Company Registration Number: 8670599 (England & Wales)

# LUMEN LEARNING TRUST

(A company limited by guarantee)

## ANNUAL REPORT AND FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 AUGUST 2021

**LUMEN LEARNING TRUST**

**(A company limited by guarantee)**

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**LUMEN LEARNING TRUST**

**(A company limited by guarantee)**

## REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|---|---|
| **Members** | R Vango<br>D Prendergast<br>I Ingham<br>P Russell<br>W Sedgwick |
| **Trustees** | R Vango, Chair<br>M E McCarthy, Executive Principal and Accounting Officer<br>I Ingham, Vice Chair<br>E Bennett<br>P Rodin<br>A Osmond<br>L Ellis-Philip<br>S Crook (appointed 14 September 2020)<br>K Patel<br>L Sunderland<br>T Salotera (appointed 14 September 2020)<br>A Williams (appointed 1 September 2020)<br>W Sedgwick (resigned 14 September 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<br>Briar Road<br>Shepperton<br>Surrey<br>TW17 0JB |
| **Company secretary** | E Wilkins |
| **Senior management team** | M E McCarthy, Executive Principal<br>N Morris, Saxon Co-Headteacher<br>S Kober, Deputy Executive Principal & Darley Dene Headteacher<br>K Pearson, Echelford Co-Headteacher<br>K Oakley, Echelford Co-Headteacher<br>B Davis, Saxon Co-Headteacher<br>P Grimwood, Riverbridge Headteacher<br>D Sonley, Walton Oak Headteacher |
| **Independent auditor** | James Cowper Kreston<br>Chartered Accountants and Statutory Auditor<br>Reading Bridge House<br>George Street<br>Reading<br>Berkshire<br>RG1 8LS |

## REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

| | |
|---|---|
| **Bankers** | Lloyds Bank<br>73-75 High Street<br>Staines<br>Middlesex<br>TW18 4PP |
| | HSBC Plc<br>34 High Street<br>Walton-on-Thames<br>Surrey<br>KT12 1DD |
| **Solicitors** | Veale Wasbrough Vizards<br>Orchard Court<br>Orchard Lane<br>Bristol<br>BS1 5WS |

# TRUSTEES' REPORT
# FOR THE YEAR ENDED 31 AUGUST 2021

The Directors present their annual report together with the audited financial statements of the Lumen Learning Trust ('the charitable company') for the period 31 August 2021.

## Structure, Governance and Management

### Constitution

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

The Trust, which was incorporated on 30 August 2013 and opened as an academy trust on 30 August 2013, 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 Trust.

The Directors act as the Trustees for the charitable activities of the Trust and are also the directors of the charitable company for the purposes of company law.

Details of the Directors who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

The trust operates five primary academies in the Spelthorne, Elmbridge and Runnymede areas of Surrey. Its academies have a combined pupil capacity of 2485 and had a roll of 2298 in the school census on 7 October 2021.

### 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 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 Trustees benefit from indemnity insurance purchased by the Trust to cover the liability of the Trustees arising from negligent acts, errors or commissions occurring whilst on Trust business. The limit of this indemnity is £10,000,000.

### Principal Activities

The principal activity of the Multi-Academy Trust is to advance for the public benefit by establishing, maintaining, carrying on, managing and developing primary schools offering a broad and balanced curriculum and diverse opportunities to enable children to achieve their potential in all areas. As a sponsoring Trust, Lumen Learning Trust has particular expertise in school improvement – especially in schools where the levels of disadvantage are greater than the Surrey average.

### Method of Recruitment and Appointment or Election of Trustees

On 30 August 2013, the Trustees appointed Trustees based on the skills that they will bring to the board of the newly formed Academy Trust. These Trustees were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Trust shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- up to 9 Trustees who are appointed by the Members;
- The Executive Principal is treated for all purposes as being an ex-officio Trustee;
- up to 2 Parent Trustees who are elected by the parents of registered pupils to the Academy Local Governance Board (LGB);
- up to 2 Staff Trustees are elected by the staff body to the Academy Local Governance Board (LGB);
- up to 5 Trust Appointed Trustees are appointed by the Trustees to Academy Local Governance Board (LGB); and
- the Headteacher who is treated for all purposes as being an ex-officio Governor on the Academy Local Governance Board (LGB).

Trustees are appointed for a four-year period, except that this time limit does not apply to the Executive Principal. Subject to remaining eligible to be a particular type of Trustee, any Trustees can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Multi-Academy Trust's development.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy Schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various other organisations as appropriate.

There is a Trustee/Trustees training day organised each year which includes training sessions to keep the Trustee/Trustees updated on relevant developments impacting on their roles and responsibilities. New Trustees have the opportunity to undertake National College training and all Trustees receive updates on national governance.

**Organisational Structure**

The Trust Board normally meets once each term. The Trust Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees of the Local Governance Boards and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Trust Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are nine Committees of the Trust Board as follows:

- Business and Management Committee
- Pay Committee
- HR and Strategy Committee
- Education Committee
- Saxon Local Governance Board
- Echelford Local Governance Board
- Riverbridge Local Governance Board
- Walton Oak Local Governance Board
- Darley Dene Local Governance Board

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair;
- to appoint and / or consider the performance management of the Executive Principal; and
- to appoint the Company Secretary.

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Schools by the use of budgets and other data, and making the major decisions about the direction of the Trust, capital expenditure and staff appointments.

The Trustees have devolved the day-to-day management of the Academy Schools to the Executive Principal, Headteachers and the Senior Leadership Team ('SLT'). The SLT comprises the Headteacher, Deputy Headteachers, Assistant Headteachers and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

**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 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 Trustees 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.

**Related Parties and other Connected Charities and Organisations**

There are no related parties which either control or significantly influence the decisions and operations of the Trust. There are no sponsors associated with the individual academy schools.

