



LUMEN LEARNING TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

LUMEN LEARNING TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	R Vango D Prendergast I Ingham W Sedgwick P Russell W Walford – stepped down 29/11/2019
Trustees	R Vango, Chair M E McCarthy, Executive Principal and Accounting Officer I Ingham, Vice Chair E Bennett P Rodin A Osmond L Ellis-Philip W Sedgwick K Patel L Sunderland L W Bentley – stepped down 06/01/2020 W Walford – stepped down 06/03/2020

Throughout this annual report the terms “Trustee” and “Director” are used. These terms refer to the same group of people, as listed above.

Company registered number	8670599
Company name	Lumen Learning Trust
Principal and registered office	Saxon Primary School Briar Road Shepperton Surrey TW17 0JB
Company secretary	E Wilkins
Senior management team	M E McCarthy, Executive Principal N Morris, Saxon Co-Headteacher S Kober, Deputy Executive Principal & Darley Dene Headteacher K Pearson, Echelford Co-Headteacher K Oakley, Echelford Co-Headteacher B Davis, Saxon Co-Headteacher P Grimwood, Riverbridge Headteacher D Sonley, Walton Oak Headteacher
Independent auditor	James Cowper Kreston Chartered Accountants and Statutory Auditor Reading Bridge House George Street Reading Berkshire RG1 8LS

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Bankers

Lloyds Bank
73-75 High Street
Staines
Middlesex
TW18 4PP

HSBC Plc
34 High Street
Walton-on-Thames
Surrey
KT12 1DD

Solicitors

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and auditor's report of the Lumen Learning Trust charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates five primary academies for pupils aged 2 to 11 in the Spelthorne, Elmbridge and Runnymede areas of Surrey: The Echelford Primary School, Riverbridge Primary School and Saxon Primary School, all in Spelthorne, Walton Oak School in Elmbridge and Darley Dene Primary School in Runnymede. There was also a Family Centre based at Saxon Primary School, which is managed by Surrey County Council. In addition there are nurseries at Riverbridge Primary School, Walton Oak School and Darley Dene Primary School, all of whom take FEET funded children from 2 and offer full days of provision, Darley Dene has on site learning and additional needs unit (LAN). The academies have a combined pupil capacity of 2,226 and had a roll of 2,435 (plus an additional 110 nursery children at Riverbridge, Walton Oak and Darley Dene) in the October 2020 census.

Structure, Governance and Management

Constitution

The Lumen Learning Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The trustees of the Lumen Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Lumen Learning Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Trust has is part of the Risk Protection Arrangement which covers trustees from claims arising from negligent acts, errors or omissions occurring whilst on trust business. The limit of this indemnity is £10,000,000 for any one loss in any one membership year.

Method of Recruitment and Appointment or Election of Trustees

The number of trustees must be no less than 3 and is not subject to a maximum. Up to 9 trustees can be appointed by the members; the Executive Principal is a trustee and the remainder are Co-opted trustees. Trustees are appointed based on the skills that they will bring to the board. Parent representatives are within the local governing bodies of each school.

Policies and Procedures Adopted for the Induction and Training of Trustees

Prior to appointment trustees will be taken on a tour of the five schools and get the opportunity to discuss the role with the Executive Principal and the Chair. The training and induction provided for new trustees will depend upon their existing experience. On appointment, trustees receive the necessary information relating to the trust for them to perform their duties.

The Trust provides access to online training for trustees via the National Governors Association virtual college site. Additional whole Trust training events take place annually for both Trustees and Local Governors. The trust also employs an accredited professional clerk.

Organisational Structure

The structure consists of four levels: the members; the trustees; local governing bodies; and senior leadership teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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FOR THE YEAR ENDED 31 AUGUST 2020

The trustees are responsible for setting general policy and line managing the Executive Principal. In 2019 - 20 the structure was as follows: there were nine committees:

- a local governing body for each school
- Business and Management Committee (B&M)
- Education Committee
- HR and Strategy Committee and
- Pay Committee.

There is a scheme of delegation, drafted by the trustees, that describes the split of responsibilities between the board, and the Committees. The Committees make recommendations to the board or chair as appropriate for action.

Each local governing body has a maximum of 11 members to include: the Headteacher of the school; 2 elected parents/guardians of a current student at the school; 2 elected staff governors; and such other members as trustees decide. The Chair and Vice-Chair are appointed by the trustees for a two year term. The term of office for all local governors is 4 years after which they may be re-appointed or re-elected.

The senior leadership team in each school consists: the Headteacher, Saxon Primary and the Echelford Primary both have Co-Headteachers; Deputy or Assistant Headteacher; the Inclusion Manager; the School Business Manager; Phase Leaders and other senior teachers as required. These leaders control the academies at an executive level implementing the policies agreed by the trustees and reporting back to them and the relevant local governance board.

Risk Management

The trustees have implemented a system to assess risks that the trust faces, especially in the operational areas (such as in relation to teaching, health & safety and school trips) and in relation to the control of the finances. Systems are in place, including operational procedures and internal financial controls, to minimise risk and professional advice on adequate insurance has been sought.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the trust include the trustees, the Executive Principal and the headteachers of each school. The Academy trustees are all volunteers and receive no remuneration for their role with the exception of the Executive Principal who is an ex-officio trustee.

The pay and remuneration of the key management personnel are set with reference to the trust's pay and appraisal policy, which is based on, and does not exceed, national terms and conditions for leadership pay. An external consultant is used to assist directors in assessing the performance of the Executive Principal. An external consultant is also used to assist and inform the Executive Principal and respective Chair of Governors in appraising the headteachers in each school.

The performance and pay appraisals for the headteachers are set within the context of the national standards of headteachers, supported by the key priorities of each respective school.

The performance and pay appraisal for the Executive Principal focuses on the performance of all the schools in the Trust as well as the performance of schools being supported. Typical KPIs used include the end of KS attainment and progress, pupil numbers and quality of consistency in leadership. In addition, the Executive Principal's performance is also considered within the context of the strategic direction of the Trust as a whole.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Connected Organisations, including Related Party Relationships

Spelthorne Schools Together Confederation

Saxon Primary School; The Echelford Primary School and Riverbridge Primary School are active member schools of the Spelthorne Schools Together Confederation of schools. This year Darley Dene and Walton Oak were also given membership however have not necessarily been eligible to access some of the projects which were funded by ringfenced resources specifically for Spelthorne schools over the last 12 years. The Executive Principal is chair of the confederation which focuses on, amongst other projects, identifying opportunities for closing the gap for vulnerable children, In Year Fair Access for children deemed 'hard to place' and development opportunities for middle and senior leaders. Walton Oak also has links with headteacher network in Elmbridge.

In her role as a National Leader of Education along with her role as Vice Chair of Primary Phase Council, the Executive Principal works closely with Surrey's new School Improvement partner, Schools Alliance for Excellence.

