



ANNUAL REPORT 2020

LIGHTHOUSE
SCHOOLS PARTNERSHIP



*Collaboration between schools, delivering excellence
for children and young people.*

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LIGHTHOUSE SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S McDonald J Shepherd A Haysom M Mallett M Moloney (resigned 3 November 2020)
Trustees	A Haysom, Chair ^{1,2,3} G Lewis, Chief Executive Officer J Shepherd ³ P Bailey (appointed 10 December 2019) ¹ D Tossell ^{1,2} J Baldwin R Forbes ² M Sewell ¹ B Wibberley ^{2,3} J Sorley (resigned 13 February 2020) ¹ Audit & Risk Committee ² Staffing & Pay Committee ³ Finance Committee (w e f September 2020)
Company registered number	07662102
Company name	Lighthouse Schools Partnership
Principal and registered office	St. Mary's Road Portishead Bristol BS20 7QR
Company secretary	L. Malik
Chief executive officer	G Lewis
Executive Team	G Lewis, Chief Executive Officer L Malik, Chief Financial and Operating Officer S Ivermee, Director of Education
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL
Bankers	Lloyds Bank plc 16 The Triangle Clevedon North Somerset BS21 6NG

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

Solicitors Browne Jacobson
15th Floor
6 Bevis Marks
Bury Court
London
EC3A 7BA



**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 24 academies across North Somerset and Bath and North East Somerset:

Portishead Hub	Phase	Hub	Type	Capacity	NoR (Oct 2019)	URN
Gordano School	Secondary	Portishead	MAT	1940	1950	136856
High Down Infant School	Infant	Portishead	MAT	300	252	143284
High Down Junior School	Junior	Portishead	MAT	360	385	143286
Portishead Primary School	Primary	Portishead	MAT	450	448	143282
St Peter's CE Primary School	Primary	Portishead	MAT	630	620	143285
St Mary's CE Primary School	Primary	Portishead	MAT	105	114	143283
Backwell Hub	Phase	Hub	Type	Capacity	NoR (Oct 2019)	URN
Backwell School	Secondary	Backwell	MAT	1728	1741	136722
Backwell CE Junior School	Junior	Backwell	MAT	240	234	145265
West Leigh Infant School	Infant	Backwell	MAT	180	165	145261
Yatton Infant School	Infant	Backwell	MAT	270	234	145444
Yatton Junior School	Junior	Backwell	MAT	360	348	145263
Northleaze CE Primary School	Primary	Backwell	MAT	210	206	145264
Grove Junior School	Junior	Backwell	MAT	240	217	145260
Hannah More Infant School	Infant	Backwell	MAT	180	157	145262
Wraxall CE Primary	Primary	Backwell	MAT	105	88	109237
Flax Bourton CE Primary	Primary	Backwell	MAT	210	178	145445
Chew Valley Hub	Phase	Hub	Type	Capacity	NoR (Oct 2019)	URN
Chew Valley School	Secondary	Chew	MAT	1253	1128	136722
Bishop Sutton Primary	Primary	Chew	MAT	209	174	146788
Stanton Drew Primary	Primary	Chew	MAT	70	53	146707
East Harptree CE Primary	Primary	Chew	MAT	105	73	146787
Ubley CE Primary	Primary	Chew	MAT	80	88	146689
Winford CE Primary	Primary	Chew	MAT	210	207	146596
Blagdon Primary	Primary	Chew	MAT	119	107	147286
Whitchurch Primary	Primary	Chew	MAT	315	205	147800

* The numbers included for capacity and on roll exclude the pupils in the nursery.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The 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 Trust.

The Trustees of Lighthouse Schools Partnership are also the directors of the charitable company for the purposes of company law. The charitable company operates as Lighthouse Schools Partnership.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after he/she ceases 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' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Trustees' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

During the year the Trust had the following Trustees as set out in its Articles of Association and Funding Agreement:

- Up to 5 Trustees appointed by the Members;
- No fewer than 2 Trustees and up to 33% of the Board appointed by the Diocese of Bath & Wells;
- The Chief Executive (CEO), ex officio.

Trustees are eligible for a four year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee 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 that the Board has the necessary skills to contribute fully to the Trust's development. This process is supported by the skills audit undertaken by the Board of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust has a Trustee Induction and Training procedure provided for all new Trustees which will depend upon their existing experience.

The Trustees subscribe to the National Governor Association. One of the Trustees is currently designated as a National Leader of Governance.

Organisational Structure

The Board of Trustees normally meets monthly. In addition to the Memorandum and Articles of Association and Scheme of Delegation, the Board of Trustees establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It monitors the activities of the Committees and Local Governing Bodies through the minutes of their meetings and the Chief Executive and Chair of the Trust periodically attend LGB meetings. The Board of Trustees may from time to time establish Working Groups to perform specific tasks over a limited timescale. During the year the Chair of Trust and Chief Executive have facilitated a self-review of every LGB to help identify areas of strength and development in addition to ensuring compliance with Trustees expectations of Local Governors.

The following decisions are reserved to the Board of Trustees:

- The Board of Trustees is the employer of all staff and therefore is the final appeal body in matters of pay and staff discipline.
- The Board of Trustees is the admissions authority for all schools in the Trust;
- The Board of Trustees will agree the final budget for each school;
- Only the Board of Trustees can give conditional consent for a school to join the Trust.

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

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

The Committees of the Board are as follows:

Staffing & Pay Committee— this committee meets at least three times a year and its main functions are to assist the decision making of the Board of Trustees on all matters relating to its statutory and legal duties with regards to personnel to ensure sound procedures are in place for the management of the Trust's staffing; and to implement the Pay Policy in a fair and objective manner and to consider any individual representations that may be made in respect of pay decisions.

Audit & Risk Committee— this committee meets at least three times a year and its main function is to maintain an oversight of the Trust's governance, risk management, internal control and value for money principles/framework. It is also responsible for receiving reports from the Internal Auditor and drafting the annual accounts. The Committee also receives independent compliance reporting in relation to Health and Safety and Data Protection. It reports its findings annually to the Trust Board and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

Finance Committee— this committee meets on a monthly basis and its main function is to keep under review, the Trust's financial wellbeing, financial management and reporting arrangements, providing constructive challenge (where necessary) to the actions and judgements of management in relation to the interim management and financial accounts, statements and reports, prior to submission to the Board of Trustees.

Local Governing Bodies— each school or federation in the trust has a Local Governing Body which functions as the Committee of the Board of Trustees responsible for overseeing standards and management in the school. The responsibilities and powers delegated to the Local Governing Body are set out in a Scheme of Delegation. The Local Governing Body of each school will contain representatives of the parent body and the staff employed in that school.

