

Company registration number 07838203 (England and Wales)

CHEVIOT LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

CHEVIOT LEARNING TRUST

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CHEVIOT LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

- Represented by Bishop M Wroe
 - Represented by P Rikeard
- Dr R Vaughan
Bishop of Newcastle
The Diocesan Boards of Education for the Church of England
Dioceses of Durham and Newcastle
C Pearson
J Meek

Trustees

- P Carvin (Chair of the board)
Dr P Allan
Dr R Briel
D Clark
B Cole
S Duckworth (Appointed 2 December 2024)
S Gibson (Resigned 31 August 2025)
M Harris
K Holbrook (Appointed 2 December 2024)
A Knight (Appointed 2 December 2024)
Prof D Leat (Resigned 31 August 2025)
J Louw
R Moore
C O'Neill
L Saunders (Appointed 2 December 2024 and resigned 2 April 2025)

Senior management team

- Chief Executive Officer
 - Chief Finance and Operations Officer
 - Co Chief Exectuve Officer
 - Chief Financial Officer
- A Witherow
M Tait
S Taylor (resigned 31 August 2024)
H Beaton (resigned 31 January 2025)

Company secretary

F Ewart

Company registration number

07838203 (England and Wales)

Principal and registered office

2, Esh Plaza
Sir Bobby Robson Way
Newcastle upon Tyne
Tyne and Wear
NE13 9BA
England

CHEVIOT LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated

The King Edward VI School
 Newminster Middle School
 Chantry Middle School
 Abbeyfields First School
 Dr Thomlinson C of E Middle School
 Thropton Village First School
 Harbottle C of E First School
 Stobhillgate First School
 All Saints C of E First School
 Teaching School
 Prudhoe Community High School
 Highfield Middle School
 Whittonstall First School
 Broomley First School
 Ovingham C of E First School
 Mickley First School
 Prudhoe Castle First School
 Wylam First School
 Ovingham Middle School

Location

Morpeth
 Morpeth
 Morpeth
 Morpeth
 Rothbury
 Thropton
 Harbottle
 Morpeth
 Morpeth
 Morpeth
 Prudhoe
 Prudhoe
 Whittonsall
 Stockfield
 Ovingham
 Mickley
 Prudhoe
 Wylam
 Ovingham

Head Teachers

C Savage
 E Kinniment
 G Whitehead
 B Henderson
 L Murtagh
 L Murtagh
 L Murtagh
 L Howells
 D Brett
 R Taylor
 A Moore
 R Oades
 K Jacobs
 K Jacobs
 A Hudson
 A Hudson
 J Dodds
 J Dodds
 J Bullock

Independent auditor

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

Solicitors

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

Internal auditor

Wylie & Bisset LLP
 168 Bath Street
 Glasgow
 G2 4TP

CHEVIOT LEARNING 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 academy trust operates 18 schools for pupils aged 2- 19 serving a catchment area in Northumberland. It has a pupil capacity of 6,182 and had a roll of 5,422 in the school census in October 2024.

Structure, governance and management

Constitution

The Trust is a company limited by guarantee, incorporated on 7th November 2011 and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The charitable company operates as Cheviot Learning Trust.

The trustees of Cheviot Learning Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the company undertakes to contribute to the assets of the 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 and to pay such amounts as may be required not exceeding £10 for the debt and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions.

As required in the Trust's Articles of Association, indemnity insurance has been taken out to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Trust. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard of whether it was a breach of trust or a breach of duty or not and provided also that any such cover shall not extend to the costs of any successful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees.

Method of recruitment and appointment or election of trustees

The company members may appoint by ordinary resolution a minimum of 5 Trustees ensuring that employees of the company must not exceed one third of the total Trustees. The number of Trustees appointed is not subject to any maximum.

Members will commission an up to date skills audit and gap analysis to be completed which will identify what skills are required by the Board from any new appointment(s), or re-appointment of Trustees. The appropriate method of recruitment will be agreed, and the vacancy(ies) advertised accordingly. Applications will be received and reviewed, and candidates will be selected for interview after members have consulted with the Board. An appointment decision will be based on how best the qualities of the candidates meet the identified skills gap and ensure representation from the local community.

There shall be one Trustee at all times who shall be appointed with a good understanding of the Church of England values, ethos and particular inspection or other requirements relating to the Church of England schools.

All Trustees upon their appointment or election, and before exercising any duties as a Trustee, shall give a written undertaking to uphold the Objects of the Company.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Policies and procedures adopted for the induction and training of trustees

Trustees are recruited based on the skills that they will bring to the board of Trustees. The Trust aims to have as diverse a board as possible, ensuring that it is representative of the communities that it serves. On appointment, Trustees receive extensive information relating to the Trust and attend an induction meeting on the role and responsibilities of Trustees. During the year Trustees are offered a range of training and access to resources to support them in their role.

Organisational structure

The governance of the Trust is defined in the memorandum and articles of association together with the funding agreements with the Department for Education (DfE). The Trustees are responsible for, and oversee, the management and administration of the Trust. The Trustees are accountable to external government agencies including the Charity Commission and the Department for Education

The Board of Directors agreed to set up a School Governing Board (SGB) for each school; some schools have a joint SGB. The Board delegated to the SGB's responsibility for setting general policy and the day to day management of each school in line with the agreed Scheme of Delegation.

All Trustees are members of the full board. In addition Trustees can be members of committees who report to the full board. There are four permanent sub-committees of the board;

- Quality of Education
- Finance, Audit and Risk,
- Workforce and Wellbeing
- Remuneration

The membership of committees is shown on the company information page and the agreed specific remit for each committee is reviewed annually.

The day to day running of the schools is delegated to the Trust leadership team managed by the Chief Executive Officer. The Chief Executive Officer (CEO), Chief Finance and Operations Officer (CFOO) attend meetings of the board and committees as required.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel is defined as those persons of the Trust having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly and including all Trustees. Trustees are not employees of the Trust and receive no remuneration for the roles they undertake.

The pay and remuneration of all management personnel is set in line with the Trust's pay policy which is reviewed annually and reflects the national teachers pay and conditions guidance for teaching staff and leaders and the local authority guidance for other staff. Benchmarks such as the size of the school and complexity of the role are built into the processes detailed in the pay policy.

A separate pay scale has been developed for the CEO and CFOO by the Board taking external advice. The Trust operates a Remuneration committee to approve the pay of the CEO. The Chief Executive Officer advises the Remuneration Committee for pay progression for CFOO and the Headteacher of each trust school. Performance management and pay progression is then delegated to the Headteacher of each school for school based staff. The pay policy is reviewed annually by the Board of Trustees.

Trade Union Facility

There were no employees who were trade union officials and had facility time during this financial year.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Engagement with employees

Executive management and headteachers meet regularly to discuss matters that affect the Trust and to share best practice and to agree common processes and procedures.

Each school has regular management and staff meetings to share information and to get employee views on school and trust issues.

The Trust has a JCC that meets regularly with Trade Unions that represent Trust employees to discuss any matters of concern.

The Trust takes this responsibility seriously and describes the measures taken to meet these responsibilities in its various policies including the Equal Opportunities and Dignity at Work policy.

- The Trust gives full and fair consideration to applications for employment to the company made by all applicants including disabled persons, having regard to their particular aptitudes and abilities;
- The Trust supports the continuing employment of, and arranges appropriate training for, employees of the company who have become disabled persons during the period when they were employed by the company, and;
- supports the training, career development and promotion of disabled persons employed by the company."

The Trust undertook a staff survey during 2024 to inform management and Trustees of any areas of concern to be addressed.

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

Related parties and other connected charities and organisations

The Trust has a policy in place for staff and Trustees to disclose and handle related party transactions in line with company and charity law and DfE guidance.

All transactions involving related parties or connected parties are conducted at arm's length and in accordance with the requirements of

- the Academy Handbook, including notifying DfE of all transactions made on or after 1 April 2019 and obtaining their approval where required,
- the Trust's financial regulations and normal procurement procedures, unless otherwise stated.

The Trust is a standalone organisation with no connected organisations. The Trust has links with the Diocese of Durham and Newcastle and accesses the Diocesan Education Office. The Trust has no connected organisations but does work with local charities in pursuit of the activities defined by the objects of the Trust.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Objectives and activities

Objects and aims

The Company's objects ("the Objects") are specifically restricted to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education and other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

As well as to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants, subject to any restrictions on the land the Trust occupies.

Aims and intended impact

All schools in the Trust have rich, respected and successful histories. As a result of the autonomy granted by converting to a Trust in December 2011, we have an added drive to build upon our successes, ensuring that we are able to offer the highest quality of education for all our students.

Our schools have shared values and priorities. A single board of Trustees is responsible for the strategic direction and performance of the Trust.

Our mission is to provide excellent schools, which ensure our young people have the opportunity to succeed. Our vision is to provide excellent education for the benefit of all.

Our objectives to achieve this are divided into five areas:

- **Quality of Education**

Our Trust schools provide the highest quality education giving students outcomes and opportunities that allow them to make positive life choices and contribute to future society.

- **Expert Governance**

Strong governance will be developed across the Learning Trust through the provision of robust induction and a programme of continued governance training, establishing consistency of approach, assuring accountability and oversight through systems of internal and external scrutiny and engaging in reflective self evaluation.

- **Workforce Resilience and Wellbeing**

The trust is a learning organisation that develops its people to succeed in their current and for their future roles. Staff work in professional communities of highly effective teams delivering excellence for young people. Staff are advocates for working in the Trust and feel appreciated and valued in a Trust that enables working flexibility and balance in their lives.

- **Operational excellence**

Innovate and collaborate to maximise the value achieved from every available resource to enable the Trust to meet its purpose of providing excellent education for the public benefit.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

• **Public Benefit and Civic Duty**

The Trust will apply its resources for the benefit of our local communities and engage our communities to support our mission to provide excellent education for the public benefit. We will develop strong local and national partnerships that strengthen both the Trust and its communities.