National Support School

The Executive Principal, Mary Ellen McCarthy, is a National Leader for Education (NLE) and Saxon Primary School is designated a National Support School (NSS). NLEs are Ofsted-rated 'outstanding' Headteachers who work with schools in challenging circumstances to support school improvement. Because their support role will often include members of their own staff, the school of a National Leader of Education is called a National Support School. In this context Lumen staff work in partnership with staff from other schools on tailored projects focusing on identified priorities from the school's HMI or Ofsted report. This work is brokered in one of three ways:

- Self-referral from the school requesting the support
- Local Authority deployment - Surrey County Council via Schools Alliance for Excellence
- Teaching school deployment via members of the Surrey Teaching Schools Network

In September 2019 Sarah Kober took on the role of Interim Headteacher at Darley Dene Primary School which commuted to substantive Headteacher once the school had converted to full membership of the Trust

Locality Partnerships and Roles

The Executive Principal also plays an active role within the Local Authority in borough, quadrant and county-wide capacities. In the Year 2019-2020 Mary Ellen McCarthy was a member of the following groups:

Group	Role
Surrey County Council - Primary Council	Vice Chair
Spelthorne Schools Together Confederation of Schools	Chair of Confederation Chair of Management & Project Team
Surrey Safeguarding Children's Partnership	Primary Headteacher representative
Surrey County Council - Ofsted Priority Action Board	Primary Headteacher representative
Surrey County Council - Safeguarding Children Executive	Education representative
Surrey County Council - Schools & Education Safeguarding Executive	Vice Chair
Schools Alliance for Excellence	Primary Schools Risk Assessment Group
Surrey County Council - Neglect subgroup	Education representative
Surrey County Council - Serious Case Review Panel	Education representative, Vice Chair of Serious Case Review Panel

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National Roles

The Executive Principal has a contract with Ofsted committing her to carry out 16 days of inspection activity + additional mandatory training 2-3 times a year. During the year 2019-2020, the Executive Principal fulfilled this expectation up to the point of the pause in inspection activity by Ofsted in March 2020, carrying out inspections in Oxfordshire, West Sussex, Berkshire and Hampshire.

Engagement with employees (including disabled persons)

All school staff have formal performance management discussions and, to support this process, the trust has an appraisal and pay policy, which is reviewed annually. The trust has a trust wide monthly newsletter, "Illumenate", which is distributed to all staff, and "spotlight", an online repository of resources available to all staff on professional development, health and wellbeing, and staff benefits. Additionally, this year a staff survey was carried out to assess confidence on their return to school after the first lockdown of the COVID-19 pandemic.

All schools hold regular staff meetings to ensure that employees are kept up-to-date with, and able to have input into, policies and decisions that may affect them.

Employees and their representatives are consulted on all matters which affect their employment within the trust.

All trust schools have Accessibility Plans. Where required the school liaises with occupational health support, the local authority and Access to work, to provide the necessary support of individuals

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

The trust seeks to build positive relationships with its suppliers, customers and others by ensuring that communication is effective and professional.

Regular meetings are held with our contractors. Continuity of contractors across the Trust enables good communication and awareness centrally of compliance. These regular review with contractors establishes a sound working relationship and assessment of service to ensure best value is received from the contracts. Regular parent surveys take place to ensure that our decisions are based on the needs of the community, recent surveys include :

- catering survey to review parent and children requirements for new catering provider in April 2021
- parent view on school residential trips during COVID if/when allowed.
- COVID – confidence in coming back to school
- Home Learning and moving forward – COVID
- Quality surveys for families (in Saxon Primary and Riverbridge Primary schools) on equal opportunities for children, celebrating diversity, eliminating discrimination
- Parent/children connectivity and remote learning

Pastoral teams across the Trust have organised online parenting workshops which are then publicised on school website for all and virtual coffee mornings.

Objectives and Activities

The Lumen Learning Trust was established as a natural development of the school-to-school support carried out by the leadership team at Saxon Primary.

In February 2010 Saxon Primary School's leadership and management gained an outstanding judgement at Ofsted and began to support vulnerable schools both locally and further afield. In doing so, Saxon Primary School's team were drawing on their own experience of taking Saxon Primary School from a school in Special Measures (2007) to a school in such a position of strength that it gained sponsor status from the Department for Education (DfE) in June 2013, (enabling Saxon Primary School to act as a sponsor for other schools) and was designated a National Support School by the National College for Teaching & Leadership in September 2013.

Our support for other schools is enhanced by the experience and skills of a number of our team; we have 9 accredited Specialist Leaders of Education on the teaching team and our Executive Principal, Mrs Mary Ellen McCarthy is a National Leader for Education and a school inspector.

Saxon's strength has continued to grow and in June 2015 once again was awarded a Good judgement by

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Ofsted with Leadership & Management again being deemed to be Outstanding. A short inspection by Ofsted in June 2019 confirmed the school's status.

Building on the journey to good at Saxon, The Echelford Primary School also achieved a Good judgement by Ofsted in 2016. Riverbridge were inspected in July 2019 and achieved a Good rating in all areas.

In April 2019 Walton Oak School joined the trust, already with a good rating, achieved in an OFSTED review in November 2017.

In February 2020 Darley Dene joined the trust following the RSC's decision to name the trust as the sponsoring MAT for Darley Dene following its Inadequate judgement in June 2019.

We believe education is the 'engine room' to a strong economy. Schools are therefore duty-bound to do all they can to enable their pupils to acquire a relevant and rounded repertoire of skills which enables them to grow into happy, fulfilled adults who can enjoy real choice regarding how they live their lives and who understand their responsibility in terms of supporting the wider community.

We believe primary schools are the beginning of this journey and we have a particular part to play in securing these positive outcomes.

Objects and Aims

The objects and aims of the Lumen Learning Trust are as follows:

- to advance for the public benefit education in the United Kingdom establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum; and
- providing advice and facilities to develop the capacity and skills of parents to be and parents with children primarily but not exclusively under five in such a way that they are better able to identify and help meet the needs of children

Vision

Lumen Learning Trust puts the children's needs at the heart of its provision. We are committed to enabling children become successful lifelong learners and happy, fulfilled adults who can make positive choices about their future.

We are committed to supporting and collaborating with other schools and institutions in the development of learning and leadership to create a stimulating and rewarding environment for the whole community.

This vision is achieved through:

- Developing Leadership Capacity
- Strengthening Classroom Provision
- Realising Potential

Objectives, Strategies and Activities

The main objectives for the period ended 31 August 2020 were as follows:

- Make adjustments to the accommodation at Saxon to accommodate the growing number of pupils, as the school moves to the final phase of transition, from one form to two form entry
- Maintain Echelford's, Saxon's and Riverbridge's positive profile within the community
- Recruit new Headteacher for Walton Oak, following the substantive HT's decision to resign with effect from April 2020
- Provide interim leadership solution for Darley Dene, following abrupt departure of HT in September 2019
- Stabilise provision at Darley Dene and implement change as necessary
- Implement and recruit to new co-headship model at Echelford
- Strive for continuing improvement in the quality of provision & pupil progress in all Trust schools.

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Our work towards achieving those objectives within each of the strategic intentions is detailed below:

Developing Leadership Capacity

The Echelford Primary School

- New Co-head appointed to role April 2020
- 1 member of staff gained NPQML qualification
- 2 members of staff gained NPQSL qualification

Riverbridge Primary School

- 2 members of staff gained NPQML qualification

Saxon Primary School

- 1 member of staff gained NPQML qualification
- 1 member of staff gained the SENCo award

Walton Oak Primary School

- Successful appointment of Deputy Headteacher to become substantive Headteacher
- 2 members of the Senior Leadership Team were successful in their applications onto the NPQSL course
- Interim Senior leadership team established

Darley Dene Primary School

- Former Echelford Headteacher with strong track record in school improvement took up post as substantive Headteacher
- Senior leadership team established
- 2 members of Senior leadership team were successful in their applications onto the NPQSL course
- Middle leadership team established
- 3 members of Middle leadership team successful in their applications onto the NPQML course

Strengthening Classroom Provision

The Echelford Primary School

- 1 member of staff successfully completed their NQT year
- 3 members of support staff successfully gained places on SCITT programme with South Farnham

Riverbridge Primary School

- 5 teachers were successful in passing their NQT year
- 1 member of support staff successfully gained a place on SCITT programme with South Farnham
- 1 member of staff was successful in their application to becoming a Higher Level Teaching Assistant
- 1 member of staff passed their Maths Equivalency test

Saxon Primary School

- 2 members of staff were successful in their applications to becoming Higher Level Teaching Assistants
- 2 members of staff were successful in their training to become teachers via the SCITT programme
- 1 member of staff successfully completed their NQT year