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

### 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 2020-2021 Mary Ellen McCarthy was a member of the following groups:

| Group | Role |
|---|---|
| Surrey County Council - Primary Council | Vice Chair |
| Surrey Safeguarding Childern'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 |
| Surrey County Council – Encouraging school attendance | Education representative |
| Surrey County Council – Supporting the 'Front Door' of Social Care's Single Point of Access | Education representative |
| Surrey County Council – Education Cell (COVID response) | Primary Schools representative |
| Surrey County Council – Mindworks Surrey – reference group | Primary Schools representative |
| Surrey County Council – SEND funding review in Mainstream | Primary Schools representative |

**National Roles**

The Executive Principal has a contract with Ofsted committing her to carry out 16 days of inspection activity plus additional mandatory training 2-3 times a year. During the year 2020-2021 this commitment was suspended along with the suspension of inspection activities. Ofsted inspection activities resumed in Sept 2021.

**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. We look to promote from within and to deploy staff across the Trust in areas where they are most needed and can best develop professionally.

The Trust has a trust wide termly 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.

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 reviews 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:

- Survey to obtain feedback on wraparound provision across the Trust
- Surveys to gain insight into their view of school provision as a whole
- Survey regarding school meal service
- Surveys to gain insight into the remote learning offers
- Surveys of Year 5 cohort to gain insight into appetite for Summer Year 5 programme

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

### Objects and Aims

The principal objects of the Trust, as set out in its Articles of Association, are to:

- advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum; and

- promote for the benefit of the inhabitants of Surrey and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The aims of the Trust during the period ended 31 August 2021 are summarised below:

### Objectives, Strategies and Activities

The main activities of the Trust for the period ended 31 August 2021 were as follows:

- Ensuring consistency and strength of remote learning offer for all pupils
- Maintaining the wellbeing of most vulnerable children and their families during periods of lockdown
- Ensuring successful return to school March 2021 – evidenced by high attendance levels
- Support all schools in achieving their school priorities as detailed in each school's Development Plan
- Develop the Central Team further with the addition of the Operations Manager role as well as a Business and Administration Apprentice
- Bring wrap-around care in house for all schools
- Bring Walton Oak in line with other schools in terms of staffing structure for Office team and premises management
- Recruit new Headteacher for Walton Oak, following the substantive HT's decision to resign with effect from April 2021
- Strengthen outreach offer in terms of support for other schools
- Ensure Ofsted-readiness for Echelford Primary
- Support for Surrey CC in their Safeguarding improvement journey
- Implementation of new leadership plan for Walton Oak following T&L Review April 2021
- Recruitment of new governors with relevant skillset

### 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. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit education in Surrey and the surrounding area, offering a broad curriculum.

The Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

## Strategic Report

### Achievements and Performance

The total number of pupils in the period ended 31 August 2021 was 2390, but this has decreased to 2298 at the October 2021 census date due a bulge class leaving Walton Oak and lower nursery numbers across the Trust at the beginning of the year.

The Trust is committed to continual improvement which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning.

### Going Concern

The principal source of funding for the Trust is GAG funding, which accounted for 70.2% of the Trust's total income for the period. Other income received by the Trust includes CIF funding, Nursery funding and income generated by the Trust's other activities such as wrap around care and lettings.

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

### 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:

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

### Financial Review

The majority of the Trust's income is received from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2021 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the period ended 31 August 2021, the total expenditure of £14,862,801 was covered by the recurrent grant funding from the DfE, together with other incoming resources and utilisation of brought forward reserves. 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 Trust ended with a deficit of £391,317 for the year before actuarial losses.

The fixed assets held by the Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

The balance of total funds held at 31 August 2021 were £27,936,176 which comprised of the following:

| | |
|---|---|
| Restricted Funds(excluding Pension Liability) | £36,411,753 |
| Restricted Pension Liability Fund | (£10,170,000) |
| Restricted Fixed Asset Fund | £35,603,584 |
| Unrestricted Funds | £1,694,423 |

**Impact of Covid-19**

During the period the Trust incurred additional expense of £11,752 which was predominantly additional cleaning costs. In addition, the Trust lost self-generated income of around £9,500 during the school closure period in the Spring term.

**Reserves Policy**

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

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, in particular for capital works,
- Provide capacity to expand the Trust, specifically:
- o Funds to meet the costs of legal and professional fees associated with new schools joining the Trust
- o 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 COVID-19 costs,
- 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.

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 Trustee's current level of reserves (defined as restricted general funds, excluding pension reserve, plus the balance on unrestricted funds) is £2,502,592, of which £1,694,423 is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

The current level of reserves is above with our target level of free cash 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.

**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.

**Principal Risks and Uncertainties**

The principal risks and uncertainties facing the Trust are as follows:

Financial
The Trust has considerable reliance on continued Government funding through the ESFA. In the period, approximately 95% of the Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that 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 187 below capacity as at October 2021. 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. Darley Dene Primary school received an inadequate rating prior to joining the Trust and this continues to have an adverse effect on pupil numbers.

Failures in governance and / or management
The risk in this area arises from the potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks.

Staffing
The success of the Trust is reliant on the quality of its 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.

Covid-19
The Trust carried out risk assessments in line with DfE guidance. Senior leaders across the schools and at board level reviewed the risk assessments and carried out ongoing monitoring of DfE advice and guidance, as and when published.

The Trust has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness. A Risk Register is maintained and reviewed and updated on a regular basis.

**Financial and Risk Management Objectives and Policies**

The Trust has a Risk Register which has been discussed by the Trustees and includes the financial risks to the Trust. The Risk Register is constantly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the Trustees have ensured the Trust has adequate insurance cover.

The Trustees examine the financial health of the Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all Trust Board and Business and Management Committee meetings.