Behind each of these we set more detailed objectives and plans of work. Progress is reviewed regularly by the board. Each committee reviews parts of the strategy and reports on this to the main board.

Our values-the philosophy behind everything we do

Innovation We're here to shape the future, which is why we all have a responsibility to be thinking about the big issues of tomorrow.

Cooperation We nurture the relationships that we've built over many years and we know by working together we can achieve more than we can alone.

Respect We take the time to understand and make decisions and have due regard for the feelings, wishes and rights of others.

Excellence We will always strive for continuous improvement and will produce the best solutions and deliver the best services possible.

Objectives, strategies and activities

The principal activity for the year has been the provision of primary and secondary education at our school sites.

Public benefit

The Academy provides educational services to children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the charity Commission. The Academy Trust aims to advance for the public benefit, managing and developing schools, offering a broad curriculum set within an inclusive context. The schools in the Trust also provide opportunities for children, their parents, and the local community that they serve through a range of extra-curricular activities and opportunities. In the case of Church schools within the trust to the benefit of the parish in which they are situated and other parishes that may wish to be involved.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Strategic Report

Key performance indicators

All schools at Cheviot Learning Trust are rated good by Ofsted, with many of them identified with outstanding aspects in key areas. All schools are supported by the Trust through its central functions as well as through collaborative working with each other, which is coordinated and driven centrally. This approach to school improvement has allowed for a rapid response to those schools most in need. Our cooperative work has seen groups of schools contributing to educational projects, working together on a shared curriculum and exploring the importance of staff wellbeing through the establishment of a Staff Wellbeing Charter. Alongside the development work, we have strengthened our accountability models. The development of data dashboards to support senior leadership teams in understanding attendance trends, benchmarking educational outcomes together strengthens the drive towards excellence and ensures that we are never complacent, rather searching for better and innovative ways to fulfill our mission, to develop all our young people to have the opportunity to succeed.

In January we welcomed a new SEND lead to the Trust and have been able to support schools with key SEND issues as well as bringing SENDCOs together to explore shared solutions and innovative ways of working. This has led to a new contract with a different Educational Psychology Service, much requested by schools and the development of shared approaches to paperwork, taking the best ideas and disseminating them. A pilot SEND peer review was undertaken and this will now be rolled out across schools. The review helps the school think about its strengths and areas for improvement. It uses the professionals who do the jobs in schools everyday, developing them to be able to respectfully challenge each other to work as effectively as possible towards excellent outcomes for pupils with SEND.

The Trust contracts an external provider to assure that Safeguarding in schools is consistently and forensically monitored whilst also bringing Designated Safeguarding Leads together in networked groups to offer support for one of the most challenging areas of educational practice. We now have two Safeguarding leads in the Trust covering First schools through to High schools. This has allowed us to run a DSL network, evaluate the outcomes of audits and plan appropriate training for staff, governors and for parents.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Cheviot Learning Trust 2024-2025 Year End Education Summary School Context 2024/25

Autumn 2024 Census	Numbers on roll - All Year Groups					% of Roll			
	Total	Male	Female	SEN	FSM Ever6	Male	Female	SEN	FSM Ever6
King Edward VI School	1344	643	701	204	142	47.8%	52.2%	15.2%	10.6%
Prudhoe Community High	736	357	379	101	122	48.5%	51.5%	13.7%	16.6%
Chantry Middle School	560	273	287	93	81	48.8%	51.3%	16.6%	14.5%
Dr Thomlinson Middle School	191	92	99	42	23	48.2%	51.8%	22.0%	12.0%
Highfield Middle School	361	189	172	81	122	52.4%	47.6%	22.4%	33.8%
Newminster Middle School	554	258	296	111	69	46.6%	53.4%	20.0%	12.5%
Ovingham Middle School	343	185	158	64	36	53.9%	46.1%	18.7%	10.5%
Abbeyfields First School	316	165	151	43	22	52.2%	47.8%	13.6%	7.0%
All Saints First School	225	111	114	15	12	49.3%	50.7%	6.7%	5.3%
Broomley First School	115	67	48	17	3	58.3%	41.7%	14.8%	2.6%
Harbottle First School	13	8	5	6	1	61.5%	38.5%	46.2%	7.7%
Mickley First School	65	30	35	5	4	46.2%	53.8%	7.7%	6.2%
Ovingham First School	121	70	51	6	13	57.9%	42.1%	5.0%	10.7%
Prudhoe Castle First School	81	43	38	34	20	53.1%	46.9%	42.0%	24.7%
Stobhillgate First School	148	73	75	28	33	49.3%	50.7%	18.9%	22.3%
Thropton First School	43	17	26	6	4	39.5%	60.5%	14.0%	9.3%
Whittonstall First School	70	34	36	10	3	48.6%	51.4%	14.3%	4.3%
Wylam First School	136	68	68	16	4	50.0%	50.0%	11.8%	2.9%
Total	5422	2683	2739	882	714	49.5%	50.5%	16.3%	13.2%

School Attendance 2024/2025

	Attendance %			Persistent Absence %		
	All	PP	SEN	All	PP	SEN
Abbeyfields First School	96.3	93.6	95.7	5.1	13.3	6.1
All Saints First School	96.1	93.0	94.1	7.9	10.5	7.1
Broomley First School	96.8	93.7	94.8	2.9	33.3	15.0
Harbottle First School	94.2	98.0	89.9	15.4	0.0	33.3
Mickley First School	95.4	90.8	94.3	14.9	25.0	33.3
Ovingham First School	96.9	95.0	96.0	5.6	11.1	11.1
Prudhoe Castle First School	95.9	94.1	95.7	8.5	23.5	11.8
Stobhillgate First School	96.3	94.1	94.5	5.6	16.7	9.1
Thropton First School	95.4	96.8	94.5	9.1	0.0	0.0
Whittonstall First School	95.2	96.0	92.4	14.3	0.0	36.4
Wylam First School	97.2	95.3	95.5	1.1	0.0	6.3
Chantry Middle School	94.0	91.4	88.2	13.9	30.8	34.2
Dr Thomlinson Middle School	95.7	95.6	94.9	5.1	6.5	6.5
Highfield Middle School	93.8	89.9	91.5	14.9	31.0	19.1
Newminster Middle School	93.8	90.0	88.2	13.0	29.3	27.4
Ovingham Middle School	95.7	91.8	92.5	8.3	23.1	19.4
King Edward VI School*	90.0	83.6	81.4	22.4	40.5	41.8
Prudhoe Community High School*	88.9	81.4	80.3	28.3	55.6	40.2

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

*High school attendance for Y11 is up to May half term (DfE methodology)

Source - School attendance marks

KS2 Results 2024/25 - Provisional Results

		RWM		Reading		Maths		SPAG		Writing TA	
	No	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS
Chantry Middle School	134	75.4%	11.9%	87.3%	43.3%	83.6%	27.6%	83.6%	23.1%	85.1%	24.6%
Dr Thomlinson Middle School	47	76.6%	6.4%	80.9%	21.3%	89.4%	23.4%	74.5%	10.6%	85.1%	19.2%
Highfield Middle School	87	55.2%	5.7%	65.5%	19.5%	72.4%	20.7%	70.1%	21.8%	70.1%	11.5%
Newminster Middle School	131	54.2%	7.6%	83.2%	40.5%	67.2%	21.4%	78.6%	32.8%	63.4%	14.5%
Ovingham Middle School	93	67.7%	14.0%	84.9%	48.4%	87.1%	34.4%	80.6%	32.3%	73.1%	18.3%

Provisional GCSE Results 2024/25

	KEVI	PCHS
Attainment 8	52.1	46.4
E&M 4+	78.3%	70.2%
E&M 5+	57.6%	39.2%

Provisional A Level Results

	KEVI	PCHS
A*-B	58	43.5
A*-C	85.7	73.6
A*-E	98.5	99.5
Av Pts per Entry	37.1	34.42
Av Grade	B-	C+

Quantifying Improvements

Effectiveness of the Trust's strategies and the quality of provision and outcomes for students, along with current planning and priorities for 2024-25 can be found in the following documents, available from the Trust:-

- Trust Strategic Plan
- Individual School Improvement Plans and Self Evaluation reports
- DfE Performance tables and the IDSR report for each school
- OfSTED reports for each school are available on each schools' website as well as the Ofsted website.
- Review of priorities 24/25

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues 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 statement of accounting policies.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Protecting the success of the academy trust

The Board is mindful that the long-term success of the Trust is critically dependent on the way we work with a large number of notable stakeholders. The table below sets out our focus on the key relationships and shows how engagement with them is addressed by the Board of Trustees, committees and work streams to help the Trust's decision making. It is important for all Trustees of the Board to gain sufficient understanding of the issues relating to every stakeholder so that their views are taken into account in Board discussions.