Walton Oak Primary School

- 1 member of staff successfully completed their NQT year
- 2 members of staff were successful in their training to become teachers via the SCITT programme
- 1 member of staff was successful in the conversion of overseas teacher training to UK qualified teacher status
- New assessment tracking processes implemented and brought in line with other schools in the Trust
- New arrangements for teaching of PE implemented and brought in line with other schools in the Trust

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Darley Dene Primary School

- Expectations regarding effective teacher introduced and team members held to account for performance
- Appropriately qualified teachers appointed to roles
- Teaching assistant team fully restructured
- Behaviour management systems implemented
- Assessment tracking processes implemented and brought in line with other schools in the Trust
- All aspects of Safeguarding practice fully overhauled
- New PPA arrangements implemented
- New arrangements for teaching of PE implemented and brought in line with other schools in the Trust
- Before and after school care implemented
- Office team fully restructured

Realising Potential

Partial closure and cancellation of end of KS assessments and Phonic Screen impacted on performance data available

Significant activities

Significant activities, not mentioned above, include the following:

- Successful HMI monitoring visit of Darley Dene in October 2019
- Provided NLE support for The Hythe Community School
- Provided NLE support for Hurst Green Infant and Nursery School
- Executive Principal supported LA in a range of activities during partial closure including:
 - Co-Chair of Encouraging School Attendance subgroup
 - Identification of 'legacy cases' regarding safeguarding to establish possible scale of risk within schools in Surrey as a result of decades of inadequate practice (as evidenced by SCC's Inadequate Ofsted judgements 2015 & 2018)
 - Primary school representative on LA's Education Cell as part of their response to COVID-19
 - Education representative on COVID-19 Safeguarding Executive group
 - Work with SAfE to support schools' response to COVID recovery curriculum
- Provided food hampers to all PP children throughout partial closure; this activity was led and carried out by a range of staff from all the staff teams
- Two LLT schools stayed open throughout Easter holidays 2020 in order to provide child care for key workers in Spelthorne, Runnymede and Elmbridge

Public Benefit

The trustees confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties.

Strategic Report

Achievements, Performance and Key Performance Indicators (KPIs)

The end of all KS assessments were cancelled due to the pandemic.

Numbers on roll were maintained or improved for all 5 schools; Riverbridge had the most number of preferences of all primary schools in Spelthorne.

Ofsted Inspection Outcomes

HMI carried out a monitoring visit at Darley Dene in October 2019 which resulted in a report that commented positively on all the action being taken to move the school out of Special Measures.

Attendance

Following the wider opening of schools in May all schools built up to a maximum of 50% attendance. Most noteworthy was the attendance of the children with social workers which was much higher than the national average across all the schools.

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During 2019-20 there were on average 413 (2018-19 390) pupils at Saxon Primary School, 596 (2018-19 590) pupils at The Echelford Primary School, 663 (2018-19 662) primary and nursery pupils at Riverbridge Primary School and 466 (2018-19 459) primary and nursery pupils at Walton Oak School.

Financial Performance

The majority of the trust's income is from the DfE via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which are restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure are shown in the restricted funds in the Statement of Financial Activities.

The trust also receives a recurring devolved formula capital grant from the ESFA and was in receipt of three Condition Improvement Fund (CIF) grants in 2019/20 for:

- £50,244 for heating and pipework at Echelford Primary School, with an additional £341,717 income accrued to cover in year expenses
- £43,322 for improvements to fire safety at Riverbridge Primary School, with an additional £140,593 income accrued to cover in year expenses.
- £43,534 for improvements to site security at Saxon Primary School.

The CIF grant is shown as restricted income in the Restricted Fixed Asset fund. The balance of Restricted Fixed Asset fund is reduced by the depreciation charges on the assets inherited from Surrey County Council and those acquired using these funds.

During the period ended 31 August 2020, the total expenditure of £13,029,411 was met by recurrent grant funding from the ESFA together with other incoming resources. The majority of expenditure is on staff costs; enabling the teaching and welfare needs of pupils to be met along with the administration, management and leadership of the trust and its constituent elements.

The net book value of fixed assets on 31 August 2020 were £34,874,241, which includes the additions of £7,296,673, the bulk of which is £6,340,000 for Darley Dene Land and Buildings, and depreciation charges for the period of £1,023,157.

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, despite the impact of further COVID-19 costs expected in the next financial year, which will unlikely to be recovered from the government. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in Note 1 of the accounts.

Impact of COVID-19

During the year ended 31st August 2020, the trust as a whole incurred additional expense of £106,160 and lost self-generated income of £29,583.

The expenses in keeping our staff, children and their families as safe as possible, ranged from additional cleaning supplies, PPE, social distancing signage, additional cleaning stations, screens to protect office staff and other COVID specific expense, to food hampers distributed to some families over holiday periods, staffing costs over the school holidays and additional cleaning costs.

Of this, we were only able to successfully reclaim £13,785 (13% of additional expense) from the government. The rest was either covered within a school's "in year" surplus, or funded by reserves.

See Appendix 1 for further details.

Promoting the success of the company

The Trust exists to fulfil its charitable purposes of delivering education and providing opportunities for the hire of facilities by the local community. The Trust believes that these objects are best served by:

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- Conducting business in an ethical, appropriate, and caring manner
- Taking a responsible approach to our environmental impact

Financial Review

In Year financial performance

The trust, in the current year, shows a surplus of £5,332,447 (before actuarial losses).

Reserves Policy

Reserves are defined as that part of a trust's unrestricted income funds plus GAG fund that are freely available to spend on any of the trust's charitable purposes. This excludes restricted income funds although the level of such funds influences the trust's reserves policy. Reserves normally exclude tangible fixed assets held for the trust's use and any amounts designated for essential future spending.

Holding excessive reserves can unnecessarily limit the amount spent on charitable activities, reducing the potential benefits the trust can provide. However, if reserves are too low then the trust's solvency and future activities can be put at risk.

The trust has developed its reserves policy in an integrated manner, recognising that strategic and financial planning informs the development of the reserves policy and vice versa. Our reserves are held to:

- Ensure troughs in funding projected from financial forecasts can be met from reserves held
- Meet the cost of needs that cannot be met from the income of a single year's budget alone, specifically:
 - Walton Oak School – Provide funding to support "Outdoor Play & Learning" project.
- Provide capacity to expand the trust, specifically:
 - Funds to meet the costs of legal and professional fees associated with new schools joining the trust
 - Funds to employ staff to ensure the trust has capacity for expansion
- Provide a financial cushion and the capacity in which to react to policy, demographic, funding, staffing or legal changes that may have adverse impact on the trust
- Manage unforeseen financial difficulties or unexpected calls on trust's funds, such as the COVID-19 costs which were unable to be reclaimed from DfE.
- Provide Contributions to support successful CIF bids / projects.

As the trust matures, reserves will need to be set aside to cover building and maintenance works that cannot be funded out of a single year's income. The revenue budget and forecasts include an amount for maintenance in each year that covers the works described in the condition survey of each site. The need for additional funds to be set aside each year over and above this, needs to be considered. One option would be to fund future projects via loans on offer from the DfE. The level of reserves are monitored throughout the year as part of the budgetary process and the trust's reserve policy is kept under review to ensure it meets the charity's changing needs and circumstances.

The level of reserves held at 31st August 2020 total £30,135,493 of which £2,508,928 are free reserves. The target range of free reserves to be held is £825,000 to £860,000. Amounts held over this amount will be spent in the next financial year or designated for a specific purpose.

The financial impact of COVID-19 on our reserves for 19/20 is limited to £121,958. This consists the £92,375 worth of expenses that we were unable to reclaim, plus the loss of self-generated income of £29,583.

Investment Policy

The Trust aims to manage its cash balances to provide for the operational working capital requirements of its operations plus any planned use of reserves. The Trust does not consider the investments of funds as a primary activity, rather as a result of good stewardship when circumstances allow.