At the balance sheet date, the Trust had no significant liabilities arising from trade creditors or debtors where there would be s significant effect on the Trust's liquidity.

The Trustees recognised that the Local Government Pension Scheme deficit represents a significant potential liability to the Trust. However, as the Trustees consider the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

## Fundraising

The Trustees act in the best interests of the Trust when deciding to accept or refuse a particular donation. Trustees welcome and encourage fundraising activities in our schools but will not accept voluntary donations and other forms of voluntary support where any of the following criteria apply:

- The support is suspected to be or derives from the proceeds of crime.
- The support derives from a source conflicting with the Trust's objectives or values.
- Acceptance would carry unacceptable reputational risk which may have detrimental effects on the Trust, such as impacting levels of donations and volunteer support.
- Acceptance would involve onerous obligations, the cost of which might outweigh the benefit.
- Support is offered in an attempt to obtain privileged access to the Trust's contracts.
- Acceptance would be in contravention of the Trust's financial and safeguarding policies.

| **UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021** | |
|---|---|
| Energy consumption used to calculate emissions (kWh) | 1,852,951 kWh |
| Energy consumption break down (kWh) (optional)<br>• gas,<br>• electricity,<br>• transport fuel | Gas; 1,290,806 kWh<br>Electricity; 559,695 kWh<br>Transport fuel; 2,450 kWh |
| Scope 1 emissions in metric tonnes CO2e<br>Gas consumption<br>Owned transport – mini-buses<br>Total scope 1 | <br>Gas; 218.15 tCO2e,<br>Owned transport; 3.84 tCO2e<br>Total; 221.99 tCO2e |
| Scope 2 emissions in metric tonnes CO2e<br>Purchased electricity | <br>117.63tCO2e |
| Scope 3 emissions in metric tonnes CO2e<br>Business travel in employee owned vehicles | |
| Total gross emissions in metric tonnes CO2e | 339.61 tCO2e |
| Intensity ratio<br>Tonnes CO2e per pupil | 0.15 tCO2e |

**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**
The heating systems, including boilers, are being upgraded to more efficient models. LED lighting is being installed on a gradual basis as and when lighting needs to be replaced

## Plans for Future Periods

The Trust strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment, as well as promoting the continued professional development of its staff.

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:

- maintain positive profiles of Saxon, Echelford and Riverbridge within their respective communities
- maintain high numbers on pupil roll in Saxon, Echelford, Riverbridge
- build pupil numbers across the Trust particularly in Walton Oak and Darley Dene
- reorganise Nursery provision at Walton Oak to 2.5 + 2.5 day offer
- Strengthen provision to improve pupil outcomes at Walton Oak
- Recruit new Headteacher at Walton Oak for Sept 2022
- Strengthen provision to improve pupil outcomes at Darley Dene
- Improve profile and reputation of both Darley Dene and Walton Oak schools
- Continue with outreach work supporting other schools as identified by DfE and LA
- Continue with support work for SCC with regard to improvements in Safeguarding
- Continue to develop Central Team offer

## Funds Held as Custodian Trustee on Behalf of Others

The Trust and its Trustees do not act as Custodian Trustees of any other charity.

## 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 and signed on its behalf by:

R Vango
Ray Vango 09 Dec 2021 15:38:28 GMT (UTC +0)
................................................

**R Vango**
Chair of Trustees

09 December 2021

**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 information that is described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Trust Board has formally met 3 times during the period ended 31 August 2021. Attendance during the period at meetings of the Trust Board was as follows:

| Trustee | Meetings attended | Out of a possible |
|---|---|---|
| Peter Rodin | 3 | 3 |
| Mary Ellen McCarthy | 3 | 3 |
| Ian Ingham | 3 | 3 |
| Ray Vango | 3 | 3 |
| Laura Ellis-Philip | 3 | 3 |
| Alison Osmond | 2 | 3 |
| Elliott Bennett | 2 | 3 |
| Louise Sunderland | 3 | 3 |
| Keiran Patel | 3 | 3 |
| Alexandra Williams | 1 | 3 |
| Tajinder Salotera | 2 | 3 |
| Stewart Crook | 1 | 2 |
| W Sedgwick | 0 | 0 |

The Trust board are scheduled to meet 3 times a year with oversight supported by regular updates from the CEO. Whilst this is less than the 6 times outlined within the Academy Trust Handbook, in addition to the full board meetings, the committees also met three time each, to provide scrutiny and challenge in line with their terms of reference. The committee structure enables accountability and assurance for Trustees around the effectiveness of the Trust.

The Business and Management Committee is a Committee of the Trust Board. Its purpose is to provide guidance and assistance to the Trust Board on all matters related to finance, resources, premises and Health & Safety of the Trust. This includes preparing and approving annual budgets, monitoring financial performance against that budget, reviewing delegated authorities, ensuring all transactions are conducted in accordance with good practice as directed by the ESFA, to ensure best value is achieved in all financial transactions and to receive and (where relevant) respond to period audit reports on the Trust and of public funds. This committee also acts as the Trust's Audit Committee.

**Governance (continued)**

Attendance at meetings of the Business and Management Committee during the period was as follows:

| Trustee | Meetings attended | Out of a possible |
|---|---|---|
| Mary Ellen McCarthy | 3 | 3 |
| Ian Ingham | 3 | 3 |
| Ray Vango | 2 | 3 |
| Elliot Bennett | 2 | 3 |
| Louise Sunderland | 3 | 3 |

**Governance reviews**

During the year the academy trust has carried out a review of its governance arrangements and procedures.