Stakeholder Group	Form of Engagement	How this stakeholder group influenced the Board agenda and long term decision-making s172 (1)(a)
People (our employees) s172(1)(b)(e) The trust had approximately 717 employees during the year. We create an environment in which our people can make a positive contribution, develop their careers and reach their potential.	Our strategic plan has a number of objectives around employees and developing leadership in the Trust. During the year we undertook a staff survey to look at a number of areas around staff satisfaction, understanding of their role in the Trust, etc. At School Level: Schools have regular staff meetings and have consulted regularly during the year. The Chief Executives write regularly to staff and encourage feedback. School Governing Boards have employee representation Our Teaching School delivers training to our teaching staff as well as to teachers across the region	During the year 2024-25 the Trust has delivered Board approved training to improve wellbeing of our staff Continuous Development All schools have a staff development budget to invest in their employees – the Trust organised training for all staff at a Training Day and a number of development groups involve staff from multiple schools We support staff wellbeing and staff can access a number of paid for resources including counselling, occupational health, other health services such as flu jabs, smoking cessation and fitness at times that suit them School Governing Boards regularly ask for the employee view from the staff governor and this is fed back to the Board via link Trustees and minutes.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

<p>Our Pupils s172(1)(c)(d)(e) The Trust supported our pupils during the financial year across our 18 schools. Each school has a curriculum improvement plan with targeted support for pupils with the greatest need.</p>	<p>At Board level: Our schools hold the key relationship with our pupils. This is intentional as each of our schools are very different and serve a unique set of families.</p> <p>Trustees have an active role within our schools. Trustees have link roles where each Trustee is a named link with a School and attends some of their School Board meetings This enables them to understand the pupils needs and achievements in the school.</p> <p>When the Trust leads on core school business activity e.g. headteacher recruitment, student voice is always built into the interview process.</p> <p>At School level, schools have extensive mechanisms to ensure the student voice is heard. For example, most schools have pupil councils, schools also completed pupil and parent surveys during the year.</p> <p>All schools consult pupils on significant changes such as school day, plans for trips, food choice, environment etc.</p>	<p>At Board level: Education outcomes and pupil experience is at the core of all strategic plans and Trustee decision making</p> <p>Trustees have continued to consider the impact Covid-19 had on pupil progress and what the schools are doing to mitigate its effects.</p> <p>School Governing Boards get information on attendance, progress and achievement and what schools are doing to address areas of underperformance</p> <p>The Standards committee review performance at each of our schools and Headteachers account to the committee for their schools performance.</p>
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<p>Our Suppliers s172(1)(c)(e) Provide goods and services on which we rely to deliver a quality education to our pupils.</p>	<p>At Board level: Trustees are responsible for the strategic running of the Trust so do not frequently interact with suppliers. Reports are submitted to the Finance, Audit and Risk Committee and Board on matters of importance regarding goods high value procurement (over £75k). This Committee also considers internal audit reports on purchasing and supply to ensure the Trusts Regulations are followed.</p> <p>At School level: The Trust's robust procurement policy with delegated authorities which are within the Financial Regulations as approved by the Board.</p>	<p>At Board level: The Board sets the scheme of delegation and Financial Regulations that set out how the Trust will do business. Trustees approve high value contracts. Other than that, Trustees are not expected to interact with day to day transactional business.</p>
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CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

<p>Our Regulators s172(1)(c) This includes financial regulators such as the Department for Education (DfE) and Regional Director and other bodies who hold the Trust to account such as Ofsted or the Diocese (for our Church School).</p>	<p>At Board level: It is the Trust's policy to be open and transparent in line with DfE regulations and the Nolan Principles of Public Life. Trustees work closely with our external auditors to ensure a robust annual review is conducted. The Audit and Risk Committee reviews the annual reports and has the opportunity to discuss any audit findings.</p> <p>At Academy/Business level: There are 4 fundamental submissions annually to the DfE:</p> <p>Annual Report and Financial Statements; this report reviews the past 12 month's operations from a corporate position.</p> <ul style="list-style-type: none"> · Annual Academies Return, · Budget and Budget Forecast Return Budget · Land and Buildings return <p>Ofsted review the education standards within the Trust schools. Trustees are involved in all Ofsted inspections and have face-to-face inspection slots. Our Church schools are also accountable to the Diocese who frequently visit our schools.</p>	<p>All feedback from the bodies to whom we are externally accountable is fed back to the Trust Board, discussed in Board and relevant committee meetings and then used to inform future activity and priorities.</p> <p>The CEO/Accounting Officer with the assistance of the CFO and COO ensures that all submitted returns are complete, accurate, consistent, timely and in compliance with DfE's requirements. Feedback from the DfE is often through revisions to the Academy Trust Handbook. These changes are summarised with actions required and communicated to the Board and relevant committees.</p> <p>External inspection reports such as Ofsted reports are always shared with the Board and relevant local governing Bodies.</p> <p>Where appropriate, feedback or new guidance from regulatory bodies will be used to refresh school and Trust level policies.</p>
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<p>Our Community and the local Environment s172(1)(d)(e) The local neighbourhood being housing, businesses and the environment</p>	<p>Understanding the local communities our students live in is key. Community links are mainly managed at school level as they understand best the communities they serve and hold the strong links to the church, community and local businesses.</p> <p>The CEO's report to the Board would include any relevant issues that the Board should be aware of. While school School Governing Board's take the main lead in liaising and supporting community issues, where concerns are significant the Trust would get involved to support the school voice for example we have responded to consultation about schools in our catchment area changing their admission numbers, nursery ages.</p>	<p>Community engagement is usually driven at school level</p> <p>School websites and social media are regularly updated with latest news items and upcoming events.</p>
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CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

The Board has responsibility for ensuring the sound financial management of the Trust's resources including appropriate planning, monitoring and probity. Key financial policies adopted during the period include the Financial Regulations which lays out the framework for financial management including financial responsibilities of the Board, Chief Executive, Chief Finance and Operations Officer, Head teachers and administration staff, including delegated authority of expenditure, fraud and bribery. Other policies adopted include Treasury Management, Risk Management and Business Continuity Policies to ensure rigorous financial systems are in place.

Staff absence continues to have an adverse impact on Trust finances, this was most notable through the level of staff absence and agency/overtime costs. The Trust takes insurance for this but has spent over £537,000 on agency and supply costs, the majority of which are covering staff absence. Inflation is also a concern with increased costs in many areas and staff recruitment becoming more difficult and costly.

The Trust has commissioned WBG, to carry out a programme of internal audit reviews, including recommendations for improvement. This enables the Audit Committee to monitor the adequacy and effectiveness of the Trusts policies and systems of internal control.

The majority of the Trusts' income for the period of account is obtained from either the DfE or Local Authorities as commissioners of pupil places, the use of which is restricted to particular purposes. The grants and funding received from these bodies for the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust's main sources of income during 2024/25 continue to be, DfE grants, grants from Northumberland County council and parental contributions for things such as school meals and trips. During the period ending 31 August 2025 total expenditure of £43,471,633 (excluding net inherited liabilities) was lower than grant funding from the DfE and commissioned place income from Local Authorities together with other incoming resources. The deficit of income over expenditure for the period (excluding inherited assets and liabilities, restricted fixed asset funds and before pension transfer) was £62,512. The results were much better than originally expected, this is due to:

- Cost savings being made across the Trust
- Staff restructures
- Improved SEN funding
- New Wrap and Nursery provision added to schools.

At 31 August 2025 the net book value of fixed assets was £55,369,816 the assets were used exclusively for providing education and associated support to the pupils in the academies within the Trust.

The Trust receives capital funding from the School Condition Allowance grant provided by the DfE. A programme of renewals and upgrading of the Trust's facilities has been developed into a 5 year plan to gain best value from this funding across the Trust estates. The plan is based on professional condition survey data; the condition surveys are updated every 5 years. The programme includes classroom refurbishments, condition improvements, safety improvements and upgrade of ICT facilities.

Note 18 to the financial statements show the movement on restricted and unrestricted funds. Total funds of the charity amount to £59,444,709 (2024: £59,553,474) but only £2,478,340 (2024: £2,715,659) of this is freely available because the balance is invested in fixed assets or has a restriction for other purposes. The Trustees have assessed the level of available free reserves and are confident that there are sufficient levels of reserves to meet current operating needs. Assets in relation to the Local Government Pension Scheme (2024: Restricted) have been restricted and are not included in the Trust reserves.

Reserves policy

The Trustees have reviewed the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purpose or otherwise committed. The Trustees consider that, since operational finance is available, free reserves should be 4% of school budget share income i.e. £1,426,066 plus designated reserves of £310,096, total £1,736,162. The Trustees kept the reserves policy at 4%. The reserve is retained within the Trust for unforeseen expenditure. Surplus balances are to assist the development of the Trust. The charity would not be able to continue operation in the current form in the event of a significant drop in government grants.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

As at 31 August 2025 the Trust's free reserves were £3,294,454 (2024: £3,356,966) of unrestricted and restricted income funds.

Trustees have decided to retain a free reserve well in excess of the 4% required by the reserve policy. The impact of falling roles in our schools and the potential costs of restructure require additional funds.

Investment policy

The Trustees aim to maximise the total investment return within the objective of maximising income. All free funds are invested in cash deposits at market rates.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate any exposure to major risks.

The finance and audit committee undertakes a formal review of the learning trust's risk management process on an annual basis.

The key controls used by the Learning Trust include:

- formal agendas for all committee and board activity;
- terms of reference for the board and its committees;
- comprehensive strategic planning, budgeting and management reporting;
- an established organisational structure and clear lines for reporting;
- formal written policies;
- comprehensive scheme of delegation; and
- vetting procedures as required by law for the protection of the vulnerable.

The Trustees assess the principal risks that would seriously impact the Trust to be any changes in the funding arrangements as a result of political decisions outside the control of the Trustees, changes in legislation, declining results and failure in safeguarding staff or students.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The principal risks that are closely reviewed are

- The Trust is financially unsustainable resulting in insufficient resources to set the Trust up, balance school budgets, maintain estates, grow or deliver high education standards
- Quality of education does not reach or sustain excellence
- Trust systems do not effectively identify and mitigate/manage safety issues and risks and staff and students are not protected from the broad range of physical, emotional and safeguarding risks

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Reviewing controls and managing risks:

Trustees effectively manage cash by generating short term investments to maximise interest within reputable banks. Weekly bank reconciliations are completed to ensure all monies are accounted for and cash flow is adequately maintained. Trustees received monthly management accounts and cash flow forecasts which are challenged and scrutinised to report and examine current spending and projected balances.

