit to support derived students.

Restricted fixed asset funds relate to income received from the DfE, other government grants and transfers from GAG income. The funds balance includes fixed assets acquired from the local authority on conversion to academy status. Depreciation on these assets is charged against this fund.

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

The pension reserve relates to the Local Government Pension Scheme. Further details are shown in Note 23.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

20 Funds

(Continued)

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

	Balance at 1 September 2023 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2024 £'000
Restricted general funds					
General Annual Grant (GAG)	177	15,539	(15,077)	(274)	365
UIFSM	-	189	(189)	-	-
Pupil premium	-	1,548	(1,548)	-	-
Catch-up premium	-	258	(258)	-	-
Other DfE/ESFA COVID-19 funding	-	79	(79)	-	-
Other DfE/ESFA grants	-	2,047	(2,047)	-	-
Other government grants	-	3,519	(3,519)	-	-
Other restricted funds	-	3	(3)	-	-
Pension reserve	-	230	(10)	(220)	-
	<u>177</u>	<u>23,412</u>	<u>(22,730)</u>	<u>(494)</u>	<u>365</u>
Restricted fixed asset funds					
Inherited on conversion	42,693	-	(378)	-	42,315
DfE group capital grants	629	407	(171)	-	865
Capital expenditure from GAG	34	-	(39)	274	269
Other fixed asset funds	853	-	(179)	-	674
	<u>44,209</u>	<u>407</u>	<u>(767)</u>	<u>274</u>	<u>44,123</u>
 Restricted endowment fund	 <u>1,315</u>	 <u>39</u>	 <u>(8)</u>	 <u>139</u>	 <u>1,485</u>
 Total restricted funds	 <u>45,701</u>	 <u>23,858</u>	 <u>(23,505)</u>	 <u>(81)</u>	 <u>45,973</u>
Unrestricted funds					
General funds	<u>94</u>	<u>754</u>	<u>(766)</u>	<u>-</u>	<u>82</u>
 Total funds	 <u>45,795</u>	 <u>24,612</u>	 <u>(24,271)</u>	 <u>(81)</u>	 <u>46,055</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

20 Funds

(Continued)

Total funds analysis by academy

	2025 £'000	2024 £'000
Fund balances at 31 August 2025 were allocated as follows:		
NCEA Duke's Secondary School	6	6
NCEA Bishops Primary School	8	8
NCEA Castle School	4	4
NCEA Warkworth Church of England Primary School	4	4
NCEA James Knott CofE Primary School	3	3
NCEA William Leech Cof Primary School	5	5
NCEA Grace Darling CofE Primary School	2	2
NCEA Thomas Bewick C of E Primary School	8	8
NCEA Harry Hotspur Church of England Primary School	5	5
Central services	2,169	1,887
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	2,214	1,932
	<hr/>	<hr/>
Restricted fixed asset fund	44,484	44,123
Pension reserve	-	-
	<hr/>	<hr/>
Total funds	<u>46,698</u>	<u>46,055</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

20 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2025 £'000	Total 2024 £'000
NCEA Duke's Secondary School	6,169	753	555	1,326	8,803	8,131
NCEA Bishops Primary School	1,734	293	86	610	2,723	2,511
NCEA Castle School	2,945	498	127	441	4,011	3,146
NCEA Warkworth Church of England Primary School	738	132	55	131	1,056	1,054
NCEA James Knott CofE Primary School	954	158	56	298	1,466	1,372
NCEA William Leech Cof Primary School	684	161	49	115	1,009	1,141
NCEA Grace Darling CofE Primary School	1,944	411	114	527	2,996	2,820
NCEA Thomas Bewick C of E Primary School	1,147	146	67	390	1,750	1,613
NCEA Harry Hotspur Church of England Primary School	544	86	45	155	830	816
Central services	788	1,243	57	(1,225)	863	887
	<u>17,647</u>	<u>3,881</u>	<u>1,211</u>	<u>2,768</u>	<u>25,507</u>	<u>23,491</u>

21 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2025 are represented by:					
Tangible fixed assets	69	-	44,149	-	44,218
Fixed asset investments	-	-	-	1,504	1,504
Current assets	566	2,199	335	95	3,195
Current liabilities	(239)	(1,960)	-	-	(2,199)
Non-current liabilities	(20)	-	-	-	(20)
Total net assets	<u>376</u>	<u>239</u>	<u>44,484</u>	<u>1,599</u>	<u>46,698</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

21 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2024 are represented by:					
Tangible fixed assets	82	-	43,979	-	44,061
Fixed asset investments	-	-	-	1,411	1,411
Current assets	8	2,248	179	74	2,509
Current liabilities	(8)	(1,883)	(8)	-	(1,899)
Non-current liabilities	-	-	(27)	-	(27)
Total net assets	82	365	44,123	1,485	46,055

22 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 Northumberland County Council. 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.

Contributions amounting to £411,000 were payable to the schemes at 31 August 2025 (2024: £368,000) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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 ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Pension and similar obligations

(Continued)

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 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- 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 result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to the TPS in the period amounted to £2,042,000 (2024: £1,754,000).

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and 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 17.3% for employers and from 5.5% to 12.5% for employees.