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TRUSTEES' REPORT (CONTINUED)
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Principal Risks and Uncertainties

A risk management matrix detailing both key financial and non-financial risks was initially completed by a team that included the Executive Principal, a trustee, a school business manager and the finance manager. Risks were assessed in relation to their likelihood of incidence and their potential impact on the trust to give an overall risk rating. The risk matrix is reviewed in the light of new information and is formally updated annually. In 2019-20 the risk matrix was reviewed at all director committee meetings (as a standing agenda item) and by School Business Managers, Head of Finance, Head of Operations and other relevant senior leaders to ensure that the matrix remains current. The identification of key risk areas has then informed trust activities, areas identified as high risk are as follows:

Difficulties in recruiting/retaining staff

The success of the trust is reliant on the quality of its staff and competition from other bodies can lead to difficulties in recruiting and retaining good quality staff, so the trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Income levels inadequate

The trust is reliant on continued Government funding through the ESFA. There is no assurance that government policy or practice will remain the same or that the public funding will continue at the same levels or on the same terms. The number of pupils on roll at each school drives a large part of the GAG funding from the ESFA. The number of pupils across the trust are 209 below capacity as at October 2020. The projected, short term, in-year deficits that this creates are to be funded from the current free reserves.

Adverse reports as the result of monitoring visits (e.g. Ofsted) can have a negative impact on the pupils on roll as parents often choose to send their children to other local schools if there are places available. Echelford Primary School's good rating saw numbers rise in 2018-2019 and similarly Riverbridge's Good Ofsted from June 2019 is already having a positive impact in this context.

Breach of Statutory Requirements

There is an inherent risk in operating a school that a statutory requirement may be breached. Systems, policies and operational procedures exist to minimise the risk but it cannot be eliminated entirely. During 2019-20 GDPR continued to be embedded across the trust, including joining schools and the Head of Operations and Communications Officer continue to work with an external Data Protection Office (DPO) to ensure that policies and staff training remain compliant, evidenced by the external DPO audit report.

Acts of God, impact of adverse weather conditions

The trust has taken professional advice and ensured that appropriate insurance is in place. Each school also has a business continuity plan to cover such events.

COVID-19 Risks

COVID-19 created new risks in terms of the type of threat to the trust but, given the existing risk management structure in place, individual risk assessments were amended and updated to address COVID specific risks in each school and insurance in place proved appropriate for covering expenses already made in regards to cancelled residential trips, which mitigated the financial risk where possible. Senior leaders across the trusts schools and at board level reviewed this risk management for COVID-19 specifically on an ongoing and regular basis, sometimes daily, to ensure continued safety for the staff, children and their families wherever possible, following government guidelines as and when published.

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Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumptions used to calculate emissions (kWh)	2,227,757 kWh
Energy consumption break down (kWh)	Gas; 1,735,438 kWh Electricity; 489,969 kWh Transport fuel; 2,350 kWh
<u>Scope 1 emissions in metric tonnes CO₂e</u> Gas consumption Owned transport - mini-buses Total scope 1	Gas; 319.1 tCO ₂ e Owned transport; 3.7 tCO ₂ e Total; 322.8 t CO ₂ e
<u>Scope 2 emissions in metric tonnes CO₂e</u> Purchased electricity	114.2 tCO ₂ e
<u>Scope 3 emissions in metric tonnes CO₂e</u> Business travel in employee owned vehicles	
Total gross emissions in metric tonnes CO ₂ e	437.0 tCO ₂ e
Intensity ratio Tonnes CO ₂ e per pupil	0.2 tCO ₂ e

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 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have invested technology to enable increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Plans for Future Periods

One of the long-term key aims for the Lumen Learning Trust is to create a Trust that could be termed a 'mixed economy'. We understand there is strength in diversity therefore we are looking to build a Trust of schools that reflects this, and so in time would include not just primary provision but special and nursery as well.

Over the next 12 months the key objectives are:

- where necessary accelerate attainment and progress across the trust whilst maintaining existing high standards
- maintain positive profiles of existing LLT schools within their respective communities
- build pupil numbers across the Trust – particularly in Walton Oak
- Continue to integrate Walton Oak School into the trust.
- Successfully induct Darley Dene from Spring Term 2020
- Improve pupil outcomes in Walton Oak
- Improve pupil outcomes in Darley Dene

LUMEN LEARNING TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Details of any activities planned to achieve them

- work in partnership across the trust and with colleague NLEs, Teaching Schools and individual consultants in scrutinising provision and identifying areas for particular focus
- fulfilling expectations as detailed in each school's respective School Development Plan
- continue to play an active part in all relevant partnerships including Spelthorne Schools Together; Local Authority groups

Funds Held as Custodian Trustee on Behalf of Others

The Lumen Learning Trust is not acting as a custodian trustee for others.

Appendix 1 – Covid-19 considerations

- The impact of COVID-19 on children's outcomes are variable across the Trust and still being fully ascertained. Baselines have been taken in a variety of ways and plans made to address any learning gaps identified. All 5 schools have been successful in being given funded opportunity by the DfE to implement the Nuffield Early Language Intervention programme for use in Reception.
- Whilst some claims for the DfE funding could be made against additional COVID costs – these were limited by the restrictions placed on the accessibility of these funds, namely the category of expense and whether a school was expecting to add to its reserves in the year.
- Total additional expense across the trust was £106,160.
- The impact of COVID-19 was also adversely felt in terms of lost income via lettings of £29,583, most notably the swimming pool use at Saxon Primary.
- Two schools within the trust were unable to claim back any additional COVID-19 expense because, due to careful planning and efficiencies made earlier in the year, they had a surplus for the 2019/20 year.
- Of those schools who had a deficit for 2019/20 and were therefore able to claim, only £13,785 of the amount claimed was approved, the bulk of this being part of the cost of providing food hampers to various families over the holiday periods and summer term.
- This represents only 13% of the total expense over the year.
- There is another window to claim which closes in December 2020 (so income will be received in next financial year) and we hope to be able to claim for a further £16,950 relating to hampers sent in the summer term to families – again for only 3 schools out of the 5.
- If successful, this will take the amount reclaimed to £30,735, 29% of total 2019/20 expense.
- We will be unable to claim for any additional costs in 2020/21, as we have a greater level of reserves than allowed for in the reclaim guidance (which is 4% of GAG funding)

LUMEN LEARNING TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Auditor

Insofar 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.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7th January 2021 and signed on its behalf by:


.....
R Vango
Chair of Trustees

LUMEN LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lumen Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 3 times during the year.

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

Trustee	Meetings attended	Out of a possible
R Vango (Chair)	3	3
I Ingham (Vice –Chair)	1	3
ME McCarthy (Executive Principal and Accounting Officer)	3	3
P Rodin	3	3
W Walford	0	1
W Sedgwick	1	3
L Ellis-Philip	3	3
A Osmond	2	2
E Bennett	3	3
L Sunderland	2	3
L Bentley	1	1
K Patel	1	2

Recruitment and retention of quality trustees is an on-going challenge:

Business and Management Committee

The Business and Management Committee is a Trustee committee, its purpose is to offer support and guidance to the executive principal in all matters relating to finance, premises, health & safety, related matters for the trust. The Finance Director, Accountant Director, the Trust's Head of Finance, Head of Operations and School Business Managers attend the meetings. One representative from each local governing body is also encouraged to attend. Attendance at meetings in the year, by trustees, was as follows:

Trustee	Meetings attended	Out of a possible
I Ingham (Committee Chair)	3	3
ME McCarthy (Executive Principal and Accounting Officer)	3	3
R Vango	3	3
E Bennett	2	3
L Sunderland	2	2

LUMEN LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Strategy and HR Committee

The Strategy and HR Committee is a Trustee committee, its purpose is to ensure a clarity of vision, ethos and strategic direction and to discuss HR and staffing matters. The Chair and Vice-Chair of Directors, HR Director, Executive Principal, Deputy Executive Principal, Head of Finance and Head of Operations attend.