Budgetary control and monitoring is efficient and effective:

- account holders receive monthly budget reports to check and monitor their transactions and available funds;
- line managers and senior leaders receive monthly management accounts and summary budget reports. Balances are rigorously checked and challenged;
- regular budget review meetings are held with the finance team, budget holder and line manager. Any potential overspend is investigated and remedial action implemented.

Insurance has been used cost-effectively to manage risks, including cyber security risks. The Trust has an asset register which is annually updated to ensure all additions and disposals are recorded and appropriately depreciated. The Trust has a risk register which is periodically reviewed by Trustees to ensure all risks are controlled and minimised.

Financial Governance and Oversight

Sound systems of financial control are in place and include regular internal reviews, clearly defined segregation of duties and internal checks using an approved finance policy.

Trustees challenge decisions within the Trust on the cost and effectiveness of spending proposals in order to achieve value for money.

Fitness for purpose:

Contracts and services are competitively priced, continually reviewed, appraised and renegotiated to provide best value and value for money. The quality of goods and services meet the needs of the Trust as they are measured against alternative providers. During 2024/25 these included commercial insurance, staff absence insurance for 2025/26, grounds maintenance, audit (both internal and external), payroll. Year-end audits, internal audit reviews and audit committee scrutiny regularly provide external.

Benchmarking:

The Trust has benchmarked its income and expenditure internally between schools in the trust as well as against similar academies to identify areas of potential savings.

Options appraisal:

The Trust has explored various options to assist decision making prior to purchasing goods and services. External professionals have been employed to help prioritise capital funding by having independent condition surveys on Trust schools to guide where School Condition Allowance is utilised. Consideration has been given to operational leasing and Salix funding as methods of financing projects. Appropriate tendering techniques have been employed to gain maximum benefit.

Economies of scale:

The Trust has taken opportunities to work collaboratively with others to reduce and share administration and procurement costs. This includes tendering for as many schools at one time as possible and entering into contracts where others can join at the same rates.

Better income generation:

The Trust has been successful in generating additional revenue to support school improvement eg by depositing cash to ensure it generates a return. The teaching school, which the Trust was pleased to retain its contract has also helped extend and diversify trust income.

Financial and risk management objectives and policies

The Trust has minimal exposure to financial instruments, utilising only cash, debtors and creditors. The Trust deposits cash to earn interest with a wide range of institutions to reduce risk.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Fundraising

The Trust does not work with third party fundraising organisations.

Fundraising is restricted to school events such as non-uniform days, school fairs and school performances where donations are encouraged but not expected and proceeds are either donated to a named charity or accepted into school funds. Some subject areas such as Design Technology can request a small donation from parents towards the cost of materials for student projects.

The Trust has also applied for capital from various grant making organisations such as the Public Sector Decarbonisation Scheme, Sport England, National Lottery or the FA Foundation. These grant application activities are carried out by Trust staff supported by buildings professionals where required to support the technical aspect of the bids.

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period

	2025 kWh	2024 kWh
Energy consumption used to calculate emissions (kWh)	5,253,644	5,732,814
Energy consumption breakdown:		
- Gas	3,980,971	4,176,539
- Electricity	1,245,326	1,522,816
- Transport fuel	27,347	33,459
Emissions calculated (metric tonnes CO ₂ e):	2025 tonnes CO ₂ e	2024 tonnes CO ₂ e
<i>Scope 1 emissions</i>		
- Gas combustion	736.74	771.78
- Fuel consumed for owned transport	-	-
<i>Total scope 1</i>	736.74	771.78
<i>Scope 2 emissions</i>		
- Electricity purchased	108.87	157.81
<i>Scope 3 emissions</i>		
- Fuel consumed for transport not owned by the academy trust	27.35	7.32
<i>Total gross emissions</i>	872.96	936.91
<i>Intensity ratio</i>		
Tonnes CO ₂ e per pupil	0.16	0.17

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2025 UK Government's Conversion Factors for Company Reporting.

CHEVIOT LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have-

- Installed LED lighting and solar panels in multiple schools
- further developed a climate change strategy
- installed electric vehicle charging points on the school sites
- supported student councils to develop climate change planning for each school
- Continued with a renewable only electricity contract
- instructed staff and governance volunteers to meet remotely rather than travel to meetings
- directed site staff to monitor and reduce resource use for heating, water and lighting
- installed double glazing and energy efficient lighting
- encouraged staff to cycle to work via the cyclescheme

Plans for future periods

The future plans for the Trust are contained in the strategic plans referred to above. The Trust will continue to pursue opportunities to develop the schools as they arise. The Trust will research local, national and international education developments and initiatives to inform the adoption of creative solutions to support the Trust's students, staff and activities. The schools will remain rooted in their local communities to reflect the areas they serve.

The main area of focus is the financial stability of our schools in the medium term. A number of areas have falling birth rates which impacts on the number of pupils and combined with increasing costs means we will need to review our schools and their structures to ensure they are fit for purpose.

Auditor

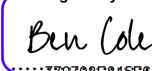
In so far as the trustees are aware:

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

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18 December 2025 and signed on its behalf by:

Signed by:


.....770708E845F8463:.....
B Cole

CHEVIOT LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2025

Scope of responsibility

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

The board has delegated the day-to-day responsibility to the Chief Executive Officer, A Witherow (who is also the accounting officer), for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Cheviot Learning Trust and the Secretary of State for Education. She is also responsible for reporting to the board any material weaknesses or breakdowns in internal controls.

Governance

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

Trustees	Meetings attended	Out of possible
P Carvin (Chair of the board)	6	6
Dr P Allan	4	6
Dr R Briel	5	6
D Clark	6	6
B Cole	5	6
S Duckworth (Appointed 2 December 2024)	4	5
S Gibson (Resigned 31 August 2025)	3	6
M Harris	4	6
K Holbrook (Appointed 2 December 2024)	5	5
A Knight (Appointed 2 December 2024)	4	5
Prof D Leat (Resigned 31 August 2025)	6	6
J Louw	5	6
R Moore	3	6
C O'Neill	6	6
L Saunders (Appointed 2 December 2024 and resigned 2 April 2025)	2	2

CHEVIOT LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Quality of Education Committee

The purpose of this committee is to approve, review and challenge educational provision and standards, including attainment and progress data, the personal behaviour and development of students at and across all of the Trust's schools, and leadership and management within the Trust. Attendance at meetings in the year was as follows:

Trustee	Role	Meetings attended	Out of a possible
Caroline O'Neill	Committee Chair/ Trustee	4	5
Paul Carvin	Committee Member/ Trustee	4	5
Rob Moore	Committee Member/ Trustee	3	5
David Leat	Committee Member/ Trustee	5	5
Kelly Holbrook	Committee Member/ Trustee	2	3

Workforce and Wellbeing Committee

This committee is responsible for the overall governance of key people initiatives that support the delivery of the Trust's Workforce and Wellbeing strategy. The committee focuses on themes such as employee engagement, reward and recognition, wellbeing initiatives, performance management, staff development and any significant organisational design and development initiatives. Attendance at meetings in the year was as follows:

Trustee	Role	Meetings attended	Out of a possible
Ruth Briel	Committee Chair/ Trustee	3	3
Stephanie Gibson	Committee Member/ Trustee	2	3
Mavis Harris	Committee Member/ Trustee	2	3
Steven Duckworth	Committee Member/ Trustee	0	2
Leanne Saunders	Committee Member/ Trustee	0	2

CHEVIOT LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Finance, Audit and Risk Committee

This committee has oversight of management of the Trusts financial and operational resources. The role of the committee is to provide independent scrutiny of the application and procurement of these resources throughout the Trust. The committee is responsible for ensuring that the management of the Trust's financial and operational resources is in line with the Trusts strategic objectives and in compliance with relevant legislation, regulations and Trust policies.

The committee is also responsible for ensuring the integrity of all Learning Trust systems, processes and procedures. As part of a wider programme of internal scrutiny, the committee provides independent assurance to the board that its financial and other controls, and risk management procedures are operating effectively. It will have an annual programme of work and can identify investigations into any area of the Learning Trust. It will prioritise this work based on significance of the impact and likelihood of occurrence of perceived or identified risks. Attendance at meetings in the year was as follows:

Trustee	Role	Meetings attended	Out of a possible
Joan Louw	Committee Chair/ Trustee	6	6
Deborah Clark	Committee Member/ Trustee	6	6
Rob Moore	Committee Member/ Trustee	4	6
Peter Allan	Committee Member/ Trustee	5	6
Alexandra Knight	Committee Member/ Trustee	3	4

Remuneration Committee

This committee assists the board in determining and keeping under review a framework for the remuneration, benefits and incentives of the CEO, Executive Team, Central Senior Leadership Team and Headteachers. The committee meets at least on an annual basis. Attendance at the 2024/2025 meeting was as follows:

Trustee	Role	Meetings attended	Out of a possible
Ruth Briel	Committee Chair/ Trustee	1	1
Caroline O'Neill	Committee Member/ Trustee	1	1
Paul Carvin	Committee Member/ Trustee	1	1

Conflicts of interest

Relevant business and pecuniary interests are captured for all Members, Trustees and local governors and all staff with significant financial or spending powers. These are checked and updated annually. The register of interest includes;

- Directorships, partnerships, and employments with businesses
- Trusteeships and governorships at other educational institutions and charities
- Relevant material interests arising from close family relationships

The register of interests for all those involved in governance (Members, Trustees and governors) is published on the Trust's website. The Trust has a Conflict of Interests policy.

In addition, at the start of every governance meeting (Board, committee and school governing board), there is a standing item for those present to declare any relevant interests. Where there is an interest that might lead to a question of bias, the individual will withdraw whilst the matter is considered.

The requirements of the Academy Trust Handbook with respect to trading with connected parties must be adhered to, as set out in the Cheviot Learning Trust Financial Regulations.