Hub Chairs Development Groups— the Chairs of Local Governing Bodies along with two Trustees comprise this committee which meets at least three times a year. Each Hub has its own Chairs Development Group. Their main function is to coordinate the work of all Local Governing Bodies with the Board of Trustees.

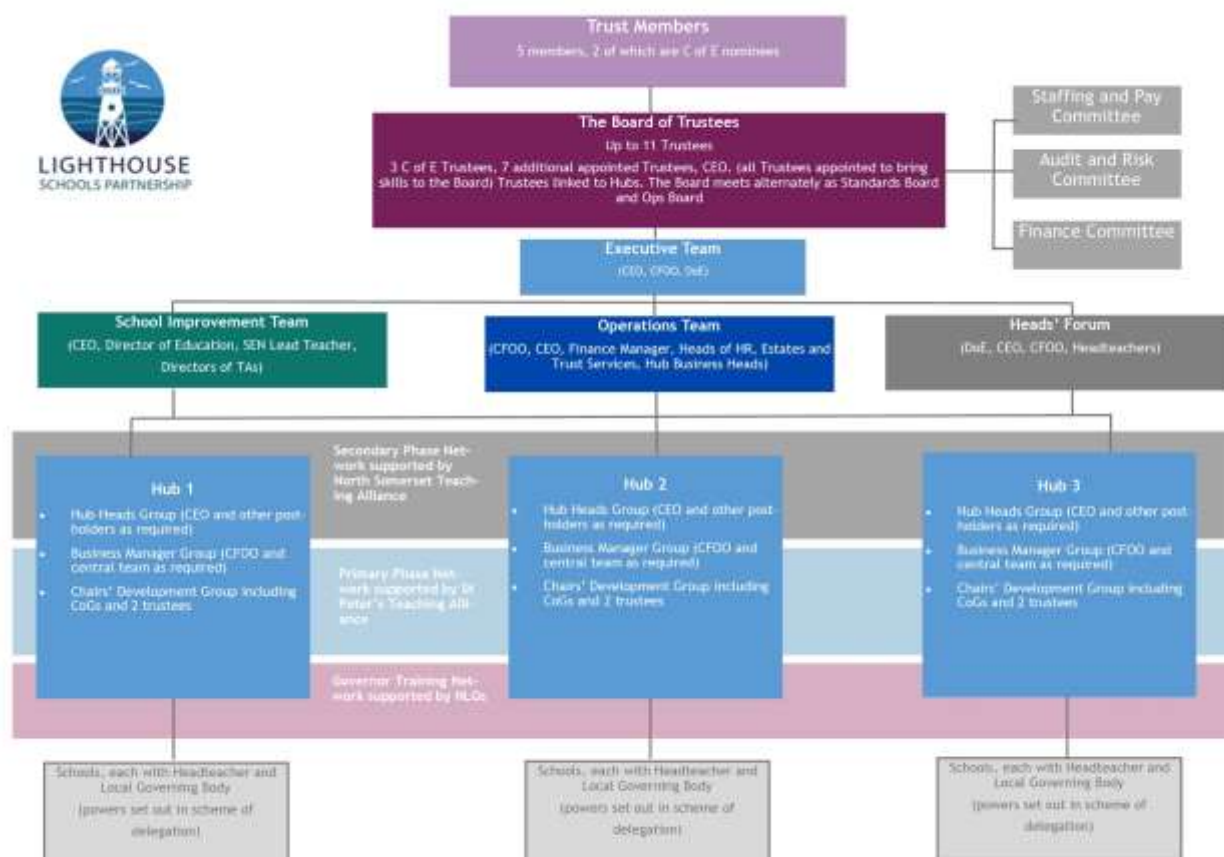
Leadership Structure

During the accounting period the Trust has continued its expansion from 22 to 24 schools. The Trust has an established central team comprising of the Chief Executive, Chief Financial and Operating Officer, Director of Education and teams covering School Improvement, Finance, HR, Trust Services and Estates.

Each school/federation has its own substantive Head and Local Governing Body.

The governance structure of the Trust is detailed below:

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



40% of members and 33% of Trustees are appointed in consultation with the Diocese of Bath and Wells. The Trust has a Memorandum of Understanding with the Diocese to govern the process for such appointments. The Chair of the Trust and Chief Executive have an annual meeting with the Diocesan Director of Education to monitor and review the Trust's responsibilities as a mixed C of E and Community MAT.

The CEO is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Board of Trustees consider the Executive Team to be the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year, with the exception of the CEO, who is remunerated for his role as CEO and not as a Trustee.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts. The pay of key management personnel is reviewed annually, and in line with the requirements of the Academies Financial Handbook. The Trustees have benchmarked against pay levels in other MATs of a similar size and have chosen to pay salaries at the lower end of the range.

Trade union facility time

Facility time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a trade union representative. Under the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust as a relevant public sector employer is required to collect and publish, on an annual basis, a range of data in relation to their employees who are trade union representatives.

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

Relevant union officials Full-time equivalent employee number

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
16	14.67

Percentage of time spent on facility time

Percentage of time	Number of employees
0% of working hours:	5 representatives
1 to 50% of working hours:	11 representatives
51 to 99% of working hours:	0 representatives
100% of working hours:	0 representatives

Percentage of pay bill spent on facility time

Total cost of facility time:	£2,508
Total pay bill:	£35,018,099
Percentage of pay spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100:	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	64.05%
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Connected Organisations, including Related Party Relationships

Gordano School Community Trust has use of the Trust's sporting facilities and premises of Gordano School, there is a transfer of control agreement between them and the Trust.

Employee involvement and employment of the disabled

Employment of the disabled

- The Trust is committed to ensuring that throughout the recruitment and selection processes no applicant is disadvantaged or discriminated against because of the protected characteristics of age, disability, gender, gender re-assignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief and sexual orientation.
- In the very exceptional cases where the Trust is required to discriminate due to an occupational requirement this must be approved by the Trustees who will provide reasons for this requirement.
- Recruitment will be solely on the basis of the applicant's abilities and individual merit as measured against the criteria for the job. Qualifications, knowledge, experience and skills will be assessed at the level that is relevant to the job.
- If an applicant makes the Trust aware, at any stage of the recruitment process, that they have a disability then reasonable adjustments must be considered to ensure the applicant is not disadvantaged by the process.

Employee Involvement

Employees are involved in local discussions and consultations within their own school. The Trust recognises Teacher Unions and other employee representation groups. The Trust has an Employee Liaison Committee. This committee meets three times a year to provide a framework for discussing contractual matters and employment policies with trade unions and staff representatives.