Trustee	Meetings attended	Out of a possible
R Vango (Chair)	2	2
I Ingham (Vice-Chair)	2	2
ME McCarthy (Executive Principal and Accounting Officer)	2	2
A Osmond	2	2
P Rodin	1	2

Education Committee

The Education Committee is a Trustee committee, its purpose is holding executive leaders to account for the educational performance of the Trust and its pupils. The Executive Principal and or her deputy, the Chairs of Governors and the Headteachers attend.

Trustee	Meetings attended	Out of a possible
ME McCarthy	1	1
R Vango	1	1
P Rodin	1	1
W Sedgwick	1	1
W Walford	0	1
L Ellis-Philip	1	1
L Bentley	1	1

Each local governing body is also a committee of the main board of trustees Attendance at meetings in the year, by trustees, was as follows:

Saxon Primary School – Local Governing Body

Trustee	Meetings attended	Out of a possible
W Sedgwick (Chair)	3	3
ME McCarthy	2	2

The Echelford Primary School – Local Governing Body

Trustee	Meetings attended	Out of a possible
W Walford (Chair)	1	1
ME McCarthy	2	2
R Vango	1	1

Riverbridge Primary School

Trustee	Meetings attended	Out of a possible
L Ellis-philip (Chair)	3	3
ME McCarthy	2	2

LUMEN LEARNING TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Walton Oak School

Trustee	Meetings attended	Out of a possible
ME McCarthy	3	4
R Vango	1	1
L Bentley	2	2
K Patel	2	2

Darley Dene Primary School

Trustee	Meetings attended	Out of a possible
ME McCarthy	1	1
R Vango	1	1

Review of value for money

As Accounting Officer the Executive Principal has responsibility for ensuring that the academy 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 achieved in return for the taxpayer resources received.

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting office for the academy trust has delivered improved value for money during the year by:

- The trust has worked closely with the newly appointed IT support company to ensure strategic purchasing of IT hardware and software across the trust. The IT support company also provided a RAG Status review document of the IT landscape across the trust with various solutions to improve infrastructure to lead to a more efficient trustwide IT solution.
- Head of Operations carried out a review of suppliers in 2018/19 for all schools across the trust and reviewed various supplies through the DfE framework, which we anticipate will bring in cost efficiencies over the next few years. They are;
 - o Statutory Premises inspections
 - o Broadband
 - o Water Services
 - o Energy suppliesThis process is ongoing and will continue over time. Additionally, Darley Dene and Walton Oak will continue to move across to trust suppliers as their existing contracts complete.
- A number of tasks continue to be carried out in house and save on funds paid to external suppliers. These include;
 - o GDPR training and monitoring
 - o Health and Safety audits
 - o Catering audits
 - o Cleaning contract and caretaking management

LUMEN LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Review of Governance

In the interest of good practice the Board of Directors conducts a self-review of effectiveness of governance arrangements annually and uses this as an opportunity to appraise current practice and processes and make changes if necessary. The review in 2019-20 focussed on the review of the Directors committee terms of reference, including those of the Local Governance Boards and the Scheme of Delegation. To facilitate the flow of information a dedicated governance website, Google Classroom and shared Google Drive has been set up. All meeting documents are uploaded to the shared drive for reference. Directors are able to use the entire drive and view all committee papers, including those of the LGBs. The Local Governance Boards can view the meeting papers of all trust schools, to enable shared best practice.

Both the Local Governing Bodies and the Board of Directors also carry out an on-going process of self-evaluation, particularly in consideration of new members of Directors or Local Governing Bodies. There is a constant focus on ensuring all members of these groups have the relevant skills set in order to fulfil the Vision for the Trust. Directors and Governors have a standing item on their meeting agendas to consider the strengths and areas for development and the evidence to support this. The induction process for new governors and trustees has been reviewed with new training material available to support the process. In addition a chair's handbook has been written to support the new chairs of governors into role.

Working together with senior leaders, directors provide effective strategic leadership which has had a positive impact on many aspects of the academy's work and its overall performance. On balance the board of directors is currently effective in discharging its core functions and responsibilities but will need to adapt as the trust enters a new cycle of significant challenge (trust growth and funding pressures).

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 the Lumen Learning Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

LUMEN LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk (continued)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the business and management 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor, the Head of Finance has an oversight of internal audit and reviews on an ongoing and continuous basis. However, the trustees have appointed James Cowper Kreston, the external auditor, to perform additional checks.

The requirements of the newly revised FRC Ethical Standard for auditors where a firm providing external audit to an entity shall not also provide internal audit services to it has resulted in the appointment of a separate audit firm; Bishop Fleming, to undertake internal assurance reviews and reports from September 2020 onwards.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. Checks carried out in previous periods included:

- testing of control account/bank reconciliations
- review of management reporting
- testing of other income, petty cash and expenses

After each visit, the reviewer provides a written report to the board of trustees, through the finance and resources purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

During previous visits no significant weaknesses have been reported by James Cowper Kreston.

The trustees had no particular areas that they wished to be examined in 2019-20 but an internal assurance audit was undertaken. No significant risks were identified from the assurance work.

LUMEN LEARNING TRUST
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GOVERNANCE STATEMENT (CONTINUED)

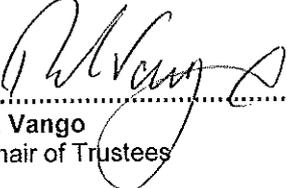
Review of effectiveness

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

- the results of previous internal reviews;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 7th January 2021 and signed on their behalf by:


.....
R. Vango
Chair of Trustees


.....
M. E. McCarthy
Accounting Officer

LUMEN LEARNING TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Lumen Learning Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 Academies Financial Handbook 2019.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2019.

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


.....

M E McCarthy
Accounting Officer

Date: 7th January 2021

LUMEN LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial . 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 of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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 and signed on its behalf by:

.....
R Vango
Chair of Trustees

Date: 7th January 2021

LUMEN LEARNING TRUST
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of Lumen Learning Trust (the 'academy') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2020 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

LUMEN LEARNING TRUST
(A company limited by guarantee)

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the 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.

LUMEN LEARNING TRUST
(A company limited by guarantee)

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) 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'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 academy or to cease operations, 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the academy'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 academy'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 academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Darren O'Connor BSc (Hons) FCCA ACA (Senior statutory auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor
Reading Bridge House

George Street
Reading
Berkshire
RG1 8LS

Date: 8 January 2021

LUMEN LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LUMEN LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lumen Learning Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Lumen Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Lumen Learning Trust's funding agreement with the Secretary of State for Education dated 01 October 2013 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. 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 year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls, policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

LUMEN LEARNING TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LUMEN
LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



James Cowper Kreston

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Date: 8 January 2021

LUMEN LEARNING TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	27,674	(201,038)	7,178,815	7,005,451	13,045,970
Charitable activities		386,827	10,907,673	-	11,294,500	8,536,622
Other trading activities		50,225	-	-	50,225	51,858
Investment income	6	11,682	-	-	11,682	12,298
Total income		476,408	10,706,635	7,178,815	18,361,858	21,646,748
Expenditure on:						
Charitable activities		226,381	11,779,873	1,023,157	13,029,411	9,772,427
Total expenditure		226,381	11,779,873	1,023,157	13,029,411	9,772,427
Net income/(expenditure)		250,027	(1,073,238)	6,155,658	5,332,447	11,874,321
Transfers between funds	19	-	(220,661)	220,661	-	-
Net movement in funds before other recognised gains/(losses)		250,027	(1,293,899)	6,376,319	5,332,447	11,874,321
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	28	-	(1,339,000)	-	(1,339,000)	(1,337,000)
Net movement in funds		250,027	(2,632,899)	6,376,319	3,993,447	10,537,321
Reconciliation of funds:						
Total funds brought forward		1,219,450	(3,638,650)	28,561,246	26,142,046	15,604,725
Net movement in funds		250,027	(2,632,899)	6,376,319	3,993,447	10,537,321
Total funds carried forward		1,469,477	(6,271,549)	34,937,565	30,135,493	26,142,046

The notes on pages 33 to 60 form part of these financial statements.