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	2025 £'000	2024 £'000
Employer's contributions	1,140	970
Employees' contributions	430	360
Total contributions	<u>1,570</u>	<u>1,330</u>

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Pension and similar obligations (Continued)

Principal actuarial assumptions	2025 %	2024 %
Rate of increase in salaries	4.0	4.0
Rate of increase for pensions in payment/inflation	2.5	2.5
Discount rate for scheme liabilities	6.0	4.9
Inflation assumption (CPI)	2.5	2.5

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

	2025 Years	2024 Years
Retiring today		
- Males	21.2	20.8
- Females	24.2	24.0
Retiring in 20 years		
- Males	22.1	21.7
- Females	25.3	25.1

Sensitivity analysis

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

The academy trust's share of the assets in the scheme	2025 Fair value £'000	2024 Fair value £'000
Equities	16,000	15,150
Government bonds	330	360
Corporate bonds	5,990	5,630
Cash	400	240
Property	3,680	3,150
Other assets	6,720	5,710
Total market value of assets	33,120	30,240
Restriction on scheme assets	(10,000)	(4,430)
Net assets recognised	23,120	25,810

The actual return on scheme assets was £1,890,000 (2024: £2,020,000).

Amount recognised in the statement of financial activities	2025 £'000	2024 £'000
Current service cost	1,190	980

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2025 £'000	2024 £'000
At 1 September 2024	25,810	23,730
Current service cost	1,190	980
Interest cost	1,260	1,200
Employee contributions	430	360
Actuarial (gain)/loss	(4,990)	310
Benefits paid	(580)	(770)
At 31 August 2025	23,120	25,810
Changes in the fair value of the academy trust's share of scheme assets	2025 £'000	2024 £'000
At 1 September 2024	30,240	27,660
Interest income	1,510	1,430
Actuarial gain	380	590
Employer contributions	1,140	970
Employee contributions	430	360
Benefits paid	(580)	(770)
At 31 August 2025	33,120	30,240
Restriction on scheme assets	(10,000)	(4,430)
Net assets recognised	23,120	25,810
Restriction of pension scheme assets	2025 £'000	2024 £'000
Present value of defined benefit obligations	(23,120)	(25,810)
Fair value of plan assets	33,120	30,240
Net asset	10,000	4,430
Restriction to level of asset ceiling	(10,000)	(4,430)
Net asset recognised on the balance sheet	-	-

The net gain recognised on scheme assets has been restricted because the full pension surplus is not expected to be recovered through refunds or reduced contributions in the future.

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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

	Notes	2025 £'000	2024 £'000
Net income for the reporting period (as per the statement of financial activities)		743	341
Adjusted for:			
Capital grants from DfE and other capital income		(613)	(407)
Net endowment income		(14)	(31)
Investment income receivable	6	(319)	(270)
Defined benefit pension costs less contributions payable	22	50	10
Depreciation of tangible fixed assets		814	780
Decrease in stocks		1	4
(Increase) in debtors		(10)	(91)
Increase in creditors		300	316
Net cash provided by operating activities		952	652

24 Analysis of changes in net funds

	1 September 2024 £'000	Cash flows £'000	31 August 2025 £'000
Cash	1,682	(577)	1,105
Cash equivalents	-	1,200	1,200
	1,682	623	2,305
Loans falling due within one year	(8)	-	(8)
Loans falling due after more than one year	(27)	7	(20)
	1,647	630	2,277

25 Long-term commitments

Operating leases

At 31 August 2025 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2025 £'000	2024 £'000
Amounts due within one year	151	88
Amounts due in two and five years	373	292
Amounts due after five years	5	-
	529	380

NORTHUMBERLAND CHURCH OF ENGLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

26 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

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Newcastle Diocesan Education Board - a Trust sponsor from which Trustees have been appointed. The Newcastle Diocesan Education Board (NDEB) is a Member of the Academy Trust and jointly employs the Joint Education Team (JET), together with the Durham Diocesan Board of Finance, which is connected with the Trust. The JET works across both the CofE Diocese of Newcastle and CofE Diocese of Durham.

The JET team's officers provide services to the Trust under a partnering agreement and £nil (2024: 14,000) was paid to the NDEB during the period as part of the basic partnering support agreement charged to all CofE schools within the Diocese. A number of services were also reimbursed to the Trust this year of £nil (2024: £11,000). There were no amounts outstanding at 31 August 2025 (2024: £nil).

In entering into the transaction the academy Trust has complied with the requirements of the Academy Trust Handbook 2023.

J Hodson, a child of A Hodson, a Trustee, is employed by the Trust as a teacher. J Hodson's appointment was made in open competition and A Hodson was not involved in the decision-making process regarding appointment. J Hodson is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a Trustee.

Ward Hadaway - a company in which A Cox, Trustee, is a partner. The Trust continues to use Ward Hadaway for Legal Services. A Cox, as a property partner, has no involvement in this contract. During the year, Ward Hadaway charged the Trust 12,960 (2024: £12,000) for these services. Included within trade creditors is an amount of £nil (2024: 1,000) owed to Ward Hadaway. Per the Academy Trust Handbook 2023 the 'at cost' requirement does not apply.

Whilst the following does not meet the definition of related party transactions, as set out in the ATH and the Charity SORP, the following transactions have taken place.

J Marshall, Trustee, is the chairman of Newcastle United Foundation. During the year Sports goods and services of £63,380 (2024: 38,000) were purchased coach income reimbursement and rental income of £300 (2024: £7,000) was received from the above. J Marshall had no involvement in transactions set out above.

J Hope, Trustee, is the board member of AkzoNobel. During the year the Trust acquired £3,000 (2024: £nil) of materials from AkzoNobel, this was an arm's length transaction. J Hope has no involvement in the transaction set out above.

27 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.