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

The Trust works hard to develop effective and meaningful relationships with suppliers, contractors, local businesses and others. These relationships, partially supported through The LSP Business Partnership

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

scheme enable the provision of high quality and value for money services but they also allow a range of development opportunities for students (such as mentoring activities, work experience, guest speakers, links to alumni, careers fairs and networking events) and support businesses to close the gap between their skills needs and education provision.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Articles of the Trust set out the following objects:

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:
 - i. Academies other than those designated Church of England, whether with or without a designated religious character; and
 - ii. Church of England academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Diocesan Board of Education, but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.
- b) to promote for the benefit of the inhabitants of Portishead 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 or disablement, financial hardship or social and social and economic circumstances or for the public at large in the interests of social welfare and the object of improving the condition of the life of said inhabitants.

Objectives, Strategies and Activities

Key activities and targets were identified within the Trust's Strategic Plan 2018-2021. These include:

- Educational standards: increasing the quality of provision in all Trust schools.
- Leadership and people: providing outstanding governance, executive leadership and school leadership with clear succession planning; attracting, developing and retaining the best people to work in our schools.
- Developing and growing our partnership: strategic growth of our existing partnership to deliver the benefits of cross phase education in defined geographical communities; and, where appropriate, sponsor existing schools or create new school provision to meet the needs of our geographical area and communities working with external partners and local governing bodies.
- Operational effectiveness: ensuring a financially viable and sustainable multi academy trust delivering high quality and cost effective services to schools

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's 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's schools aim to provide for public benefit an excellent education for children and young people in North Somerset and Bath and North East Somerset. The Trust is also committed to working collaboratively with other schools to share and develop expertise and disseminate best practice. Backwell School leads the North Somerset Teaching Alliance and is a regional leader in Professional Development and Research. St Peter's CE Primary School leads its own Teaching School Alliance and is designated as an English Hub. The Trust also makes the facilities of the schools available to the public for sports and leisure use.

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

The Trust has worked with a wider community of schools to support the continued delivery of high quality education and care during the COVID-19 pandemic. This has included high level coordination and collaboration and more detailed practical support to a number of schools that are not part of the Lighthouse Schools Partnership.

STRATEGIC REPORT

Achievements and Performance

As a consequence of the COVID-19 Lockdown from 23rd March 2020 there are no published pupil outcomes for primary or secondary school phases. Although it has been a matter of frustration to the Board that the Trust was not able to show the improvements that its schools had made, the loss of examinations and external assessments was a far more serious problem for the pupils in Year 11 and Year 13 who were subjected to uncertainty and then confusion. Schools in Lighthouse Schools Partnership fulfilled their responsibilities to report the grades to Exam Boards that young people would have been most likely to achieve had exams taken place. This task was delivered with diligence and integrity and the overall process was scrutinised by members of the Board of Trustees. Despite this careful work, it is a matter for regret that there was no national moderation process for grades. The Board is confident that the grades issued by its schools were derived from a sound evidence base and that every effort was made by schools to be fair in their process.

Despite the loss of end of year external measures, the Board and school Local Governing Bodies have continued to receive evaluations of performance and progress. The Board have particularly noted the progress and improvements made at Blagdon Primary School since it joined the Trust in October 2019. It has also been a matter of pride that significant funding was secured to make great improvements in the buildings at Blagdon before and after their joining in date. Two classrooms have been completely refurbished, a great many windows were replaced, heating was brought into the school house, the Library was reordered and refurbished and significant electrical work was addressed. The physical environment at the school has been transformed.



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

The COVID crisis necessitated even greater collaboration than is usual for day to day operations. A full review of primary curriculum had commenced at the beginning of the academic year and this served as a strong foundation for close partnership in delivering Home Learning during the partial school closure. Schools were able to share planning and resources in the primary phase and in due course all schools made a transition onto Microsoft Teams for curriculum delivery. The Board express their thanks to leaders at St Peter's CE Primary School who gave direction to much of this work along with colleagues in the LSP Central Team.

The Board have also been pleased to welcome Whitchurch Primary School who completed their academy conversion and joined on 1st April. Whitchurch had been working with LSP for some time prior to joining and it has been a relief that the COVID emergency came too late to delay their accession.

Only one school was inspected by Ofsted during the 2019-2020 academic year. Backwell School had its inspection in February 2020 and was judged to be good. Inspectors noted the school's 'many strengths' and that 'Leaders balance their ambition for high academic standards with an emphasis on developing pupils' personal development.'

St Peter's CE Primary School was the only Trust school inspected in 2019/20 by SIAMS (Statutory Inspection of Anglican and Methodist Schools). St Peter's had previously been judged as 'Outstanding' under the previous framework in 2015 and in February 2020 it received an 'Excellent' judgement (the equivalent in the new framework). The inspector reported that 'St Peter's shines like a beacon of excellence, living out its Christian distinctiveness through its vision and values.'

Premises Review

£1,389,867 School Condition Allocation was received in April 2019. Using condition survey data for all schools within the Trust and other external evidence a programme of works was agreed by the Board of Trustees. 16 Trust schools were allocated resources from this fund. The biggest allocation was been made to Backwell School to supplement a major investment from the DfE of £2.62m from the Priority School Buildings Programme. Significant allocations have also been made to Chew Valley School (to address heating works alongside the windows work previously funded), Gordano School, Backwell Junior School and High Down Junior School.

£1,429,395 School Condition Allocation was received in April 2020 with a further allocation of £663,838 announced in August 2020. The Trust has developed a 5-year Capital Programme to address the issues raised in the condition surveys. 19 Trust schools have been allocated resources from this fund and some of the most significant projects supported by the funds allocated in April 2020 are: further funding for Backwell School to supplement a major investment from the DfE of £2.62m from the Priority School Buildings Programme, Chew Valley School, Backwell Junior School, Gordano School, High Down Infant School and West Leigh Infant School.

Key Performance Indicators

The key financial performance indicator that the Board of Trustees monitor is the School Budget Share. The Trust aims to break even on the School Budget Share portion of the General Annual Grant (GAG) funding. This is to reflect the desire to spend the funding received in any particular year on the pupils in that academic year.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, 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 Statement of Accounting Policies.

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

Promoting the success of the company

The Trustees, as directors of a company, act in a way that promotes the success of the Trust and this is set out in the Trust's Terms of Reference. In doing so Trustees have regard to:

- the likely consequences of any decision in the long term
- the interests of the Trust's employees
- the need to foster the Trust's business relationships with suppliers, customers and others
- the impact of the Trust's operations on the community and the environment
- the desirability of the Trust maintaining a reputation for high standards of business conduct • the need to act fairly as between members of the Trust

Growth

As noted at the start of the report, the Trust grew from 22 to 24 schools during the last financial period. No further growth is planned for the forthcoming financial year. The Trust has experienced a period of consolidation, both in the operation of the networks and hubs, and in relation to the Central Team and the services it provides.