LUMEN LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 8670599

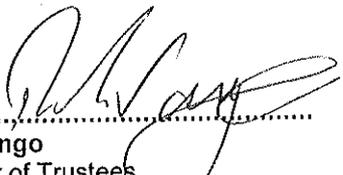
BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	34,874,241	28,606,268
		34,874,241	28,606,268
Current assets			
Stocks	15	10,181	14,046
Debtors	16	1,135,652	496,462
Cash at bank and in hand		3,427,112	2,758,620
		4,572,945	3,269,128
Creditors: amounts falling due within one year	17	(1,926,313)	(1,298,463)
		2,646,632	1,970,665
Net current assets		2,646,632	1,970,665
Total assets less current liabilities		37,520,873	30,576,933
Creditors: amounts falling due after more than one year	18	(74,380)	(96,887)
Defined benefit pension scheme liability	28	(7,311,000)	(4,338,000)
		30,135,493	26,142,046
Total net assets		30,135,493	26,142,046
Funds of the academy			
Restricted funds:			
Fixed asset funds	19	34,937,565	28,561,246
Restricted income funds	19	1,039,451	699,350
		35,977,016	29,260,596
Restricted funds excluding pension asset	19	35,977,016	29,260,596
Pension reserve	19	(7,311,000)	(4,338,000)
		28,666,016	24,922,596
Total restricted funds		28,666,016	24,922,596
Unrestricted income funds		1,469,477	1,219,450
		30,135,493	26,142,046
Total funds		30,135,493	26,142,046

LUMEN LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 8670599

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 29 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


.....
R Vango
Chair of Trustees
Date: 7th January 2021

The notes on pages 33 to 60 form part of these financial statements.

LUMEN LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	21	808,718	1,222,860
Cash flows from investing activities			
	23	(117,719)	(389,990)
Cash flows from financing activities			
	22	(22,507)	(22,508)
Change in cash and cash equivalents in the year		668,492	810,362
Cash and cash equivalents at the beginning of the year		2,758,620	1,948,258
Cash and cash equivalents at the end of the year	24, 25	3,427,112	2,758,620

The notes on pages 33 to 60 form part of these financial statements

LUMEN LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

LUMEN LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Income

All incoming resources are recognised when the academy 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 year for which it is receivable and any abatement in respect of the year 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.

• **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 year it is receivable and to the extent the academy has provided the goods or services.

• **Transfer on conversion**

Where assets and liabilities are received by the academy on conversion to an academy, the transferred 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. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

LUMEN LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.6 Going concern

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

1.7 Tangible fixed assets

Assets costing £500 or more (IT equipment £250) 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 requiring 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, less their estimated residual value, over their expected useful lives on the following basis:

Buildings	- 2% - 20% Straight line
Fixtures & fittings	- 5% - 33% Straight line
Computer equipment	- 33% Straight line

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

1.8 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

LUMEN LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.10 Taxation

The academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

1.11 Debtors

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

1.12 Cash at bank and in hand

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

1.13 Liabilities and provisions

Liabilities and provisions 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 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. Provisions are measured at the best estimate of the amounts required to settle the obligations. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. 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 as detailed in notes 17 and 18. 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. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

LUMEN LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.15 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 on the basis of quadrennial valuations using a prospective unit credit method. 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 recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 operating surplus 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.

1.16 Conversion to an academy trust

The conversion from a state maintained school to an academy involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Darley Dene Primary School to the academy have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 3.

LUMEN LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

Depreciation

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

LUMEN LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations and other voluntary income	27,674	-	-	27,674	65,862
Capital grants	-	-	790,584	790,584	309,236
Transfer from Local Authority on conversion of academy	-	(201,038)	6,388,231	6,187,193	12,670,872
	<u>27,674</u>	<u>(201,038)</u>	<u>7,178,815</u>	<u>7,005,451</u>	<u>13,045,970</u>
Total 2019	<u>65,862</u>	<u>(250,577)</u>	<u>13,230,685</u>	<u>13,045,970</u>	

On 1 February 2020 Darley Dene Primary School joined Lumen Learning Trust. Details of the transfer from Surrey County Council can be found in note 26.

4. Trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings income	50,225	50,225	51,858
Total 2019	<u>51,858</u>	<u>51,858</u>	

LUMEN LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Funding for the academy's direct costs educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	8,230,767	8,230,767	6,189,824
Other DfE/ESFA grants	-	1,634,212	1,634,212	835,545
	-	9,864,979	9,864,979	7,025,369
Other government grants				
Local authority grants	-	967,110	967,110	750,839
	-	967,110	967,110	750,839
Other income from educational activities	386,827	75,584	462,411	760,414
	386,827	10,907,673	11,294,500	8,536,622
Total 2019	552,906	7,983,716	8,536,622	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	11,682	11,682	12,298
Total 2019	12,298	12,298	

LUMEN LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Academy's educational operations:					
Direct costs	7,846,805	-	1,666,130	9,512,935	6,939,463
Support costs	2,104,685	553,200	858,591	3,516,476	2,832,964
	<u>9,951,490</u>	<u>553,200</u>	<u>2,524,721</u>	<u>13,029,411</u>	<u>9,772,427</u>
Total 2019	<u>7,155,786</u>	<u>452,298</u>	<u>2,164,343</u>	<u>9,772,427</u>	

8. Analysis of expenditure by activities

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Academy's Educational Operations	<u>9,512,935</u>	<u>3,516,476</u>	<u>13,029,411</u>	<u>9,772,427</u>
Total 2019	<u>6,939,463</u>	<u>2,832,964</u>	<u>9,772,427</u>	

LUMEN LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	2,042,816	1,589,190
Recruitment and support	21,338	11,469
Maintenance of premises	133,331	126,161
Maintenance of equipment	38,916	33,117
Cleaning	205,368	150,912
Rates	45,244	31,145
Water rates	25,245	16,681
Energy	103,883	94,466
Insurance	39,035	32,875
Security	1,094	58
Transport	19,900	11,445
Catering	461,839	461,658
Technology costs	140,941	77,668
Bank interest and charges	10,268	7,752
Travel and subsistence	573	3,220
Other support costs	214,400	172,370
Governance costs	12,285	12,777
	<u>3,516,476</u>	<u>2,832,964</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	10,249	10,731
Depreciation of tangible fixed assets	1,023,157	766,056
Fees paid to auditor for:		
- audit	8,200	7,960
- other services	2,665	3,775
	<u>8,200</u>	<u>7,960</u>
	<u>2,665</u>	<u>3,775</u>

LUMEN LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	6,862,677	5,261,936
Social security costs	573,013	424,448
Pension costs	2,398,113	1,399,752
	9,833,803	7,086,136
Agency staff costs	117,687	69,650
	9,951,490	7,155,786

b. Staff numbers

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

	2020	2019
	No.	No.
Teachers	114	90
Administration and support	215	169
Management	26	21
	355	280

c. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	2	-
In the band £90,001 - £100,000	1	1

The above employees all participated in the Teachers' Pension Scheme. During the year ended 31 August 2020, pension contributions for staff member amounted to £71,620 (2019: £24,711).

d. Key management personnel

The key management personnel of the academy comprise the Executive Principal and the Deputy Executive Principal. The total amount of employee benefits (including employer pension contributions and

LUMEN LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Staff (continued)

d. Key management personnel (continued)

employer national insurance contributions) received by key management personnel for their services to the academy was £228,735 (2019 £190,897).