CHEVIOT LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Meetings

The Academy Trust Handbook sets out that the board and its committees must meet regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements. It states that board meetings must take place at least three times a year and larger academy trusts should consider meeting more frequently.

Governance reviews

The Trust remains committed to continually strengthening its governance structures to ensure they are effective, transparent and aligned with the Trust's mission and values. The 2024/2025 academic year has been a period of reflection, development, and innovation in governance practice across all levels of the organisation.

In October 2024, the Trust hosted its annual Governance Conference, bringing together Members, Trustees, and School Governing Board representatives from across the Trust. The theme of the conference was "The Purpose of Governance – Making It Better", with a focus on innovation, cooperation, and respect. The event provided an opportunity to reaffirm the shared purpose of governance within the Trust, celebrate effective practice, and explore ways to strengthen collaboration between boards. Sessions encouraged participants to think creatively about how governance can continue to add value and drive improvement in the quality of education across all schools.

During the year, Members successfully appointed four additional Trustees, each bringing valuable skills and expertise to complement and enhance the Board's overall capacity. The new Trustees have strengthened the Board's collective expertise in key areas including:

- Human Resources and Careers Development
- Science, Technology, Engineering and Mathematics (STEM)
- Governance and Leadership
- Educational Quality and Improvement

These appointments further reinforce the Trust's commitment to ensuring the Board has the breadth and depth of knowledge required to provide effective strategic oversight and challenge.

As part of our ongoing commitment to continuous improvement, both the Board of Trustees and School Governing Boards undertook comprehensive self-evaluation activities during the year. These exercises provided valuable insights into current strengths and areas for development, enabling each governance tier to reflect on its effectiveness in delivering the Trust's strategic priorities.

Additionally, a 360° review of the Chair of the Board was conducted, engaging Trustees and senior executives in a structured feedback process. The outcomes of these reviews have been used to inform a new Governance Action Plan and a refreshed Skills Audit, both of which will guide targeted improvement and succession planning during the 2025/2026 academic year.

Recognising that effective governance depends on continual learning, training and development have been a key focus for 2024/2025. The Trust introduced a new programme of Governor Workshops, delivered online by senior Trust leaders and subject specialists. These sessions have provided governors with practical insights into key areas such as understanding school development plans and the SEF, curriculum and assessment, stakeholder engagement and effective monitoring while also promoting consistency of understanding and approach across all schools.

Review of value for money

As accounting officer, the Chief Executive Officer 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.

CHEVIOT LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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:

- improved student, staff and community facilities including replacement roofs and air conditioning at King Edward VI School, the continuation of a window replacement programme at Ovingham Middle School, replacement windows at Wylam 1st School and various projects to maintain buildings safety and condition safety at other schools. These projects contribute to improving the learning experience in our schools.
- the Trust continues to network with academies and other educational providers by working together and sharing individual skills, expertise, best practice and learning experiences; and
- the Trust offers apprenticeship opportunities in a variety of skills areas, e.g. finance, teaching assistants, school administration.

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 Cheviot Learning 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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.

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 considered the need for a specific internal audit function and decided to appoint an internal reviewer, WBG LLP; the internal reviewer is independent of both the Trust and its external auditor. WBG LLP performed a range of checks on the Academy Trusts' systems in addition to other relevant external specialists.

The internal auditor'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 payroll systems;
- Testing staff absence systems
- Testing risk management arrangements; and
- Testing of GDPR systems.

CHEVIOT LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

WBG LLP reported a strong assurance to the Finance, Risk and Audit Committee on the operation of the systems of control and the outcomes of all audits. Recommendations received from all 4 reviews have been implemented.

Review of effectiveness

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

- the work of the internal auditor/reviewer;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- 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; and
- correspondence from ESFA, eg financial notice to improve/notice to improve (FNtl/Ntl) and ‘minded to’ letters.

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

Conclusion

Based on the advice of the audit and risk 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.

18 December 2025

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

Signed by:

770708E845F6463...
B Cole

Signed by:

0144DD4FD6B9481...
A Witherow
Accounting officer

CHEVIOT LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2025

As accounting officer of Cheviot Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2024, including responsibilities 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 funds by the trust, or material non-compliance with the terms and conditions of funding under the trust's funding agreement and the Academy Trust Handbook 2024.

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

Signed by:

Alice Witherow

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A Witherow

Accounting Officer

18 December 2025

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CHEVIOT LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees (who are also the directors of Cheviot Learning 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 18 December 2025 and signed on its behalf by:

Signed by:


770708E845F6463...
B Cole

CHEVIOT LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CHEVIOT LEARNING TRUST

FOR THE YEAR ENDED 31 AUGUST 2025

Opinion

We have audited the financial statements of Cheviot Learning 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.

CHEVIOT LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CHEVIOT LEARNING 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.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

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

CHEVIOT LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CHEVIOT LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Signed by:

Azets Audit Services

EEF54E3EB615469

Brian Laidlaw BA CA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services, Statutory Auditor
Chartered Accountants

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

18 December 2025

Date:

CHEVIOT LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO CHEVIOT LEARNING 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 2 May 2024 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 Cheviot Learning 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 Cheviot Learning 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 Cheviot Learning 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 Cheviot Learning 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 Cheviot Learning Trust and the reporting accountant

The accounting officer is responsible, under the requirements of Cheviot Learning 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.

CHEVIOT LEARNING TRUST

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

Signed by:

Azets Audit Services

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Reporting Accountant

Azets Audit Services

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

18 December 2025

Date:

CHEVIOT LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2025 £	Total 2024 £
Income and endowments from:					
Donations and capital grants	3	136,840	-	1,804,548	1,941,388
Donations - transfer of existing academy into the trust		-	-	-	26,987,345
Charitable activities:					
- Funding for educational operations	4	-	37,585,541	-	37,585,541
- Teaching School		-	891,824	-	891,824
Other trading activities	5	3,084,353	-	-	3,084,353
Investments	6	229,762	-	-	229,762
Total		3,450,955	38,477,365	1,804,548	43,732,868
Expenditure on:					
Raising funds	7	-	-	-	-
Charitable activities:					
- Educational operations	9	1,425,439	39,916,954	1,412,223	42,754,616
- Teaching School		-	717,017	-	717,017
Total	7	1,425,439	40,633,971	1,412,223	43,471,633
Net income/(expenditure)		2,025,516	(2,156,606)	392,325	261,235
Transfers between funds	18	(2,262,835)	2,701,413	(438,578)	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	20	-	(370,000)	-	(370,000)
Net movement in funds		(237,319)	174,807	(46,253)	(108,765)
Reconciliation of funds					
Total funds brought forward		2,715,659	641,307	56,196,508	59,553,474
Total funds carried forward		2,478,340	816,114	56,150,255	59,444,709

CHEVIOT LEARNING 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		Unrestricted funds	Restricted funds:		Total 2024
	Notes	£	General £	Fixed asset £	£
Income and endowments from:					
Donations and capital grants	3	98,801	-	1,335,064	1,433,865
Donations - transfer of existing academy into the trust		888,466	-	26,098,879	26,987,345
Charitable activities:					
- Funding for educational operations	4	-	34,859,517	-	34,859,517
- Teaching School		-	874,522	-	874,522
Other trading activities	5	2,377,919	213,846	-	2,591,765
Investments	6	244,148	-	-	244,148
Total		<u>3,609,334</u>	<u>35,947,885</u>	<u>27,433,943</u>	<u>66,991,162</u>
Expenditure on:					
Raising funds	7	-	757,656	-	757,656
Charitable activities:					
- Educational operations	9	1,100,387	36,563,794	1,306,925	38,971,106
- Teaching School		-	618,193	-	618,193
Total	7	<u>1,100,387</u>	<u>37,939,643</u>	<u>1,306,925</u>	<u>40,346,955</u>
Net income/(expenditure)		2,508,947	(1,991,758)	26,127,018	26,644,207
Transfers between funds	18	(2,939,998)	2,558,087	381,911	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	390,000	-	390,000
Net movement in funds		(431,051)	956,329	26,508,929	27,034,207
Reconciliation of funds					
Total funds brought forward		3,146,710	(315,022)	29,687,579	32,519,267
Total funds carried forward		<u>2,715,659</u>	<u>641,307</u>	<u>56,196,508</u>	<u>59,553,474</u>

CHEVIOT LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	13	55,369,816		55,619,181	
Current assets					
Debtors	14	2,466,809		1,756,589	
Cash at bank and in hand		5,669,063		6,851,048	
		8,135,872		8,607,637	
Current liabilities					
Creditors: amounts falling due within one year	15	(3,795,336)		(4,359,494)	
Net current assets		4,340,536		4,248,143	
Total assets less current liabilities		59,710,352		59,867,324	
Creditors: amounts falling due after more than one year	16	(265,643)		(313,850)	
Net assets excluding pension asset		59,444,709		59,553,474	
Defined benefit pension scheme asset	20	-		-	
Total net assets		59,444,709		59,553,474	
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds		56,150,255		56,196,508	
- Restricted income funds		816,114		641,307	
Total restricted funds		56,966,369		56,837,815	
Unrestricted income funds	18	2,478,340		2,715,659	
Total funds		59,444,709		59,553,474	

The financial statements on pages 32 to 60 were approved by the trustees and authorised for issue on 18 December 2025 and are signed on their behalf by:

Signed by:

Ben Cole

770708E845F6463.....
B Cole

Company registration number 07838203 (England and Wales)

CHEVIOT LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Net cash used in operating activities	21	(2,004,910)		(1,784,388)	
Cash funds transferred on conversion		-		2,864,212	
Net cash (used in)/provided by operating activities		(2,004,910)		1,079,824	
Cash flows from investing activities					
Dividends, interest and rents from investments		229,762		244,148	
Capital grants from DfE Group		1,537,200		1,282,477	
Capital funding received from sponsors and others		265,848		51,587	
Purchase of tangible fixed assets		(1,161,358)		(1,779,546)	
Net cash provided by/(used in) investing activities			871,452		(201,334)
Cash flows from financing activities					
New other loan		-		405,891	
Repayment of other loan		(48,273)		(47,779)	
Finance costs		(254)		(3,025)	
Net cash (used in)/provided by financing activities			(48,527)		355,087
Net (decrease)/increase in cash and cash equivalents in the reporting period			(1,181,985)		1,233,577
Cash and cash equivalents at beginning of the year			6,851,048		5,617,471
Cash and cash equivalents at end of the year			5,669,063		6,851,048

CHEVIOT LEARNING 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.