FINANCIAL REVIEW

Financial Review

Most of the Trust's income is obtained 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 year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The recurring income for the year, excluding balances transferred on conversion, is £48,890,038 and associated expenditure, excluding depreciation, is £48,376,045. The surplus of income over expenditure was £513,993. This compares to £230,268 in 2018-19.

Reserves Policy

The reserves are managed by the appropriate Trustees, in line with the Scheme of Delegation, who review the reserve levels of the Trust annually as part of the budget setting process. This assessment encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The review includes consideration of the future plans of the Trust together with the key risks identified through the risk review. The aim of the Trustees is to enable the Trust to carry forward a prudent level of reserves in order that the Trust has an appropriate level of working capital to allow it to work effectively. The Trust's reserves are, in the main, an accumulation of the reserves held by individual schools. The trustees have agreed that a prudent level of revenue reserve held by individual school is equivalent to 5% of the net of the annual income (used to calculate the Core Services Charge) less the value of the Core Services Charge. In the current financial climate, however, the Trustees have agreed that school reserves should be challenged if they vary from 2% of the net of the annual income (used to calculate the Core Services Charge) less the value of the Core Services Charge. The purpose of this action is to:

1. Ensure that resources are utilised for the benefit of the children and young people currently within the schools, as far as reasonable
2. Prevent or recover a school being in an unfunded deficit position
3. Enable schools and the Trust overall to establish sustainable budgets

This level will provide liquid funds to cover committed expenditure, including employee costs, for a limited period of time whilst remedial action is undertaken.

The reserves at 5% would equate to £1.98m or at 2% it would equate to £0.79m. The current level of revenue reserves amount to £2.05m which equate to 5.2% of the annual income (used to calculate the Core Services Charge)

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

Investment Policy

The Trustees are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return whilst minimising risk. Due to the nature of the funding cycle, the Trust may at times hold large cash balances which may not be required for immediate use.

Principal Risks and Uncertainties

The principal risk and uncertainty facing the Trust is financial. The Trust has considerable reliance on continued Government funding through the ESFA. In the last year 97% of the Trust's incoming resources were 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 COVID-19 pandemic has introduced new risks to the Trust achieving its aims along with operational and financial risks and uncertainties. The Trust continues to liaise closely with all partners and to follow the guidance produced by the Government.

Financial and Risk Management Objectives and Policies

The Trust has a formal risk management process to assess business risks and to implement risk management strategies. This process involves identifying the types of risk the Trust faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. A Risk Register is maintained and reviewed on a regular basis. Each school also maintains a Risk Register and ensures that risks are reported to the Board.

The Risk Management Policy and Risk Register have been discussed by Trustees and include the financial risks to the Trust. The register is constantly reviewed in light of any new information and formally reviewed three times a year.

The Trustees examined financial health throughout the year, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees', Audit and Risk Committee meetings and with the Chair of the Trust Board.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

Fundraising

The Trust does not carry out formal fundraising practices and does not work with any commercial or professional fundraisers. Individual schools perform fundraising activities as agreed with, and monitored by, their Local Governing Body.



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

Streamlined Energy and Carbon Reporting

GHG emissions and energy use data for period 1 September 2019 to 31 August 2020

	Current Reporting Year 2019-2020
	UK GHG Emission and Energy Data
Energy consumption used to calculate emissions (kWh); all mandatory energy sources are included.	8,312,194.6
Scope 1: Emissions from the combustion of Natural Gas (tCO ₂ e)	966.6
Scope 1: Emissions from combustion of Kerosene / Gas Oil Fuel for heating (tCO ₂ e). (see evidence pack for breakdown)	58.2
Scope 1: Emissions of Biomass Pellets (tCO ₂ e)	NA
Scope 3: Emissions from business travel in employee owned vehicles, where the company repaid mileage claims (tCO ₂ e) (average vehicle / fuel source unknown)	7.4
Scope 2: Emissions from purchased Electricity (tCO ₂ e)	657.2
Total gross CO ₂ e based on above (tCO ₂ e)	1,689.5
Intensity Ratio: (kg CO ₂ e) gross based on mandatory fields above per pupil: 9,212 pupils	183.4 kg CO ₂ e per Pupil

All energy data above and supporting documents used in completing this report are contained within the SECR Evidence Pack.

Methodology

An evidence-based methodology was adopted in accordance with BS EN ISO 14064-3:2019, Section 4.3; verifiable data has been collected from the following sources:

Energy Data: Energy Metering, Invoices, Supply Summaries / Statements, Repayment Claims for business mileage, Fuel Cards, and correspondence with suppliers.

Previous Audit Data: ESOS Phase I and Phase II.

Emission Conversions: All emission factors for CO₂e, have been calculated using Defra Conversions 2020, as the period covers four-months of 2019 and eight-months of 2020, in accordance with Defra guidelines.

Third Party Verification

The energy data has been compiled and audited by Sean Midgley (ESOS Lead Assessor) of Powerful Allies Limited, CIBSE Registration No: ESOS185262.

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

Energy Efficiency Action

The Trust has started a process of decarbonisation of the school estate as follows:

- a. During the financial year **100%** of electricity supplied to the directly contracted LSP schools was from **100% REGO Backed Renewable Zero Carbon Generation**, some schools remain on legacy contracts with the local authority contracts.
- b. The Trust has centralised all their Half-Hourly AMR Energy metering data, implementing a program of upgrading to AMR Gas metering, and SMART Metering under the SMART Meter Rollout, for qualifying meters. The improved visibility and granularity will assist in identifying possible waste, control issues, and promote energy efficient behaviour across the portfolio of schools.
- c. The Trust has submitted a Public Sector Decarbonisation Scheme, in a bid to improve building fabric to reduce heat losses, and switch from Oil fired heating to energy efficient Heat Pump technologies. Should the bid be successful, the improvements are anticipated to reduce Greenhouse Gas (GHG) emissions of CO₂e by **144.2 tCO₂e / 683,327 kWh per year**.
- d. The Trust has already made a positive start, with boiler upgrade / replacements at several schools and significant projects to replace glazing and heating systems at Backwell Secondary School, Chew Valley Secondary School and Blagdon Primary School. Further projects including windows and external building insulation at Gordano Secondary school have also been completed. These projects, of approximately £3m in value, have already had a significant beneficial impact for the schools in both environmental and financial terms.
- e. The Trust is currently in the process of developing a Heat Decarbonisation Plan, because of the work carried out around the Decarbonisation Application. It is hoped this work coupled with the new GHG Reporting requirements, will lead to an action plan based on SMART objectives and endorsed by the trustees, governors, and top-level management.