The outcomes are presented below:

- The review in 2020-21 focussed on the purpose of each committee to ensure they were providing the Trustees with the necessary assurance about the processes in place to mitigate risk and ensure the provision is meeting the needs of the pupils, in particular those in the vulnerable groups. The local governor visiting programme had been reviewed to increase governor understanding at greater depth for the pupil progress and use of interventions and their impact. In school governance monitoring had been more challenging with the COVID-19 restrictions in place and the use of virtual meetings had facilitated meetings between governors and school staff to provide evidence and assurance about the provision. Autumn 2021 will hopefully see the return to onsite visits.
- A self-evaluation and skills audit will take place in October 2021

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 is used. 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, with particular consideration of the skills when appointing new Directors or Local Governors. 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 is being used to support the chair of governor role and there is an LLT governance handbook for all governors.

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).

### Review of value for money

As accounting officer the Executive Principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- The Trust continues to work with its IT support company to ensure strategic purchasing of IT hardware and software across the Trust.
- A full tender process was carried out in 2020/21 for the catering and cleaning contracts across all five schools in the Trust. Both tenders were completed using the DfE CPC framework to ensure the contracts offered value for money whilst ensuring the contracts met the Trust's requirements.
- A number of tasks continue to be carried out in house and save on funds paid to external suppliers. These include;
- GDPR training and monitoring
- Health and Safety audits
- Catering audits
- Cleaning contract and caretaking management

### 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 ongoing process designed to identify and prioritise the risks to the achievement of Trust's 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 ended 31 August 2021 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 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 Trust's significant risks that has been in place for the period from incorporation to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### The risk and control framework

The 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 decided:

- to buy-in an internal assurance service from Bishop Fleming

Bishop Fleming’s role includes giving advice on financial matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current period included:

- Purchase systems, controls and transactions
- Payroll systems, controls and transactions
- Review of bank reconciliations
- Review of Risk Register
- Review of policies and procedures

On an annual basis, Bishop Fleming reports to the Board of Trustees through the Business and Management committee on the operation of the systems of control and on the discharge of the Board of Trustees’ financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**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 Business and Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

R Vango
Ray Vango 09 Dec 2021 15:38:28 GMT (UTC +0)
................................................

**R. Vango**
**Chair of Trustees**
Date: 09 December 2021

M Mccarthy
Mary Mccarthy 09 Dec 2021 16:09:54 GMT (UTC +0)
................................................

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

## 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 2020.

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 2020.

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 Mccarthy
Mary Mccarthy 09 Dec 2021 16:09:54 GMT (UTC +0)
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**M E McCarthy**
**Accounting Officer**
Date: 09 December 2021

**LUMEN LEARNING TRUST**

**(A company limited by guarantee)**

## STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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
Ray Vango 09 Dec 2021 15:38:28 GMT (UTC +0)

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**R Vango**
**Chair of Trustees**
Date: 09 December 2021

# 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 2021 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 2020 to 2021 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 2021 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 2020 to 2021 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

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

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

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

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

### Other information

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

We have nothing to report in this regard.

### 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.

### 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.

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

### 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.
The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.
The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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: 16 December 2021

## 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 29 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, 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 2020 to 31 August 2021 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 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

### Approach

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

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

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

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

Our work on regularity included a review of the internal controls, policies and procedured 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.

Specific work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Board of Trustees and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
  testing a sample of payroll payments to staff; testing a sample of payments to suppliers and other third parties;
- testing a sample of grants received and other income streams;

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

### 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 2020 to 31 August 2021 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

**James Cowper Kreston**

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Date: 16 December 2021

**LUMEN LEARNING TRUST**

**(A company limited by guarantee)**

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|---|---|---|---|---|---|
| **Income from:** | | | | | | |
| Donations and capital grants | 3 | 71,022 | - | 1,749,735 | 1,820,757 | 7,005,451 |
| Charitable activities | | 318,487 | 12,288,388 | - | 12,606,875 | 11,294,500 |
| Other trading activities | | 40,627 | - | - | 40,627 | 50,225 |
| Investment income | 6 | 3,225 | - | - | 3,225 | 11,682 |
| **Total income** | | 433,361 | 12,288,388 | 1,749,735 | 14,471,484 | 18,361,858 |
| **Expenditure on:** | | | | | | |
| Charitable activities | | 208,415 | 13,294,780 | 1,359,606 | 14,862,801 | 13,029,411 |
| **Total expenditure** | | 208,415 | 13,294,780 | 1,359,606 | 14,862,801 | 13,029,411 |
| **Net income/(expenditure)** | | 224,946 | (1,006,392) | 390,129 | (391,317) | 5,332,447 |
| Transfers between funds | 19 | - | (275,890) | 275,890 | - | - |
| **Net movement in funds before other recognised gains/(losses)** | | 224,946 | (1,282,282) | 666,019 | (391,317) | 5,332,447 |
| **Other recognised gains/(losses):** | | | | | | |
| Actuarial losses on defined benefit pension schemes | 27 | - | (1,808,000) | - | (1,808,000) | (1,339,000) |
| **Net movement in funds** | | 224,946 | (3,090,282) | 666,019 | (2,199,317) | 3,993,447 |
| **Reconciliation of funds:** | | | | | | |
| Total funds brought forward | | 1,469,477 | (6,271,549) | 34,937,565 | 30,135,493 | 26,142,046 |
| Net movement in funds | | 224,946 | (3,090,282) | 666,019 | (2,199,317) | 3,993,447 |
| **Total funds carried forward** | | 1,694,423 | (9,361,831) | 35,603,584 | 27,936,176 | 30,135,493 |

The notes on pages 31 to 57 form part of these financial statements.