11. Central services

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

- Executive Principal
- Deputy Executive Principal and Headteacher for Darley Dene School
- Pastoral Co-Ordinator
- Leadership consultancy
- Sports premium mentor
- Legal and professional services
- Finance and administration
- Operations management
- Drafting of trust policies

The academy charges for these services on the following basis:

Each school in the trust makes a partnership contribution each month which is 5% of GAG funding - this is to cover central staff and services that are provided to all schools e.g. Executive Principal, Head of Finance, Head of Operations, Finance Assistant, Clerk to Governors, Communications Officer, cost of finance system, audit fees.

Where central staff have been deployed to undertake substantive roles in schools the cost of employment of those staff members is recharge directly to the school.

The actual amounts charged during the year were as follows:

	2020	2019
	£	£
Central staff	88,681	77,891
Partnership contribution	411,621	309,491
Total	500,302	387,382

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£	£
M E McCarthy, Executive Principal and Accounting Officer	Remuneration	95,000 - 100,000	90,000 - 95,000
	Pension contributions paid	20,000 - 25,000	15,000 - 20,000

LUMEN LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Trustees' remuneration and expenses (continued)

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

13. 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. The scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy 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.

14. Tangible fixed assets

	Land and Buildings £	Furniture and fixtures £	Plant and equipment £	Total £
Cost or valuation				
At 1 September 2019	29,949,571	704,418	518,562	31,172,551
Additions	6,919,147	170,309	207,217	7,296,673
Disposals	-	(1,111)	(25,030)	(26,141)
At 31 August 2020	<u>36,868,718</u>	<u>873,616</u>	<u>700,749</u>	<u>38,443,083</u>
Depreciation				
At 1 September 2019	1,848,312	381,920	336,051	2,566,283
Charge for the year	822,153	81,840	119,164	1,023,157
On disposals	-	(505)	(20,093)	(20,598)
At 31 August 2020	<u>2,670,465</u>	<u>463,255</u>	<u>435,122</u>	<u>3,568,842</u>
Net book value				
At 31 August 2020	<u><u>34,198,253</u></u>	<u><u>410,361</u></u>	<u><u>265,627</u></u>	<u><u>34,874,241</u></u>
At 31 August 2019	<u><u>28,101,259</u></u>	<u><u>322,498</u></u>	<u><u>182,511</u></u>	<u><u>28,606,268</u></u>

During the year, Darley Dene Primary School joined the Multi Academy Trust. The trust took out a 125 year lease over the land and buildings located at Darley Dene Primary School transferred from Surrey County Council. The land and buildings transferred and assigned have been valued at an estimate of their fair value. In determining this value, the Trustees have referred to an independent valuation of land and buildings by FHP Property Consultants. This valuation was carried out on a depreciated replacement cost basis. The total valuation of land and buildings was £6,340,000, including land at a value of £1,780,000.

LUMEN LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Stocks

	2020 £	2019 £
School equipment	10,181	14,046

16. Debtors

	2020 £	2019 £
Trade debtors	3,215	59,229
Other debtors	403,885	259,665
Prepayments and accrued income	728,552	177,568
	1,135,652	496,462

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Salix and CIF loans	22,506	22,506
Trade creditors	1,076,756	515,284
Other taxation and social security	173,641	130,135
Other creditors	196,428	213,135
Accruals and deferred income	456,982	417,403
	1,926,313	1,298,463

	2020 £	2019 £
Deferred income at 1 September 2019	266,674	173,725
Resources deferred during the year	280,012	266,674
Amounts released from previous periods	(266,674)	(173,725)
Deferred income at 31 August 2020	280,012	266,674

At the balance sheet date the Trust was holding funds received in advance from the ESFA and the Local Authority.

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FOR THE YEAR ENDED 31 AUGUST 2020

18. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Salix and CIF loans	74,380	96,887
	<u> </u>	<u> </u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020	2019
	£	£
Repayable by instalments	-	6,860
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	1,219,450	476,408	(226,381)	-	-	1,469,477
Restricted general funds						
GAG	699,350	8,230,767	(7,670,005)	(220,661)	-	1,039,451
Other DfE/ESFA grants	-	1,634,212	(1,634,212)	-	-	-
Local authority	-	1,408,072	(1,408,072)	-	-	-
Other income: not for capital purpose	-	67,454	(67,454)	-	-	-
Nursery	-	8,130	(8,130)	-	-	-
Pension reserve	(4,338,000)	(642,000)	(992,000)	-	(1,339,000)	(7,311,000)
	<u>(3,638,650)</u>	<u>10,706,635</u>	<u>(11,779,873)</u>	<u>(220,661)</u>	<u>(1,339,000)</u>	<u>(6,271,549)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	1,141,233	790,584	(380,364)	-	-	1,551,453
Capital from GAG	650,219	-	(128,130)	220,661	-	742,750
Private sector capital grants	26,748,246	6,388,231	(507,480)	-	-	32,628,997
Other capital income	21,548	-	(7,183)	-	-	14,365
	<u>28,561,246</u>	<u>7,178,815</u>	<u>(1,023,157)</u>	<u>220,661</u>	<u>-</u>	<u>34,937,565</u>
Total Restricted funds	<u>24,922,596</u>	<u>17,885,450</u>	<u>(12,803,030)</u>	<u>-</u>	<u>(1,339,000)</u>	<u>28,666,016</u>
Total funds	<u>26,142,046</u>	<u>18,361,858</u>	<u>(13,029,411)</u>	<u>-</u>	<u>(1,339,000)</u>	<u>30,135,493</u>

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

Restricted funds

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. Under the funding

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Local Authority grants represent money given to the Academy through grants. This year the grants included funding for: Children's Centre based at Saxon Primary School; Growing Schools; and pupils with a statement of special educational needs.

Educational activities represents monies given for activities carried out as part of the academies operations. These funds are to be spent on educational needs.

The pension reserve represents the Local Government Pension Scheme deficit. In the event of academy closure the outstanding LGPS liabilities would be met by the Department for Education. The trust is able to meet its current obligation to the pension fund, the employer contributions.

Fixed asset funds

Other capital grants represents funds given to the academy through donations for specific capital purposes which were unspent at 31 August 2020.

Fixed assets transferred on conversion represent the land and building and equipment donated to the school from Surrey County Council.

Fixed assets purchases from GAG represents amounts spent on fixed assets from the GAG funding received from the ESFA.

DfE/ESFA Capital grants include devolved formula capital funding and amounts received from the Capital Improvement Fund.

Transfers in/out from GAG to the fixed asset fund relate to a variety of capital projects across the 5 schools

Total funds analysis by school

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Saxon Primary School	356,970	393,725
Echelford Primary School	525,644	400,665
Riverbridge Primary School	824,924	700,813
Walton Oak Primary School	412,311	474,415
Darley Dene Primary School	385,391	-
Children's Centre	8,322	7,929
Central Services	(4,634)	(58,747)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,508,928	1,918,800
Restricted fixed asset fund	34,937,565	28,561,246
Pension reserve	(7,311,000)	(4,338,000)
	<hr/>	<hr/>
Total	30,135,493	26,142,046
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

The central services fund balance is in deficit, due to additional work of the central team in preparation for Trust expansion and income growth.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
The Echelford Primary School	1,722,595	222,876	139,675	436,290	2,521,436	2,376,456
Saxon Primary School	1,305,743	218,014	126,072	333,123	1,982,952	1,808,859
Riverbridge Primary School	1,691,506	439,384	161,979	476,590	2,769,459	2,728,314
Walton Oak Primary School	1,613,620	379,562	150,917	365,115	2,509,214	1,115,753
Saxon Children's Centre	-	6,073	-	1,701	7,774	103,314
Central services	278,142	197,440	23,769	(266,807)	232,544	334,675
Darley Dene Primary School	657,403	109,445	71,617	152,410	990,875	-
LGPS pension finance costs	521,978	470,022	-	-	992,000	539,000
Academy	7,790,987	2,042,816	674,029	1,498,422	12,006,254	9,006,371