Plans for future periods

Growth of the Trust

No further expansion is anticipated for the 2020-21 financial year. However, the landscape of multi academy trusts is continuing to develop locally and further expansion of the Trust may be a consideration in due course. The governance structure and central team has been developed to support a MAT of 24 schools and has the flexibility to adapt if the Trust is subject to future growth.

The Trust's approach to any further growth is detailed below:

1. To grow the Trust in a measured way to ensure that standards are maintained and improved and that there is sufficient capacity to bring about rapid progress as required.
2. To develop and define the concept of the cross-phase Hub providing children and young people with a cohesive educational journey from early years to post 16.
3. To engage with opportunities to sponsor existing schools or deliver new schools/provision to meet the needs of our geographical area and communities (this may include special or alternative provision).

Funds held as custodian trustee on behalf of others

The Trust and its Trustees do not act as the Custodian Trustee of any other Charity.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9th December 2020 and signed on the board's behalf by:



A Haysom (Chair of Trustees)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

The board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Lighthouse Schools Partnership and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The board of Trustees has formally met 14 times during the year.

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

Trustee	Meetings attended	Out of a possible
A Haysom, Chair	14	14
G Lewis, Chief Executive Officer	14	14
J Shepherd	9	14
J Sorley	2	5
D Tossell	12	14
J Baldwin	9	13
R Forbes	12	14
M Sewell	11	14
B Wibberley	14	14
P Bailey	11	11

Trustees are appointed based on their skills and knowledge.

Review of Governance

A consultation was held on the Scheme of Delegation in June 2020 and a revised edition also issued in June 2020.

The **Audit & Risk Committee** is a sub-committee of the main board of Trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money principles/framework.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Shepherd	4	4
J Sorley	1	3
D Tossell	2	4
M Sewell	4	4
A Haysom	4	4



GOVERNANCE STATEMENT (CONTINUED)

The **Finance Committee** is a sub committee of the main board of Trustees. Its purpose is to keep under review, the Trust's financial wellbeing, financial management and reporting arrangements, providing constructive challenge (where necessary) to the actions and judgements of management in relation to the interim management and financial accounts, statements and reports, prior to submission to the Board of Trustees. This committee was established with effect from 1st September 2020 and therefore did not meet throughout the 2019-20 financial year.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the CEO has responsibility for ensuring that the 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's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

Working together to improve standards

- Rigorous School Improvement support provided to all schools through our School Improvement Strategy;
- School to school support to address issues of capacity;
- The schools in the Trust reviewed the curriculum model, class sizes and staffing levels to ensure we make full and efficient use of our resources.

Collaboration between schools

- Working together as a Multi-Academy Trust;
- Collaboration with other schools, as a member of the North Somerset Teaching Alliance and St Peter's Teaching School Alliance;
- Employing, contracting and sharing qualified professionals across the group of schools, e.g. Education Welfare provision;
- Benchmarking of resources to ensure best value is obtained;
- Group procurement of contracts, such as grounds maintenance.

Maximising income

- The Trust makes facilities available for out of hours use including a significant number of lettings;
- The Gordano School Community Trust manages and maintains Gordano School's sporting facilities for use by the students, staff and the local community;
- The Trust accesses and applies for external grants wherever possible to improve outcomes and performance.

Better purchasing

- Continuous review of contracts to ensure they achieve and maintain high standards of delivery;
- Requiring suppliers to compete on grounds of cost, quality and suitability of services
- Significant savings have been generated through these processes throughout the 2018-19 and 2019-20 financial years.

Control measures

- Comprehensive budgeting and monitoring systems scrutinised by Local Governing Bodies and the Board of Trustees;
- Clearly defined schemes of delegation, purchasing and tender guidelines;
- Maintenance of risk registers;
- Internal audit programme with recommendations reviewed and systems changed where required;
- High level of scrutiny by Trustees' Audit and Risk Committee.

It should be noted however, that the COVID-19 pandemic has had a significant impact on the Trust's operation

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF VALUE FOR MONEY (CONTINUED)

during the 2019-20 financial year. This has significantly impacted the Trust's expenditure, income generation and operational efficiency. An example of this is additional costs associated with cleaning and personal protective equipment. From the closure of schools on 23rd March to the end of the summer term schools across the Trust incurred additional expenditure for these items of over £340k of which only £120k was claimed as additional grant funding from the Government.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lighthouse Schools Partnership for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

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 Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint One West as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

Payroll

Budgetary Control

Business Continuity and Risk Management

The matters raised in the reports have been shared with Trustees and are being addressed.

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the 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 Audit & Risk 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 on 9 December 2020 and signed on their behalf by:



A Haysom
Chair of Trustees



G Lewis
Accounting Officer



STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Lighthouse Schools Partnership I have considered my responsibility to notify the Academy Trust's 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



G Lewis
Accounting Officer
Date: 9 December 2020



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

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

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

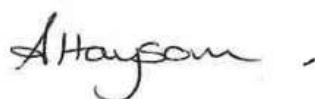
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 on 9 December 2020 and signed on its behalf by:



A Haysom
Chair of Trustees

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LIGHTHOUSE SCHOOLS PARTNERSHIP**

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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.

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LIGHTHOUSE SCHOOLS PARTNERSHIP (CONTINUED)**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Trust 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.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LIGHTHOUSE SCHOOLS PARTNERSHIP (CONTINUED)**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the Trust 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

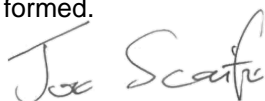
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

USE OF OUR REPORT

This report is made solely to the charitable Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable Trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joseph Scaife FCA DChA (senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

9 December 2020

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LIGHTHOUSE SCHOOLS PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lighthouse Schools Partnership during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lighthouse Schools Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lighthouse Schools Partnership 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 Lighthouse Schools Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF LIGHTHOUSE SCHOOLS PARTNERSHIP'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Lighthouse Schools Partnership's funding agreement with the Secretary of State for Education dated 26 August 2016 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

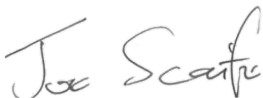
Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy Trust complied with the framework of authorities. We also reviewed the reports commissioned by the trustees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

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.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
LIGHTHOUSE SCHOOLS PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

CONCLUSION

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



Joseph Scaife FCA DChA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date:

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants	4	1,048,120	(112,180)	7,290,019	8,225,959	15,297,785
Charitable activities		1,017,772	43,371,337	-	44,389,109	41,053,333
Teaching schools		-	611,757	-	611,757	608,191
Other trading activities		534,715	-	-	534,715	757,217
Investments	7	3,082	-	-	3,082	3,290
TOTAL INCOME		2,603,689	43,870,914	7,290,019	53,764,622	57,719,816
EXPENDITURE ON:						
Raising funds		267,690	-	-	267,690	360,606
Charitable activities		1,839,588	45,194,027	3,277,614	50,311,229	47,776,809
Teaching schools		-	508,602	-	508,602	543,417
TOTAL EXPENDITURE		2,107,278	45,702,629	3,277,614	51,087,521	48,680,832
NET INCOME / (EXPENDITURE)		496,411	(1,831,715)	4,012,405	2,677,101	9,038,984
Transfers between funds	19	-	(1,896,755)	1,896,755	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		496,411	(3,728,470)	5,909,160	2,677,101	9,038,984
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	28	-	(910,000)	-	(910,000)	(3,782,000)
NET MOVEMENT IN FUNDS		496,411	(4,638,470)	5,909,160	1,767,101	5,256,984

**RECONCILIATION OF
FUNDS:**

Total funds brought forward	1,178,194	(21,232,018)	121,289,508	101,235,684	95,978,700
Net movement in funds	496,411	(4,638,470)	5,909,160	1,767,101	5,256,984
TOTAL FUNDS CARRIED FORWARD	<u>1,674,605</u>	<u>(25,870,488)</u>	<u>127,198,668</u>	<u>103,002,785</u>	<u>101,235,684</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 32 to 78 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	15	124,694,512	121,289,508
		124,694,512	121,289,508
CURRENT ASSETS			
Debtors	16	3,095,720	1,856,261
Cash at bank and in hand		6,952,632	5,342,391
		10,048,352	7,198,652
Creditors: amounts falling due within one year	17	(4,996,079)	(3,807,476)
NET CURRENT ASSETS		5,052,273	3,391,176
TOTAL ASSETS LESS CURRENT LIABILITIES		129,746,785	124,680,684
NET ASSETS EXCLUDING PENSION LIABILITY		129,746,785	124,680,684
Defined benefit pension scheme liability	28	(26,744,000)	(23,445,000)
TOTAL NET ASSETS		103,002,785	101,235,684
FUNDS OF THE TRUST			
Restricted funds:			
Fixed asset funds	19	127,198,668	121,289,508
Restricted income funds	19	873,512	2,212,982
Restricted funds excluding pension asset	19	128,072,180	123,502,490
Pension reserve	19	(26,744,000)	(23,445,000)
Total restricted funds	19	101,328,180	100,057,490
Unrestricted income funds	19	1,674,605	1,178,194
TOTAL FUNDS		103,002,785	101,235,684

**LIGHTHOUSE SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

The financial statements on pages 32 to 78 were approved by the Trustees, and authorised for issue on 09 December 2020 and are signed on their behalf, by:



A Haysom
Chair of Trustees

The notes on pages 32 to 78 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	21	124,381	690,689
CASH FLOWS FROM INVESTING ACTIVITIES	23	1,338,823	151,963
CASH FLOWS FROM FINANCING ACTIVITIES	22	147,037	418,826
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		1,610,241	1,261,478
Cash and cash equivalents at the beginning of the year		5,342,391	4,080,913
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	<u>6,952,632</u>	<u>5,342,391</u>

The notes on pages 32 to 78 form part of these financial statements

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

GENERAL INFORMATION

Lighthouse Schools Partnership is a company limited by guarantee, incorporated in England and Wales. The registered office is Lighthouse Schools Partnership, St Mary's Road, Portishead, Bristol, BS20 7QR.

2. 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.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Lighthouse Schools Partnership meets the definition of a public benefit entity under FRS 102.

2.2 FUND ACCOUNTING

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably

- **Grants**

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the 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 Trust has provided the goods or services.

- **Transfer on conversion**

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

2.4 EXPENDITURE

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE (CONTINUED)

Charitable activities

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.
All resources expended are inclusive of irrecoverable VAT.

2.5 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 Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.6 TANGIBLE FIXED ASSETS

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

When individual schools convert to being academies the academy trust has been granted 125 year leases from the Local Authority for the land and buildings previously occupied by the local authority schools. On conversion of schools in the year the long term leasehold properties were recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Where the Trust has been granted use of school buildings from the relevant Church of England Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that where the Academy Trust concludes it has control over access and works of the land and buildings they can be recognised as an asset.

The land and buildings have been included within the long-term property of the Trust as the relevant Church of England Diocese are currently not exerting control over the assets.

The Supplemental Agreement includes the right for the relevant Church of England Diocese to give not less than 2 years written notice to the Academy Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

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

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS (CONTINUED)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- 2% straight line
Leasehold land and buildings	- over 125 years
Plant and machinery	- 10% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 20% straight line
Motor vehicles	- 20% straight line
Assets under construction	- not depreciated until complete

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.

2.7 OPERATING LEASES

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

2.8 TAXATION

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Trust 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.

2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount. Prepayments are valued at the amount prepaid after any trade discount.

2.10 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.

2.11 LIABILITIES

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

2. ACCOUNTING POLICIES (continued)

2.12 FINANCIAL INSTRUMENTS

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust 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 Trust'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.

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 note 17. 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 Trust's wholly owned subsidiary are held at face value less any impairment.

2.13 PENSIONS

Retirement benefits to employees of the Trust 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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

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

2. ACCOUNTING POLICIES (continued)

2.14 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to a Trust 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 Blagdon Primary School and Whitchurch Primary School to the Trust 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 26.

2.15 AGENCY ARRANGEMENTS

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 27.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The academy trust obtains the use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the academy trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
DONATIONS					
Transfer from Local Authority on Conversion	118,308	(702,271)	5,458,547	4,874,584	11,427,610
	<u>118,308</u>	<u>(702,271)</u>	<u>5,458,547</u>	<u>4,874,584</u>	<u>11,427,610</u>
Donations	929,812	433,675	-	1,363,487	1,810,852
Grants	-	156,416	1,831,472	1,987,888	2,059,323
	<u>929,812</u>	<u>590,091</u>	<u>1,831,472</u>	<u>3,351,375</u>	<u>3,870,175</u>
	<u>1,048,120</u>	<u>(112,180)</u>	<u>7,290,019</u>	<u>8,225,959</u>	<u>15,297,785</u>
Total 2019	<u>1,521,905</u>	<u>1,320,756</u>	<u>12,455,124</u>	<u>15,297,785</u>	

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

5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DFE/ESFA GRANTS				
General Annual Grant	-	37,450,526	37,450,526	35,426,521
Start-Up Grant	-	50,000	50,000	137,000
Other DfE/ESFA	-	4,314,846	4,314,846	2,362,653
	-	41,815,372	41,815,372	37,926,174
Other Government grants				
High Needs (SEN)	-	598,031	598,031	313,875
Other Government grants: non capital	-	957,934	957,934	1,097,480
	-	1,555,965	1,555,965	1,411,355
Other funding				
Catering income	131,576	-	131,576	359,649
Income for hosting trainee teachers	202,098	-	202,098	407,504
Sales to students	15,481	-	15,481	24,454
Trips and other income	575,199	-	575,199	827,431
Early years funding	93,418	-	93,418	96,766
	<u>1,017,772</u>	<u>43,371,337</u>	<u>44,389,109</u>	<u>41,053,333</u>
Total 2019				
	<u>1,715,804</u>	<u>39,337,529</u>	<u>41,053,333</u>	

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	108,838	108,838	145,308

Consultancy	-	-	13,552
After school and breakfast clubs	332,381	332,381	508,716
Teaching School income and other	93,496	93,496	89,641
	<u>534,715</u>	<u>534,715</u>	<u>757,217</u>
Total 2019			
	<u>757,217</u>	<u>757,217</u>	

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

6. INCOME FROM OTHER TRADING ACTIVITIES (CONTINUED)

The amounts in the prior year were all unrestricted.