Cheviot Learning Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in Sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

1.2 Going concern

In determining the appropriate basis of preparation of the financial statements, the trustees are required to consider whether the use of going concern is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern for the foreseeable future, being a period of at least 12 months from the date of signing of these financial statements.

The trustees have prepared cash flow forecasts for a period in excess of 12 months from the date of their approval of these financial statements. The cash flow forecasts that the Trustees have prepared are based on their current best estimates and are in line with the funding agreement in place with the Department for Education and show that the Academy Trust can maintain sufficient financial headroom for the foreseeable future.

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.

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Transfer of assets on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred is recognised within donations and capital grant income.

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.

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The land on which the main school buildings for both Dr Thomlinson Church of England Middle School and Harbottle Church of England First School, Morpeth All Saints and Ovingham C of E First School are situated is held on a licence from the Trustees of the RC Diocese of Hexham & Newcastle. As the risks and rewards have been transferred to the Academy Trust, the assets have been recognised within tangible fixed assets. These assets have been recognised at depreciated replacement cost.

Depreciation is provided on the following bases:

Land & Buildings	10-50 years straight line
Assets under construction	No depreciation is provided
Computer equipment	20% - 33% straight line
Fixtures, fittings & equipment	20% - 33% straight line
Motor vehicles	20% - 33% straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposals, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

No depreciation is provided in respect of leasehold land.

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.

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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 to the statement of financial position on a straight-line basis over the lease term.

1.8 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.

1.9 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.

1.10 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.

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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.

1.11 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

1.12 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.13 Agency arrangements

The Trust acts as an agent in the administering of 16-19 Bursary Funds from the DfE. Related payments received from the DfE and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the statement of financial activities. The funds received are paid and any balances held are disclosed accordingly.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

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

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

2 Critical accounting estimates and areas of judgement

(Continued)

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 20, 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.

The UK corporate bond yields at 31 August 2023 were at their highest levels for many years, and remain at a similar level at 31 August 2025, resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the Trust and the valuation has been based on the following estimates:

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

There is no known intention to exit the LGPS and therefore the economic benefit of a refund would be highly unlikely and on that basis recognition of an asset is considered inappropriate. We have however considered the economic benefit available to the Academy trust as a future contribution reduction and whether it is appropriate to recognise the net asset in full. Under FRS 102, a net asset restriction may apply as the prevailing view is that a minimum funding requirement for future service exists in the LGPS. We requested our actuaries consider the impact of the minimum funding requirement on the asset ceiling and as a result we not have restricted the assets calculated in the Teesside and Tyne and Wear pension schemes based upon an asset restriction calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at the 31 August 2025. A liability is reported due to the valuation of other schemes for which the Trust belongs.

Critical areas of judgement

The only significant area of judgement is the useful economic lives of fixed assets, details of which are given above.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donated fixed assets	-	1,500	1,500	1,000
Capital grants	-	1,539,200	1,539,200	1,303,501
Other donations	136,840	263,848	400,688	129,364
	<u>136,840</u>	<u>1,804,548</u>	<u>1,941,388</u>	<u>1,433,865</u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Educational operations				
DfE/ESFA grants				
General annual grant (GAG)	-	30,222,619	30,222,619	29,806,750
Other DfE/ESFA grants:				
- UIFSM	-	269,615	269,615	269,194
- Pupil premium	-	1,084,274	1,084,274	1,049,858
- Sport grant	-	268,285	268,285	268,706
- Emergency funding	-	1,212,333	1,212,333	-
- Core school budget grant	-	1,159,759	1,159,759	-
- Others	-	1,434,767	1,434,767	1,921,128
	-	35,651,652	35,651,652	33,315,636
Other government grants				
Local authority grants	-	1,864,231	1,864,231	1,539,618
Special educational projects	-	9,689	9,689	-
	-	1,873,920	1,873,920	1,539,618
Other incoming resources	-	59,969	59,969	4,263
Total funding for educational operations	-	37,585,541	37,585,541	34,859,517
Teaching schools	-	891,824	891,824	874,522
Total funding	-	38,477,365	38,477,365	35,734,039

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Hire of facilities	105,687	-	105,687	93,689
Catering income	953,188	-	953,188	925,591
Parental contributions	1,602,799	-	1,602,799	1,171,171
Other income	422,679	-	422,679	401,314
	3,084,353	-	3,084,353	2,591,765

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Short term deposits	229,762	-	229,762	243,171
Other investment income	-	-	-	977
	<u>229,762</u>	<u>-</u>	<u>229,762</u>	<u>244,148</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2025 £	Total 2024 £
Expenditure on raising funds					
- Direct costs	-	-	-	-	757,656
Academy's educational operations					
- Direct costs	27,444,152	1,412,223	5,345,487	34,201,862	31,557,116
- Allocated support costs	4,079,855	2,963,598	1,509,301	8,552,754	7,413,990
Teaching School					
- Direct costs	441,262	-	172,833	614,095	522,284
- Allocated support costs	94,698	-	8,224	102,922	95,909
	<u>32,059,967</u>	<u>4,375,821</u>	<u>7,035,845</u>	<u>43,471,633</u>	<u>40,346,955</u>

Net (income)/expenditure for the year includes:

	2025 £	2024 £
Operating lease rentals	291,023	73,085
Depreciation of tangible fixed assets	1,412,223	1,306,925
Fees payable to auditor for:		
- Audit	27,500	27,500
- Other services	7,680	7,250
Bank and loan interest	254	3,025
Net interest on defined benefit pension liability	(70,000)	(30,000)

8 Central services

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

- Governance
- Finance
- Estate management
- People management
- Education
- Communication and administration
- ICT
- Data analysis
- Risk management

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

8 Central services

(Continued)

The academy trust charges for these services on a percentage of school income

The amounts charged during the year were as follows:

	2025 £	2024 £
The King Edward VI School	481,206	335,834
Newminister Middle School	182,516	124,332
Chantry Middle School	181,983	126,720
Abbeyfields First School	92,478	73,546
Dr Thomlinson C of E Middle School	69,659	55,036
Thropton Village First School	23,252	15,762
Harbottle C of E First School	15,718	10,726
Stobhillgate First School	48,363	35,254
All Saints C of E First School	61,517	44,319
Teaching School	27,999	26,245
Prudhoe Community High School	285,980	285,786
Highfield Middle School	138,172	131,275
Whittonstall First School	28,060	27,585
Broomley First School	39,237	39,634
Ovingham C of E First School	40,772	38,755
Mickley First School	27,337	26,370
Prudhoe Castle First School	29,133	25,942
Wylam First School	42,207	40,820
Ovingham Middle School	111,299	105,630
	<u>1,926,888</u>	<u>1,569,571</u>

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Direct costs				
Educational operations	1,425,439	32,776,423	34,201,862	31,557,116
Teaching School	-	614,095	614,095	522,284
Support costs				
Educational operations	-	8,552,754	8,552,754	7,413,990
Teaching School	-	102,922	102,922	95,909
	<u>1,425,439</u>	<u>42,046,194</u>	<u>43,471,633</u>	<u>39,589,299</u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

9 Charitable activities

(Continued)

Analysis of support costs	Teaching school £	Educational operations £	Total 2025 £	Total 2024 £
Support staff costs	96,099	4,150,717	4,246,816	4,084,900
Technology costs	3,075	523,297	526,372	412,197
Premises costs	-	2,963,598	2,963,598	2,634,505
Other support costs	3,748	874,082	877,830	337,022
Governance costs	-	41,060	41,060	41,275
	<u>102,922</u>	<u>8,552,754</u>	<u>8,655,676</u>	<u>7,509,899</u>

10 Staff

Staff costs and employee benefits

Staff costs during the year were:

	2025 £	2024 £
Wages and salaries	23,171,859	22,311,926
Social security costs	2,568,492	2,205,051
Pension costs	5,733,485	5,072,365
Staff costs - employees	<u>31,473,836</u>	<u>29,589,342</u>
Agency staff costs	537,752	657,447
Staff restructuring costs	48,379	70,823
	<u>32,059,967</u>	<u>30,317,612</u>
Staff development and other staff costs	286,841	397,241
Total staff expenditure	<u>32,346,808</u>	<u>30,714,853</u>
Staff restructuring costs comprise:		
Redundancy payments	42,822	60,619
Severance payments	5,557	10,204
	<u>48,379</u>	<u>70,823</u>

Severance payments

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

£0 - £25,000

2

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

10 Staff

(Continued)

Staff numbers

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

	2025 Number	2024 Number
Teachers	345	346
Administration and support	480	449
Management	2	4
	<u>827</u>	<u>799</u>

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

	2025 Number	2024 Number
Teachers	286	291
Administration and support	263	264
Management	2	4
	<u>551</u>	<u>559</u>

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	24	17
£70,001-£80,000	13	10
£80,001-£90,000	8	10
£90,001-£100,000	3	-
£100,001-£110,000	-	2
£110,001-£120,000	3	-
	<u>47</u>	<u>39</u>

Many staff work under more than one contract or casual contracts to additional small part-time roles in school. The calculations included in the previous year excluded these. The staff numbers have been reviewed in the current year and the figures in respect of the prior year have been updated for these individuals.