**LUMEN LEARNING TRUST**

**(A company limited by guarantee)**
**REGISTERED NUMBER: 8670599**

# BALANCE SHEET
## AS AT 31 AUGUST 2021

| | Note | | 2021 £ | | 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 14 | | **34,646,430** | | 34,874,241 |
| | | | **34,646,430** | | 34,874,241 |
| **Current assets** | | | | | |
| Stocks | 15 | **17,380** | | 10,181 | |
| Debtors | 16 | **1,856,769** | | 1,135,652 | |
| Cash at bank and in hand | | **3,403,517** | | 3,427,112 | |
| | | **5,277,666** | | 4,572,945 | |
| Creditors: amounts falling due within one year | 17 | **(1,766,048)** | | (1,926,313) | |
| **Net current assets** | | | **3,511,618** | | 2,646,632 |
| **Total assets less current liabilities** | | | **38,158,048** | | 37,520,873 |
| Creditors: amounts falling due after more than one year | 18 | | **(51,872)** | | (74,380) |
| Defined benefit pension scheme liability | 27 | | **(10,170,000)** | | (7,311,000) |
| **Total net assets** | | | **27,936,176** | | 30,135,493 |
| **Funds of the academy** | | | | | |
| **Restricted funds:** | | | | | |
| Fixed asset funds | 19 | **35,603,584** | | 34,937,565 | |
| Restricted income funds | 19 | **808,169** | | 1,039,451 | |
| Restricted funds excluding pension asset | 19 | **36,411,753** | | 35,977,016 | |
| Pension reserve | 19 | **(10,170,000)** | | (7,311,000) | |
| **Total restricted funds** | 19 | | **26,241,753** | | 28,666,016 |
| **Unrestricted income funds** | 19 | | **1,694,423** | | 1,469,477 |
| **Total funds** | | | **27,936,176** | | 30,135,493 |

## BALANCE SHEET (CONTINUED)
## AS AT 31 AUGUST 2021

The financial statements on pages 27 to 57 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

R Vango
Ray Vango 09 Dec 2021 15:38:28 GMT (UTC +0)

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**R Vango**
Chair of Trustees
Date: 09 December 2021

The notes on pages 31 to 57 form part of these financial statements.

**LUMEN LEARNING TRUST**

**(A company limited by guarantee)**

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | 2021 £ | 2020 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash (used in)/provided by operating activities | 21 | **(613,009)** | 808,718 |
| **Cash flows from investing activities** | 23 | **611,921** | (117,719) |
| **Cash flows from financing activities** | 22 | **(22,507)** | (22,507) |
| **Change in cash and cash equivalents in the year** | | **(23,595)** | 668,492 |
| Cash and cash equivalents at the beginning of the year | | **3,427,112** | 2,758,620 |
| **Cash and cash equivalents at the end of the year** | 24, 25 | **3,403,517** | 3,427,112 |

The notes on pages 31 to 57 form part of these financial statements

## 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 2020 to 2021 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.

## 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.

## 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.

## 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.

## 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.

## 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 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 27, 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 2021. 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.

## 3. Income from donations and capital grants

| | **Unrestricted funds 2021 £** | **Restricted funds 2021 £** | **Restricted fixed asset funds 2021 £** | **Total funds 2021 £** | Total funds 2020 £ |
|---|---|---|---|---|---|
| Donations | 71,022 | - | - | **71,022** | 27,674 |
| Government grants | - | - | 1,749,735 | **1,749,735** | 790,584 |
| Transfer from Local Authority on conversion of academy | - | - | - | **-** | 6,187,193 |
| | 71,022 | - | 1,749,735 | **1,820,757** | 7,005,451 |
| Total 2020 | 27,674 | (201,038) | 7,178,815 | 7,005,451 | |

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## 4. Trading activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|---|---|---|
| Lettings income | 40,627 | **40,627** | 50,225 |
| Total 2020 | 50,225 | 50,225 | |

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

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|---|---|---|---|
| **DfE/ESFA grants** | | | | |
| General Annual Grant (GAG) | - | 9,247,463 | **9,247,463** | 8,230,767 |
| Other DfE/ESFA grants | | | | |
| Pupil Premium | - | 652,686 | **652,686** | 623,141 |
| UIFSM | - | 338,512 | **338,512** | 299,847 |
| Other DfE Group grants | - | 627,918 | **627,918** | 711,224 |
| | - | 10,866,579 | **10,866,579** | 9,864,979 |
| **Other Government grants** | | | | |
| Local authority grants | - | 1,102,432 | **1,102,432** | 967,110 |
| Other income from the academy trust's educational operations | 318,487 | 90,501 | **408,988** | 462,411 |
| | 318,487 | 1,192,933 | **1,511,420** | 1,429,521 |
| **COVID-19 additional funding (DfE/ESFA)** | | | | |
| Catch-up Premium | - | 182,960 | **182,960** | - |
| Other DfE/ESFA COVID-19 funding | - | 45,916 | **45,916** | - |
| | - | 228,876 | **228,876** | - |
| | 318,487 | 12,288,388 | **12,606,875** | 11,294,500 |
| Total 2020 | 386,827 | 10,907,673 | 11,294,500 | |

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

## 5. Funding for the academy's direct costs educational operations (continued)

The academy received £182,960 of funding for catch-up premium and costs incurred in respect of this funding totalled £170,460, with the remaining £12,500 to be spent in 2021/22.