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	3,082	3,082	3,290
Total 2019			
	<u>3,290</u>	<u>3,290</u>	

The amounts in the prior year were all unrestricted.

8. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on fundraising trading activities:					
Direct costs	227,862	-	39,828	267,690	360,606
Education					
Direct costs	31,745,302	2,711,476	3,790,550	38,247,328	36,862,637
Allocated support costs	5,985,543	3,228,932	2,849,426	12,063,901	10,914,172
Teaching school	-	-	508,602	508,602	543,417
Total 2019	<u>37,958,707</u>	<u>5,940,408</u>	<u>7,188,406</u>	<u>51,087,521</u>	<u>48,680,832</u>
	<u>34,872,037</u>	<u>6,101,977</u>	<u>7,706,818</u>	<u>48,680,832</u>	

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	<u>38,247,328</u>	<u>12,063,901</u>	<u>50,311,229</u>	<u>47,776,809</u>
Total 2019	<u>36,862,637</u>	<u>10,914,172</u>	<u>47,776,809</u>	

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Pension finance costs	128,000	430,000
Staff costs	31,414,873	29,294,045
Depreciation	2,711,476	2,618,894
Educational supplies	1,064,218	1,160,237
Examination fees	372,238	429,697
Staff development	95,431	119,202
Educational visits and other costs	2,097,663	2,437,514
Agency costs	363,429	373,048
	<u>38,247,328</u>	<u>36,862,637</u>

Included within Educational visits and other costs is:

- Music tuition £206,656 (2019: £200,427)
- Trips £1,518,676 (2019: £1,654,710)
- Cost of resources sold to students £6,424 (2019: £24,454)
- Other £112,045 (2019: £185,987)

Included within staff costs is £487,537 (2019: £373,048) in relation to supply teacher costs.

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Pension income	352,000	83,000
Staff costs	5,952,543	4,906,418
Other costs	17,894	24,588
Recruitment and support	37,360	36,726
Maintenance of premises and equipment	1,494,602	1,639,332
Cleaning	840,465	795,355
Rent and rates	293,606	284,454
Energy costs	658,719	665,505
Insurance	241,484	236,317
Security and transport	118,754	124,498
Catering	824,007	913,782
Technology costs	502,800	486,535
Office overheads	293,739	247,105
Legal and professional	392,653	434,377
Bank interest and charges	25	100
Governance	43,250	36,080
	<u>12,063,901</u>	<u>10,914,172</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	85,823	94,755
	2,711,476	2,618,894

**LIGHTHOUSE SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**



Depreciation of tangible fixed assets

Fees paid to auditors for:

- audit	22,000	21,500
- accounts preparation	<u>8,500</u>	<u>8,000</u>

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

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	27,238,463	26,230,126
Social security costs	2,460,090	2,370,014
Pension costs	7,775,220	5,782,025
	37,473,773	34,382,165
Apprenticeship levy	121,505	116,824
Agency costs	363,429	373,048
	<u>37,958,707</u>	<u>34,872,037</u>
	2020	2019
	£	£
Redundancy payments	-	122,379
	<u>-</u>	<u>122,379</u>

b. STAFF NUMBERS

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

	2020	2019
	No.	No.
Teachers	513	510
Administration and support	594	554
Management	75	70
	<u>1,182</u>	<u>1,134</u>

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

11. STAFF (CONTINUED)

b. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	417	420
Administration and support	312	304
Management	66	66
	<u>795</u>	<u>790</u>

c. HIGHER PAID STAFF

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	10	8
In the band £70,001 - £80,000	4	7
In the band £80,001 - £90,000	4	-
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	2	-
In the band £110,001 - £120,000	<u>1</u>	<u>1</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Trust comprise of the Trustees and the senior management team as listed on page 1. 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 Trust was £378,139 (2019 £318,008).

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

12. CENTRAL SERVICES

The Trust has provided the following central services to its academies during the year, including:

- School Improvement
- Educational Support Services
- Governance
- Accounting
- Financial services
- Procurement of trust-wide contracts
- Premises support
- ICT support
- Marketing and branding
- HR & legal services

The academy trust will charge each school 4% of its funding pro-rata for the year, in line with the Core Services Charge Policy. The actual amounts charged during the year were as follows:

	2020	2019
	£	£
Backwell School	330,426	310,395
Backwell CE Junior School	34,147	31,461
Bishop Sutton Primary School	25,470	14,945
Blagdon Primary School	17,888	-
Chew Valley School	217,141	202,964
East Harptree CE Primary School	15,022	9,343
Flax Bourton CE Primary School	25,475	21,274
Gordano School	363,875	328,741
Grove Junior School	35,212	32,212
Hannah More Infant School	25,365	24,484
High Down Infant School	36,551	38,923
High Down Junior School	59,023	51,644
Northleaze CE Primary School	31,515	30,569
Portishead Primary School	62,613	62,234
St Mary's CE Primary School	19,369	18,179
St Peter's CE Primary School	82,365	77,589
Stanton Drew Primary School	13,104	8,019
Ubley CE Primary School	14,608	9,403

**LIGHTHOUSE SCHOOLS PARTNERSHIP
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West Leigh Infant School	25,723	24,907
Whitchurch Primary School	14,732	-
Winford CE Primary School	31,336	18,520
Wraxall CE Primary School	17,414	17,431
Yatton Infant School	36,487	36,495
Yatton Junior School	50,924	46,434
TOTAL	<u>1,585,785</u>	<u>1,416,166</u>

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

13. TRUSTEES' REMUNERATION AND EXPENSES

The CEO is the only Trustee to receive remuneration and only receives remuneration in respect of services they provide under taking the roles of CEO and staff and not in respect of their services as a Trustee. Other Trustees did not receive any payments, other than expenses from the Trust in respect of their roles as Trustees. The value of Trustees' remuneration and other benefits was as follows: G Lewis: remuneration £115k - £120k (2019: £110k - £115k), employer's pension contributions £25k - £30k (2019: £25k - £30k).