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 £261,780 (2024: £437,445).

11 Trustees' remuneration and expenses

There was no remuneration or expenses paid to the Trustees' during the year.

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

12 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and 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.

13 Tangible fixed assets

	Land & Buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2024	60,560,735	387,572	562,355	674,322	5,250	62,190,234
Cost transfer	387,572	(387,572)	-	-	-	-
Additions	677,326	249,128	125,380	111,024	-	1,162,858
At 31 August 2025	61,625,633	249,128	687,735	785,346	5,250	63,353,092
Depreciation						
At 1 September 2024	6,155,520	-	165,962	244,321	5,250	6,571,053
Charge for the year	1,117,761	-	183,826	110,636	-	1,412,223
At 31 August 2025	7,273,281	-	349,788	354,957	5,250	7,983,276
Net book value						
At 31 August 2025	54,352,352	249,128	337,947	430,389	-	55,369,816
At 31 August 2024	54,405,215	387,572	396,393	430,001	-	55,619,181

Included within buildings are two properties legally owned by the Diocese of Hexham and Newcastle. The buildings at Dr Thomlinson Church of England Middle School, Morpeth All Saints, Ovingham First School and Harbottle Church of England First School are able to be used under the terms of supplemental lease agreements. The substance of the arrangement is such that Cheviot Learning Trust is able to obtain future economic benefits from the unrestricted use of the asset. As such, the buildings are recognised as a fixed asset recorded at their fair value at the time of conversion. This is treated as the deemed cost.

14 Debtors

	2025 £	2024 £
Trade debtors	82,411	129,634
VAT recoverable	336,105	384,981
Other debtors	11,705	35,791
Prepayments and accrued income	2,036,588	1,206,183
	<u>2,466,809</u>	<u>1,756,589</u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Other loans	44,196	44,262
Trade creditors	1,919,948	2,363,997
Other taxation and social security	350,535	335,599
Other creditors	513,624	426,637
Accruals and deferred income	967,033	1,188,999
	<u>3,795,336</u>	<u>4,359,494</u>

16 Creditors: amounts falling due after more than one year

	2025 £	2024 £
Other loans	<u>265,643</u>	<u>313,850</u>
Analysis of loans	2025 £	2024 £
Wholly repayable within five years	309,839	358,112
Less: included in current liabilities	(44,196)	(44,262)
	<u>265,643</u>	<u>313,850</u>
Loan maturity		
Debt due in one year or less	44,196	44,262
Due in more than one year but not more than two years	44,499	44,262
Due in more than two years but not more than five years	133,425	135,537
Due in more than five years	87,719	134,051
	<u>309,839</u>	<u>358,112</u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

16 Creditors: amounts falling due after more than one year

(Continued)

Loans of £17,600 from Department of Education which is provided on the following terms: CIF loan (Broomley First School) - 10 year loan repayable in monthly installments of £191 from September 2021. Interest rate of 1.95% is payable on the loan.

Loans of £16,480 from Department of Education which is provided on the following terms: CIF loan (Broomley First School) - 10 year loan repayable in monthly installments of £176 from September 2021. Interest rate of 1.95% is payable on the loan.

Loans of £12,095 from Department of Education which is provided on the following terms: CIF loan (Broomley First School) - 10 year loan repayable in monthly installments of £141 from September 2022. Interest rate of 2.07% is payable on the loan.

Loans of £12,800 from Department of Education which is provided on the following terms: CIF loan (Mickley First School) - 10 year loan repayable in monthly installments of £140 from September 2021. Interest rate of 1.95% is payable on the loan.

Loans of £10,005 from Department of Education which is provided on the following terms: CIF loan (Prudhoe Castle First School) - 10 year loan repayable in monthly installments of £148 from September 2022. Interest rate of 1.95% is payable on the loan.

Loans of £7,154 from Salix Finance Limited which is provided on the following terms: Salix Finance Limited loan (Prudhoe Castle First School) - 5 year loan repayable in semi-annual installments of £650 from March 2021. No interest is payable on the loan.

Loans of £14,400 from Department of Education which is provided on the following terms: CIF loan (Wylam First School) - 9 year loan repayable in monthly installments of £165 from September 2022. Interest rate of 1.95% is payable on the loan.

Loan of £40,620 from Department of Education which is provided on the following terms: CIF loan (Ovingham Middle School) - 10 year loan repayable in monthly instalments of £452 from October 2022. Interest rate of 1.59%.

Loans of £237,245 from Department of Education which is provided on the following terms: Urgent Capital Support loan (Ovingham First School) - 10 year loan repayable in monthly installments of £2,321 from September 2022. Interest rate of 1.25% is payable on the loan.

Loan of £20,245 from Department of Education which is provided on the following terms: CIF loan (Broomley First School)- 10 year loan repayable in month instalments of £225 from June 2023. Interest rate of 1.57%.

17 Deferred income

	2025 £	2024 £
Deferred income is included within:		
Creditors due within one year	253,914	705,012
	<u> </u>	<u> </u>
Deferred income at 1 September 2024	705,012	83,565
Released from previous years	(705,012)	(83,565)
Resources deferred in the year	253,914	705,012
	<u> </u>	<u> </u>
Deferred income at 31 August 2025	253,914	705,012
	<u> </u>	<u> </u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

18 Funds

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2025 £
Restricted general funds					
General Annual Grant (GAG)	-	30,222,619	(32,924,032)	2,701,413	-
UIFSM	-	269,615	(269,615)	-	-
Pupil premium	-	1,084,274	(1,084,274)	-	-
Other DfE/ESFA grants	-	4,075,144	(4,075,144)	-	-
Other government grants	-	1,873,920	(1,873,920)	-	-
Teaching School	641,307	891,824	(717,017)	-	816,114
Other restricted funds	-	59,969	(59,969)	-	-
Pension reserve	-	-	370,000	(370,000)	-
	<u>641,307</u>	<u>38,477,365</u>	<u>(40,633,971)</u>	<u>2,331,413</u>	<u>816,114</u>
Restricted fixed asset funds					
Inherited on conversion	52,450,311	-	(984,287)	-	51,466,024
DfE group capital grants	2,337,304	1,539,200	(367,242)	(438,578)	3,070,684
Capital expenditure from GAG	1,643	-	(1,643)	-	-
Capital grants from council on conversion	98,271	-	(1,990)	-	96,281
Other capital income	424,412	263,848	(40,571)	-	647,689
Capital expenditure from unrestricted income	424,030	1,500	(783)	-	424,747
Sixth form	460,537	-	(15,707)	-	444,830
	<u>56,196,508</u>	<u>1,804,548</u>	<u>(1,412,223)</u>	<u>(438,578)</u>	<u>56,150,255</u>
Total restricted funds	<u>56,837,815</u>	<u>40,281,913</u>	<u>(42,046,194)</u>	<u>1,892,835</u>	<u>56,966,369</u>
Unrestricted funds					
General funds	1,872,389	3,450,955	(1,425,439)	(1,729,661)	2,168,244
Designated funds	843,270	-	-	(533,174)	310,096
	<u>2,715,659</u>	<u>3,450,955</u>	<u>(1,425,439)</u>	<u>(2,262,835)</u>	<u>2,478,340</u>
Total funds	<u>59,553,474</u>	<u>43,732,868</u>	<u>(43,471,633)</u>	<u>(370,000)</u>	<u>59,444,709</u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

18 Funds

(Continued)

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

Designated funds represent unrestricted funds that have been put aside by the Trustees for specific projects including school improvement and a new sports hall at The King Edward VI School.

General Annual Grant- General Annual Grant must be used for the normal running of the Academy Trust. The funding agreement does not include a limit on the GAG available to carry forward.

Other DfE/ ESFA grants- this balance comprises pupil premium, year 7 catch up grants, teacher pay grants, strategic school grant and infant school meal funding.

Other government grants- this includes SEN funding and nursery funding.

Teaching schools- this includes National College for Training and Leadership funding.

DfE group capital grants- devolved capital funding and academy capital maintenance funding has been received from the DfE for utilisation on building improvements and refurbishments.

Pension reserve- the costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund including contributions to the LGPS/TPS, hence the pension liability has been aligned with these funds.

Transfer on conversion- this balance is the leasehold main school premises being depreciated over the life of the lease and the estimated value of other fixed assets on conversion being depreciated over their remaining life.

Capital grants on conversion- capital funding was transferred on conversion from the previous school budget share.