## 6. Investment income

| | **Unrestricted funds 2021 £** | **Total funds 2021 £** | Total funds 2020 £ |
|---|---|---|---|
| Investment income | 3,225 | **3,225** | 11,682 |
| Total 2020 | 11,682 | 11,682 | |

## 7. Expenditure

| | **Staff Costs 2021 £** | **Premises 2021 £** | **Other 2021 £** | **Total 2021 £** | Total 2020 £ |
|---|---|---|---|---|---|
| Academy's educational operations: | | | | | |
| Direct costs | 9,029,318 | - | 1,881,020 | **10,910,338** | 9,512,935 |
| Support costs | 2,264,967 | 673,371 | 1,014,125 | **3,952,463** | 3,516,476 |
| | 11,294,285 | 673,371 | 2,895,145 | **14,862,801** | 13,029,411 |
| Total 2020 | 9,951,490 | 553,200 | 2,524,721 | 13,029,411 | |

## 8. Analysis of expenditure by activities

| | **Direct costs 2021 £** | **Support costs 2021 £** | **Total funds 2021 £** | Total funds 2020 £ |
|---|---|---|---|---|
| Academy's Educational Operations | 10,910,338 | 3,952,463 | **14,862,801** | 13,029,411 |
| Total 2020 | 9,512,935 | 3,516,476 | 13,029,411 | |

## 8. Analysis of expenditure by activities (continued)

### Analysis of support costs

| | Total funds 2021 £ | Total funds 2020 £ |
|---|---|---|
| Staff costs | **2,265,493** | 2,042,816 |
| Recruitment and support | **32,163** | 21,338 |
| Maintenance of premises | **166,083** | 133,331 |
| Maintenance of equipment | **54,568** | 38,916 |
| Cleaning | **257,270** | 205,368 |
| Rates | **54,713** | 45,244 |
| Water rates | **14,467** | 25,245 |
| Energy | **137,811** | 103,883 |
| Insurance | **41,659** | 39,035 |
| Security | **1,288** | 1,094 |
| Transport | **17,762** | 19,900 |
| Catering | **579,670** | 461,839 |
| Technology costs | **101,509** | 140,941 |
| Bank interest and charges | **9,448** | 10,268 |
| Travel and subsistence | **459** | 573 |
| Other support costs | **205,152** | 214,400 |
| Governance costs | **12,948** | 12,285 |
| | **3,952,463** | 3,516,476 |

## 9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2021 £ | 2020 £ |
|---|---|---|
| Operating lease rentals | **10,292** | 10,249 |
| Depreciation of tangible fixed assets | **1,359,606** | 1,023,157 |
| Fees paid to auditor for: | | |
| - audit | **8,600** | 8,200 |
| - other services | **2,905** | 2,665 |

## 10. Staff

### a. Staff costs

Staff costs during the year were as follows:

| | 2021 £ | 2020 £ |
|---|---|---|
| Wages and salaries | **7,807,657** | 6,862,677 |
| Social security costs | **653,806** | 573,013 |
| Pension costs | **2,756,359** | 2,398,113 |
| | **11,217,822** | 9,833,803 |
| Agency staff costs | **76,463** | 117,687 |
| | **11,294,285** | 9,951,490 |

Staff restructuring costs comprise:

| | 2021 £ | 2020 £ |
|---|---|---|
| Redundancy payments | **44,848** | - |
| | **44,848** | - |

### b. Staff numbers

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

| | 2021 No. | 2020 No. |
|---|---|---|
| Teachers | **114** | 114 |
| Administration and support | **234** | 215 |
| Management | **29** | 26 |
| | **377** | 355 |

## 10. Staff (continued)

### c. Higher paid staff

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

| | **2021 No.** | 2020 No. |
|---|---|---|
| In the band £60,001 - £70,000 | **7** | 1 |
| In the band £70,001 - £80,000 | **1** | 2 |
| In the band £90,001 - £100,000 | **-** | 1 |
| In the band £100,001 - £110,000 | **1** | - |

The above employees all participated in the Teachers' Pension Scheme. During the year ended 31 August 2021, pension contributions for staff member amounted to £72,694 (2020: £71,620).

### 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 employer national insurance contributions) received by key management personnel for their services to the academy was £245,834 (2020: £228,735).

## 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:

| | **2021** | 2020 |
|---|---|---|
| | **£** | £ |
| Central staff | **132,258** | 88,681 |
| Partnership contribution | **462,345** | 411,621 |
| **Total** | **594,603** | 500,302 |

## 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:

| | | **2021** | 2020 |
|---|---|---|---|
| | | **£** | £ |
| M E McCarthy, Executive Principal and Accounting Officer | Remuneration | **100,000 - 105,000** | 95,000 - 100,000 |
| | Pension contributions paid | **20,000 - 25,000** | 20,000 - 25,000 |

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £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 occuring 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 2020 | 36,868,718 | 873,616 | 700,749 | 38,443,083 |
| Additions | 575,835 | 430,140 | 135,064 | 1,141,039 |
| Disposals | - | (2,502) | (45,386) | (47,888) |
| At 31 August 2021 | 37,444,553 | 1,301,254 | 790,427 | 39,536,234 |
| **Depreciation** | | | | |
| At 1 September 2020 | 2,670,464 | 463,255 | 435,123 | 3,568,842 |
| Charge for the year | 1,106,834 | 93,364 | 159,408 | 1,359,606 |
| On disposals | - | (2,502) | (36,142) | (38,644) |
| At 31 August 2021 | 3,777,298 | 554,117 | 558,389 | 4,889,804 |
| **Net book value** | | | | |
| At 31 August 2021 | 33,667,255 | 747,137 | 232,038 | 34,646,430 |
| At 31 August 2020 | 34,198,254 | 410,361 | 265,626 | 34,874,241 |

## 15. Stocks

| | 2021 £ | 2020 £ |
|---|---|---|
| School equipment | 17,380 | 10,181 |

## 16. Debtors

| | 2021 £ | 2020 £ |
|---|---|---|
| Trade debtors | **11,417** | 3,215 |
| Other debtors | **209,810** | 403,885 |
| Prepayments and accrued income | **1,635,542** | 728,552 |
| | **1,856,769** | 1,135,652 |