The negative costs of £266,807 (2019 : £240,896) relates to staff recharged to specific schools within the Trust, plus internal staff insurance.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	902,961	682,924	(366,435)	-	-	1,219,450
Restricted general funds						
GAG	555,933	6,189,824	(5,771,621)	(274,786)	-	699,350
Other DfE/ESFA grants	-	835,545	(835,545)	-	-	-
Local authority	-	1,286,262	(1,286,262)	-	-	-
Educational activities	-	207,508	(207,508)	-	-	-
Pension reserve	(1,676,000)	(786,000)	(539,000)	-	(1,337,000)	(4,338,000)
	<u>(1,120,067)</u>	<u>7,733,139</u>	<u>(8,639,936)</u>	<u>(274,786)</u>	<u>(1,337,000)</u>	<u>(3,638,650)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	1,061,141	309,236	(229,144)	-	-	1,141,233
Capital from GAG	531,888	-	(156,455)	274,786	-	650,219
Private sector capital grants	14,207,134	12,921,449	(380,337)	-	-	26,748,246
Other capital income	21,668	-	(120)	-	-	21,548
	<u>15,821,831</u>	<u>13,230,685</u>	<u>(766,056)</u>	<u>274,786</u>	<u>-</u>	<u>28,561,246</u>
Total Restricted funds	<u>14,701,764</u>	<u>20,963,824</u>	<u>(9,405,992)</u>	<u>-</u>	<u>(1,337,000)</u>	<u>24,922,596</u>
Total funds	<u><u>15,604,725</u></u>	<u><u>21,646,748</u></u>	<u><u>(9,772,427)</u></u>	<u><u>-</u></u>	<u><u>(1,337,000)</u></u>	<u><u>26,142,046</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	34,874,241	34,874,241
Current assets	1,469,477	3,014,055	89,413	4,572,945
Creditors due within one year	-	(1,900,224)	(26,089)	(1,926,313)
Creditors due in more than one year	-	(74,380)	-	(74,380)
Provisions for liabilities and charges	-	(7,311,000)	-	(7,311,000)
Total	1,469,477	(6,271,549)	34,937,565	30,135,493

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	28,606,268	28,606,268
Current assets	1,219,450	1,975,307	74,371	3,269,128
Creditors due within one year	-	(1,275,957)	(22,506)	(1,298,463)
Creditors due in more than one year	-	-	(96,887)	(96,887)
Provisions for liabilities and charges	-	(4,338,000)	-	(4,338,000)
Total	1,219,450	(3,638,650)	28,561,246	26,142,046

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £	2019 £
Net income for the period (as per Statement of financial activities)	5,332,447	11,874,321
Adjustments for:		
Depreciation	1,023,157	766,056
Capital grants from DfE and other capital income	(790,584)	(309,236)
Disposal of fixed assets	5,543	-
Defined benefit pension scheme obligation inherited	642,000	786,000
Decrease/(increase) in stocks	3,865	(2,302)
(Increase)/decrease in debtors	(639,190)	110,475
Increase in creditors	627,850	373,202
Investment income	(11,682)	(12,298)
Defined benefit pension scheme cost	992,000	539,000
Transfer from Local Authority on conversion of academy	(6,376,688)	(12,902,358)
Net cash provided by operating activities	808,718	1,222,860

22. Cash flows from financing activities

	2020 £	2019 £
Salix Loan	(22,507)	(22,508)
Net cash used in financing activities	(22,507)	(22,508)

23. Cash flows from investing activities

	2020 £	2019 £
Purchase of tangible fixed assets	(919,985)	(711,524)
Capital grants from DfE Group	790,584	309,236
Interest income	11,682	12,298
Net cash used in investing activities	(117,719)	(389,990)

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	3,427,112	2,758,620
Total cash and cash equivalents	3,427,112	2,758,620

25. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	2,758,620	668,492	3,427,112
Debt due within 1 year	(22,506)	-	(22,506)
Debt due after 1 year	(96,887)	22,507	(74,380)
	2,639,227	690,999	3,330,226

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

26. Conversion to an academy trust

On 1 February 2020 Darley Dene Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Lumen Learning Trust from Surrey County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets			
Freehold land and buildings	-	6,340,000	6,340,000
Other tangible fixed assets	-	36,688	36,688
Current assets			
Cash - representing budget surplus on LA funds	440,962	11,543	452,505
LGPS pension surplus / (deficit)	(642,000)	-	(642,000)
Net (liabilities)/assets	<u>(201,038)</u>	<u>6,388,231</u>	<u>6,187,193</u>

27. Capital commitments

At 31 August 2020 the academy had capital commitments as follows:

	2020 £	2019 £
Contracted for but not provided in these financial statements	<u>594,152</u>	<u>83,464</u>

28. Pension commitments

The academy'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 Surrey County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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NOTES TO THE FINANCIAL STATEMENTS
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28. Pension commitments (continued)

Contributions amounting to £178,002 were payable to the schemes at 31 August 2020 (2019 - £129,831) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £943,527 (2019 - £489,379).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
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28. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £635,000 (2019 - £483,000), of which employer's contributions totalled £471,000 (2019 - £358,000) and employees' contributions totalled £ 164,000 (2019 - £125,000). The agreed contribution rates for future years are 18.7%-27.5 per cent for employers and 5.5%-12.5 per cent for employees.

The LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.10	2.60
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.90

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

	2020	2019
	Years	Years
Retiring today		
Males	22.1	21.6
Females	24.3	23.6
Retiring in 20 years		
Males	22.9	22.5
Females	25.7	25.0

Share of scheme assets

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28. Pension commitments (continued)

The academy's share of the assets in the scheme was:

	2020 £	2019 £
Equities	4,129,920	3,082,110
Bonds	975,120	781,380
Property	458,880	347,280
Cash	172,080	130,230
Total market value of assets	5,736,000	4,341,000

The actual return on scheme assets was £18,000 (2019 - £234,000).

The amounts recognised in the Statement of financial activities are as follows:

	2020 £	2019 £
Current service cost	(1,365,000)	(801,000)
Past service cost	-	(34,000)
Total amount recognised in the Statement of financial activities	(1,365,000)	(835,000)

Changes in the present value of the defined benefit obligations were as follows:

	2020 £	2019 £
Opening defined benefit obligation	8,679,000	4,293,000
Current service cost	1,365,000	801,000
Interest cost	195,000	154,000
Employee contributions	164,000	125,000
Actuarial losses	1,260,000	1,479,000
Benefits paid	(30,000)	(18,000)
Past service costs	-	34,000
Transfer into Trust - Darley Dene Primary School	1,414,000	1,811,000
At 31 August	13,047,000	8,679,000

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**NOTES TO THE FINANCIAL STATEMENTS
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28. Pension commitments (continued)

Changes in the fair value of the academy's share of scheme assets were as follows:

	2020 £	2019 £
Opening fair value of scheme assets	4,341,000	2,617,000
Interest income	97,000	92,000
Actuarial (losses)/gains	(79,000)	142,000
Employer contributions	471,000	358,000
Employee contributions	164,000	125,000
Benefits paid	(30,000)	(18,000)
Transfer into Trust - Darley Dene Primary School	772,000	1,025,000
At 31 August	5,736,000	4,341,000

29. Operating lease commitments

At 31 August 2020 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Within 1 year	20,101	6,585
Between 1 and 5 years	24,990	16,243
	45,091	22,828

30. Related party transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

31. Contingent liabilities

There are no contingent liabilities that require disclosure in the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

32. 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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.