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

18 Funds

(Continued)

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

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2024 £
Restricted general funds					
General Annual Grant (GAG)	-	29,806,750	(32,364,837)	2,558,087	-
UIFSM	-	269,194	(269,194)	-	-
Pupil premium	-	1,049,858	(1,049,858)	-	-
Other DfE/ESFA grants	-	2,189,834	(2,189,834)	-	-
Other government grants	-	1,539,618	(1,539,618)	-	-
Teaching School	384,978	874,522	(618,193)	-	641,307
Other restricted funds	-	218,109	(218,109)	-	-
Pension reserve	(700,000)	-	310,000	390,000	-
	<u>(315,022)</u>	<u>35,947,885</u>	<u>(37,939,643)</u>	<u>2,948,087</u>	<u>641,307</u>
Restricted fixed asset funds					
Inherited on conversion	27,342,708	26,098,879	(991,276)	-	52,450,311
DfE group capital grants	742,919	1,303,501	(91,027)	381,911	2,337,304
Capital expenditure from GAG	167,214	-	(165,571)	-	1,643
Capital grants from council on conversion	100,261	-	(1,990)	-	98,271
Other capital income	433,420	31,563	(40,571)	-	424,412
Capital expenditure from unrestricted income	424,813	-	(783)	-	424,030
Sixth form	476,244	-	(15,707)	-	460,537
	<u>29,687,579</u>	<u>27,433,943</u>	<u>(1,306,925)</u>	<u>381,911</u>	<u>56,196,508</u>
Total restricted funds	<u>29,372,557</u>	<u>63,381,828</u>	<u>(39,246,568)</u>	<u>3,329,998</u>	<u>56,837,815</u>
Unrestricted funds					
General funds	2,303,440	3,609,334	(1,100,387)	(2,939,998)	1,872,389
Designated funds	843,270	-	-	-	843,270
	<u>3,146,710</u>	<u>3,609,334</u>	<u>(1,100,387)</u>	<u>(2,939,998)</u>	<u>2,715,659</u>
Total funds	<u>32,519,267</u>	<u>66,991,162</u>	<u>(40,346,955)</u>	<u>390,000</u>	<u>59,553,474</u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

18 Funds

(Continued)

Total funds analysis by academy

	2025	2024
	£	£
Fund balances at 31 August 2025 were allocated as follows:		
The King Edward VI School	-	1,352,123
Newminister Middle School	-	(54,152)
Chantry Middle School	-	308,278
Abbeyfields First School	-	106,728
Dr Thomlinson C of E Middle School	-	231,469
Thropton Village First School	-	50,226
Harbottle C of E First School	-	(11,846)
Stobhillgate First School	-	(25,854)
All Saints C of E First School	-	(42,602)
Teaching School	816,114	641,307
Prudhoe Community High School	-	428,385
Highfield Middle School	-	327,511
Whittonstall First School	-	18,257
Broomley First School	-	(33,618)
Ovingham C of E First School	-	(67,373)
Mickley First School	-	(29,999)
Prudhoe Castle First School	-	404
Wylam First School	-	60,373
Ovingham Middle School	-	(75,755)
Central services	2,478,340	173,104
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	3,294,454	3,356,966
	<hr/>	<hr/>
Restricted fixed asset fund	56,150,255	56,196,508
Pension reserve	-	-
	<hr/>	<hr/>
Total funds	59,444,709	59,553,474
	<hr/>	<hr/>

The Trust has made the decision to hold all reserves centrally. This will remain the case during a period where school budgets are challenging to balance. In future years, the policy to control reserves centrally may be relaxed if school budgets are in a stronger position to create in-year surpluses to build reserves. The Trust will make decisions to allocate reserves to specific purposes based on prioritisation linked to student needs.

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

18 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2025 £	Total 2024 £
The King Edward VI School	7,168,576	865,986	908,086	1,541,141	10,483,789	9,581,824
Newminster Middle School	2,470,918	317,356	344,540	559,589	3,692,403	3,393,854
Chantry Middle School	2,443,471	304,857	434,486	565,504	3,748,318	3,537,843
Abbeyfields First School	1,392,939	241,178	177,176	162,126	1,973,419	1,809,349
Dr Thomlinson C of E Middle School	834,644	233,881	204,079	199,128	1,471,732	1,413,418
Thropton Village First School	286,460	62,532	43,047	62,187	454,226	364,281
Harbottle C of E First School	172,505	28,986	34,034	42,153	277,678	321,245
Stobhillgate First School	635,362	131,219	155,936	145,889	1,068,406	977,866
All Saints C of E First School	919,919	150,943	124,906	138,692	1,334,460	1,238,482
Teaching School	441,261	207,998	6,823	60,934	717,016	618,193
Prudhoe Community High School	4,172,848	491,635	715,689	1,909,193	7,289,365	5,375,769
Highfield Middle School	1,961,589	243,432	232,632	368,821	2,806,474	2,504,168
Whittonstall First School	381,085	80,415	74,690	68,528	604,718	470,493
Broomley First School	567,247	116,560	100,126	101,710	885,643	828,016
Ovingham C of E First School	474,412	91,574	96,394	87,213	749,593	784,157
Mickley First School	345,119	101,528	73,735	59,232	579,614	548,310
Prudhoe Castle First School	473,048	116,142	85,668	85,511	760,369	659,885
Wylam First School	605,166	168,003	79,421	104,425	957,015	889,010
Ovingham Middle School	1,641,235	179,299	213,455	391,869	2,425,858	2,154,054
Central services	599,515	525,965	373,938	(1,350,101)	149,317	1,879,769
	<u>27,987,319</u>	<u>4,659,489</u>	<u>4,478,861</u>	<u>5,303,744</u>	<u>42,429,413</u>	<u>39,349,986</u>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2025 are represented by:				
Tangible fixed assets	-	-	55,369,816	55,369,816
Current assets	2,478,340	4,877,093	780,439	8,135,872
Current liabilities	-	(3,795,336)	-	(3,795,336)
Non-current liabilities	-	(265,643)	-	(265,643)
Total net assets	2,478,340	816,114	56,150,255	59,444,709
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	-	-	55,619,181	55,619,181
Current assets	2,623,138	5,407,172	577,327	8,607,637
Current liabilities	-	(4,359,494)	-	(4,359,494)
Non-current liabilities	-	(313,850)	-	(313,850)
Total net assets	2,623,138	733,828	56,196,508	59,553,474

20 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.

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

Teachers' Pension Scheme

Introduction

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

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

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

20 Pension and similar obligations (Continued)

Valuation of the Teachers’ Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 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 £3,435,897 (2024: £3,843,513).

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 22.20% for employers and 5.50 - 12.50% 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 £	2024 £
Employer's contributions	1,630,000	1,430,000
Employees' contributions	450,000	390,000
Total contributions	2,080,000	1,820,000

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2025 %	2024 %
Rate of increase in salaries	4.00	2.50
Rate of increase for pensions in payment/inflation	2.50	2.50
Discount rate for scheme liabilities	6.00	4.90
Inflation assumption (CPI)	2.50	2.50

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	21.20	20.80
- Females	24.20	24.00
Retiring in 20 years		
- Males	22.10	21.70
- Females	25.30	25.10

Sensitivity analysis

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

	2025 £	2024 £
Discount rate + 0.1%	(380,000)	(470,000)
Discount rate - 0.1%	380,000	470,000
Mortality assumption + 1 year	(440,000)	(590,000)
Mortality assumption - 1 year	440,000	590,000
CPI rate + 0.1%	340,000	420,000
CPI rate - 0.1%	(340,000)	(420,000)

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

20 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2025 Fair value £	2024 Fair value £
Equities	13,060,000	12,080,000
Government Bonds	270,000	290,000
Corporate Bonds	4,890,000	4,490,000
Cash	320,000	190,000
Property	3,000,000	2,510,000
Other assets	5,490,000	4,560,000
Total market value of assets	27,030,000	24,120,000
Restriction on scheme assets	(5,870,000)	(540,000)
Net assets recognised	21,160,000	23,580,000

The actual return on scheme assets was £1,400,000 (2024: £1,950,000).

Amount recognised in the statement of financial activities	2025 £	2024 £
Current service cost	1,330,000	1,150,000
Interest income	(1,220,000)	(1,100,000)
Interest cost	1,150,000	1,070,000
Total amount recognised	1,260,000	1,120,000

Changes in the present value of defined benefit obligations	2025 £
At 1 September 2024	23,550,000
Current service cost	1,330,000
Interest cost	1,150,000
Employee contributions	450,000
Actuarial (gain)/loss	(4,750,000)
Benefits paid	(570,000)
At 31 August 2025	21,160,000

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

20 Pension and similar obligations

(Continued)

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

	2025 £
At 1 September 2024	24,120,000
Interest income	1,220,000
Actuarial gain	180,000
Employer contributions	1,630,000
Employee contributions	450,000
Benefits paid	(570,000)
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At 31 August 2025	27,030,000
Restriction on scheme assets	(5,870,000)
	<hr/>
Net assets recognised	21,160,000
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Restriction of pension scheme assets

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.

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

	Notes	2025 £	2024 £
Net income for the reporting period (as per the statement of financial activities)		261,235	26,644,207
Adjusted for:			
Net surplus on transfer of academy in the trust		-	(26,987,345)
Capital grants from DfE and other capital income		(1,804,548)	(1,335,064)
Investment income receivable	6	(229,762)	(244,148)
Finance costs payable		254	3,025
Defined benefit pension costs less contributions payable	20	(300,000)	(280,000)
Defined benefit pension scheme finance income	20	(70,000)	(30,000)
Depreciation of tangible fixed assets		1,412,223	1,306,925
Decrease in stocks		-	5,543
(Increase) in debtors		(710,220)	(1,065,832)
(Decrease)/increase in creditors		(564,092)	1,958,158
Stocks, debtors and creditors transferred on conversion		-	(1,759,857)
		<hr/>	<hr/>
Net cash used in operating activities		(2,004,910)	(1,784,388)
		<hr/> <hr/>	<hr/> <hr/>

CHEVIOT LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

22 Analysis of changes in net funds

	1 September 2024 £	Cash flows £	31 August 2025 £
Cash	6,851,048	(1,181,985)	5,669,063
Loans falling due within one year	(44,262)	66	(44,196)
Loans falling due after more than one year	(313,850)	48,207	(265,643)
	<u>6,492,936</u>	<u>(1,133,712)</u>	<u>5,359,224</u>

23 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 £	2024 £
Amounts due within one year	551,676	283,316
Amounts due in two and five years	1,677,807	831,616
Amounts due after five years	790,245	897,597
	<u>3,019,728</u>	<u>2,012,529</u>

24 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. No related party transactions took place in the financial period.

25 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.

26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for DfE. In the accounting period ending 31 August 2025 the academy trust received £49,472 and disbursed £49,472 from the fund. An amount of £nil is included in other creditors relating to undistributed funds. Unused funding received prior to the accounting period is repayable to DfE.

Comparatives for the accounting period ending 31 August 2024 are £59,818 received, £59,818 disbursed and £nil included in other creditors.