## 17. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|---|---|---|
| Salix and CIF loans | **22,507** | 22,506 |
| Trade creditors | **768,257** | 1,076,756 |
| Other taxation and social security | **207,206** | 173,641 |
| Other creditors | **205,556** | 196,428 |
| Accruals and deferred income | **562,522** | 456,982 |
| | **1,766,048** | 1,926,313 |

| | 2021 £ | 2020 £ |
|---|---|---|
| Deferred income at 1 September 2020 | **280,012** | 266,674 |
| Resources deferred during the year | **439,024** | 280,012 |
| Amounts released from previous periods | **(280,012)** | (266,674) |
| **Deferred income at 31 August 2021** | **439,024** | 280,012 |

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

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

| | 2021 £ | 2020 £ |
|---|---|---|
| Salix loans and CIF loans | **51,872** | 74,380 |

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

## 19. Statement of funds

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| General Funds | 1,469,477 | 433,361 | (208,415) | - | - | 1,694,423 |
| **Restricted general funds** | | | | | | |
| GAG | 1,039,451 | 9,247,463 | (9,218,560) | (275,890) | - | 792,464 |
| Pupil Premium | - | 652,686 | (652,686) | - | - | - |
| UIFSM | - | 338,512 | (338,512) | - | - | - |
| Other DfE Group grants | - | 627,918 | (627,918) | - | - | - |
| Local Authority grants | - | 1,102,432 | (1,102,432) | - | - | - |
| Other income from the academy trust's educational operations | - | 90,501 | (90,501) | - | - | - |
| Catch-up premium | - | 182,960 | (170,460) | - | - | 12,500 |
| Other DfE/ESFA COVID-19 capital funding | - | 45,916 | (42,711) | - | - | 3,205 |
| Pension reserve | (7,311,000) | - | (1,051,000) | - | (1,808,000) | (10,170,000) |
| | (6,271,549) | 12,288,388 | (13,294,780) | (275,890) | (1,808,000) | (9,361,831) |
| **Restricted fixed asset funds** | | | | | | |
| Fixed assets | 1,551,453 | 1,749,735 | (1,359,606) | 33,662,002 | - | 35,603,584 |
| Capital from GAG | 742,750 | - | - | (742,750) | - | - |
| Private sector capital grants | 32,628,997 | - | - | (32,628,997) | - | - |
| Other capital income | 14,365 | - | - | (14,365) | - | - |
| | 34,937,565 | 1,749,735 | (1,359,606) | 275,890 | - | 35,603,584 |

## 19. Statement of funds (continued)

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|---|---|---|---|---|---|---|
| **Total Restricted funds** | **28,666,016** | **14,038,123** | **(14,654,386)** | **-** | **(1,808,000)** | **26,241,753** |
| **Total funds** | **30,135,493** | **14,471,484** | **(14,862,801)** | **-** | **(1,808,000)** | **27,936,176** |

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 coninuing activities of the school. Under the funding 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 2021.

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 2021.

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

## 19. Statement of funds (continued)

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

| | 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 |
| Pupil Premium | - | 1,634,212 | (1,634,212) | - | - | - |
| UIFSM | - | 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) |
| | (3,638,650) | 10,706,635 | (11,779,873) | (220,661) | (1,339,000) | (6,271,549) |
| **Restricted fixed asset funds** | | | | | | |
| Fixed assets | 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 |
| | 28,561,246 | 7,178,815 | (1,023,157) | 220,661 | - | 34,937,565 |
| **Total Restricted funds** | 24,922,596 | 17,885,450 | (12,803,030) | - | (1,339,000) | 28,666,016 |
| **Total funds** | 26,142,046 | 18,361,858 | (13,029,411) | - | (1,339,000) | 30,135,493 |

## 19. Statement of funds (continued)

### Total funds analysis by school

Fund balances at 31 August 2021 were allocated as follows:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Saxon Primary School | 311,603 | 356,970 |
| Echelford Primary School | 582,610 | 525,644 |
| Riverbridge Primary School | 841,486 | 824,924 |
| Walton Oak Primary School | 547,055 | 412,311 |
| Darley Dene Primary School | 199,357 | 385,391 |
| Children's Centre | 8,715 | 8,322 |
| Central Services | 11,766 | (4,634) |
| Total before fixed asset funds and pension reserve | 2,502,592 | 2,508,928 |
| Restricted fixed asset fund | 35,603,584 | 34,937,565 |
| Pension reserve | (10,170,000) | (7,311,000) |
| **Total** | 27,936,176 | 30,135,493 |

**19. Statement of funds (continued)**

**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 2021 £** | Total 2020 £ |
|---|---|---|---|---|---|---|
| The Echelford Primary School | 1,899,551 | 260,219 | 95,439 | 439,185 | **2,694,394** | 2,521,436 |
| Saxon Primary School | 1,391,007 | 237,927 | 83,280 | 368,705 | **2,080,919** | 1,982,952 |
| Riverbridge Primary School | 1,896,292 | 468,420 | 151,828 | 507,384 | **3,023,924** | 2,769,459 |
| Walton Oak Primary School | 1,725,764 | 305,183 | 121,160 | 466,376 | **2,618,483** | 2,509,214 |
| Saxon Children's Centre | - | 6,073 | - | 1,701 | **7,774** | 7,774 |
| Central services | 231,133 | 237,228 | 73,549 | (359,053) | **182,857** | 232,544 |
| Darley Dene Primary School | 1,231,101 | 276,924 | 64,163 | 271,656 | **1,843,844** | 990,875 |
| LGPS pension finance costs | 619,604 | 431,396 | - | - | **1,051,000** | 992,000 |
| **Academy** | 8,994,452 | 2,223,370 | 589,419 | 1,695,954 | **13,503,195** | 12,006,254 |

The negative costs of £359,053 (2020: £266,807) relates to staff recharged to specific schools within the Trust, plus internal staff insurance.

## 20. Analysis of net assets between funds

### Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|---|---|---|---|---|
| Tangible fixed assets | - | - | 34,646,430 | **34,646,430** |
| Current assets | 1,694,423 | 2,626,089 | 957,154 | **5,277,666** |
| Creditors due within one year | - | (1,766,048) | - | **(1,766,048)** |
| Creditors due in more than one year | - | (51,872) | - | **(51,872)** |
| Provisions for liabilities and charges | - | (10,170,000) | - | **(10,170,000)** |
| **Total** | 1,694,423 | (9,361,831) | 35,603,584 | **27,936,176** |

### Analysis of net assets between funds - prior year

| | 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 |

## 21. Reconciliation of net (expenditure)/income to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|---|---|---|
| Net (expenditure)/income for the year (as per Statement of financial activities) | **(391,317)** | 5,332,447 |
| **Adjustments for:** | | |
| Depreciation | **1,359,606** | 1,023,157 |
| Capital grants from DfE and other capital income | **(1,749,735)** | (790,584) |
| Disposal of fixed assets | **9,243** | 5,543 |
| Defined benefit pension scheme obligation inherited | **-** | 642,000 |
| (Increase)/decrease in stocks | **(7,199)** | 3,865 |
| Increase in debtors | **(721,117)** | (639,190) |
| (Decrease)/increase in creditors | **(160,265)** | 627,850 |
| Investment income | **(3,225)** | (11,682) |
| Defined benefit pension scheme cost | **1,051,000** | 992,000 |
| Transfer from Local Authority on conversion of academy | **-** | (6,376,688) |
| **Net cash (used in)/provided by operating activities** | **(613,009)** | 808,718 |

## 22. Cash flows from financing activities

| | 2021 £ | 2020 £ |
|---|---|---|
| Salix Loan | **(22,507)** | (22,507) |
| **Net cash used in financing activities** | **(22,507)** | (22,507) |

## 23. Cash flows from investing activities

| | 2021 £ | 2020 £ |
|---|---|---|
| Purchase of tangible fixed assets | **(1,141,039)** | (919,985) |
| Capital grants from DfE Group | **1,749,735** | 790,584 |
| Interest income | **3,225** | 11,682 |
| **Net cash provided by/(used in) investing activities** | **611,921** | (117,719) |

## 24. Analysis of cash and cash equivalents

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Cash in hand and at bank | 3,403,517 | 3,427,112 |
| **Total cash and cash equivalents** | **3,403,517** | 3,427,112 |

## 25. Analysis of changes in net debt

| | At 1 September 2020<br>£ | Cash flows<br>£ | At 31 August 2021<br>£ |
|---|---|---|---|
| Cash at bank and in hand | 3,427,112 | (23,595) | 3,403,517 |
| Debt due within 1 year | (22,506) | (1) | (22,507) |
| Debt due after 1 year | (74,380) | 22,508 | (51,872) |
| | 3,330,226 | (1,088) | 3,329,138 |

## 26. Capital commitments

At 31 August 2021 the academy had capital commitments as follows:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Contracted for but not provided in these financial statements | 877,111 | 594,152 |

## 27. 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.

Contributions amounting to £197,293 were payable to the schemes at 31 August 2021 (2020 - £178,002) and are included within creditors.

## 27. Pension commitments (continued)

### 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 £1,035,577 (2020 - £943,527).

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.

## 27. 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 2021 was £856,000 (2020 - £635,000), of which employer's contributions totalled £665,000 (2020 - £471,000) and employees' contributions totalled £ 191,000 (2020 - £164,000). 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.

As described in note  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

| | **2021 %** | 2020 % |
|---|---|---|
| Rate of increase in salaries | **3.80** | 3.10 |
| Rate of increase for pensions in payment/inflation | **2.90** | 2.20 |
| Discount rate for scheme liabilities | **1.65** | 1.70 |

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

| | **2021 Years** | 2020 Years |
|---|---|---|
| Retiring today | | |
| Males | **22.3** | 22.1 |
| Females | **24.7** | 24.3 |
| Retiring in 20 years | | |
| Males | **23.4** | 22.9 |
| Females | **26.4** | 25.7 |

## 27. Pension commitments (continued)

### Share of scheme assets

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

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Equities | **5,948,250** | 4,129,920 |
| Bonds | **1,268,960** | 975,120 |
| Property | **555,170** | 458,880 |
| Cash | **158,620** | 172,080 |
| **Total market value of assets** | **7,931,000** | 5,736,000 |

The actual return on scheme assets was £1,384,000 (2020 - £18,000).

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

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Current service cost | **(1,584,000)** | (1,365,000) |

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

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Opening defined benefit obligation** | **13,047,000** | 8,679,000 |
| Current service cost | **1,584,000** | 1,365,000 |
| Interest cost | **236,000** | 195,000 |
| Employee contributions | **191,000** | 164,000 |
| Actuarial losses | **3,088,000** | 1,260,000 |
| Benefits paid | **(45,000)** | (30,000) |
| Transfer into Trust - Darley Dene Primary School | **-** | 1,414,000 |
| **At 31 August** | **18,101,000** | 13,047,000 |

## 27. Pension commitments (continued)

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

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Opening fair value of scheme assets** | **5,736,000** | 4,341,000 |
| Interest income | **104,000** | 97,000 |
| Actuarial gains/(losses) | **1,280,000** | (79,000) |
| Employer contributions | **665,000** | 471,000 |
| Employee contributions | **191,000** | 164,000 |
| Benefits paid | **(45,000)** | (30,000) |
| Transfer into Trust - Darley Dene Primary School | **-** | 772,000 |
| **At 31 August** | **7,931,000** | 5,736,000 |

## 28. Operating lease commitments

At 31 August 2021 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Within 1 year | **18,397** | 20,101 |
| Between 1 and 5 years | **6,207** | 24,990 |
| | **24,604** | 45,091 |

## 29. 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.

## 30. Contingent liabilities

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

## 31. 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.