Other related party transactions involving the trustees are set out in note 30.

During the year ended 31 August 2020, expenses totalling £2,281 (2019: £3,986) were reimbursed across 10 Trustees (2019: 10)

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000. The cost of this insurance is included in the total insurance cost. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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

15. TANGIBLE FIXED ASSETS

	Freehold and long term leasehold property £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Assets under construction £	Total £
COST OR VALUATION						
At 1 September 2019	131,587,932	1,533,537	1,080,236	20,740	77,060	134,299,505
Additions	136,780	101,661	235,279	-	184,213	657,933
Assets transferred on conversion	5,458,547	-	-	-	-	5,458,547
Transfers between classes	77,060	-	-	-	(77,060)	-
At 31 August 2020	<u>137,260,319</u>	<u>1,635,198</u>	<u>1,315,515</u>	<u>20,740</u>	<u>184,213</u>	<u>140,415,985</u>

DEPRECIATION

At 1 September 2019	11,649,560	745,370	608,774	6,293	-	13,009,997
Charge for the year	2,331,912	193,582	181,834	4,148	-	2,711,476
At 31 August 2020	<u>13,981,472</u>	<u>938,952</u>	<u>790,608</u>	<u>10,441</u>	<u>-</u>	<u>15,721,473</u>

NET BOOK VALUE

At 31 August 2020	<u>123,278,847</u>	<u>696,246</u>	<u>524,907</u>	<u>10,299</u>	<u>184,213</u>	<u>124,694,512</u>
At 31 August 2019	<u>119,938,372</u>	<u>788,167</u>	<u>471,462</u>	<u>14,447</u>	<u>77,060</u>	<u>121,289,508</u>

Included in freehold and long term leasehold property is freehold land at valuation of £5,150,000 which is not depreciated.

16. DEBTORS

	2020	2019
	£	£
DUE WITHIN ONE YEAR		
Trade debtors	103,537	94,124
Other debtors	558,028	453,871
Prepayments and accrued income	2,434,155	1,308,266
	<u>3,095,720</u>	<u>1,856,261</u>

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

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	1,690,588	602,305
Other taxation and social security	624,148	620,597
Other creditors	751,119	702,238
Accruals and deferred income	1,930,224	1,882,336
	<u>4,996,079</u>	<u>3,807,476</u>
	2020 £	2019 £
Deferred income at 1 September 2019	700,162	749,764
Resources deferred during the year	810,820	700,162
Amounts released from previous periods	(700,162)	(749,764)
	<u>810,820</u>	<u>700,162</u>

At the balance sheet date the Trust was holding funds received in advance from the ESFA for Universal Infant Free School Meals funding received in advance and receipts in advance for trips taking place post year end.

18. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets measured at amortised cost	<u>8,915,429</u>	6,266,961
	2020 £	2019 £
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(2,856,372)</u>	(1,955,293)

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise accrued expenditure, trade creditors and other creditors.

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	<u>1,178,194</u>	<u>2,603,689</u>	<u>(2,107,278)</u>	<u>-</u>	<u>-</u>	<u>1,674,605</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	296,436	37,450,526	(36,971,856)	(587,775)	-	187,331
High needs funding (SEN)	-	723,319	(723,319)	-	-	-
Donations	-	577,934	(577,934)	-	-	-
Pupil premium	-	1,009,558	(1,009,558)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	693,076	(693,076)	-	-	-
Devolved formula capital	539,039	232,360	(277,803)	-	-	493,596
Training / Teaching school funding	68,527	2,110,249	(1,986,191)	-	-	192,585
MAT set-up	-	50,000	(50,000)	-	-	-
Schools Condition Allocation (SCA)	1,308,980	-	-	(1,308,980)	-	-
Growth funding	-	164,963	(164,963)	-	-	-
Other restricted grants - non government	-	1,001,122	(1,001,122)	-	-	-
Other restricted grants - government	-	588,807	(588,807)	-	-	-
Pension reserve	(23,445,000)	(731,000)	(1,658,000)	-	(910,000)	(26,744,000)
	<u>(21,232,018)</u>	<u>43,870,914</u>	<u>(45,702,629)</u>	<u>(1,896,755)</u>	<u>(910,000)</u>	<u>(25,870,488)</u>

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	114,874,907	5,458,547	(2,276,325)	-	-	118,057,129
Fixed assets purchased from GAG and other restricted funds	6,414,601	70,158	(435,151)	587,775	-	6,637,383
DfE/ESFA Capital grants	-	1,761,314	(566,138)	1,308,980	-	2,504,156
	<u>121,289,508</u>	<u>7,290,019</u>	<u>(3,277,614)</u>	<u>1,896,755</u>	<u>-</u>	<u>127,198,668</u>
TOTAL RESTRICTED FUNDS						
	<u>100,057,490</u>	<u>51,160,933</u>	<u>(48,980,243)</u>	<u>-</u>	<u>(910,000)</u>	<u>101,328,180</u>
TOTAL FUNDS						
	<u>101,235,684</u>	<u>53,764,622</u>	<u>(51,087,521)</u>	<u>-</u>	<u>(910,000)</u>	<u>103,002,785</u>

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

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency (ESFA) during the year in order to fund the continuing activities of the academy trust.

High needs funding (SEN) is received from a Local Authority to cater for pupils with learning difficulties and other disabilities.

Donations represent amounts donated for a specific purpose and includes amounts in relation to academy trust trips and amounts received on joining the academy trust.

Pupil premium funding represents amounts received from the ESFA to cater for disadvantaged pupils.

Universal Infant Free School Meals (UIFSM) represents amounts received from the ESFA to fund free school meals for infants.

Devolved formula capital (DFC) represents devolved capital funding received from the LA / ESFA which has been spent on revenue items.

Training / Teaching school income represents funding received in line with the academy trust's specialist Training / Teaching status.

MAT set up fund includes start up grants and other income from the ESFA in relation to establishing and growing the Multi Academy Trust.

**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

School Condition Allocation represents amounts received from the ESFA for maintenance of school premises. During the year the entire balance of the School Condition Allocation was transferred to the restricted fixed asset fund to represent income received from the ESFA for capital projects.

Growth funding represents amounts received from the Local Authority to support increases in pupil admission numbers.

Other restricted grants - non-government includes various amounts received from non-government agencies.

Other restricted grants - government includes various amounts received from different sources including North Somerset Council and the ESFA.

Discretionary Fund represents parent donations made into Gordano School Discretionary Fund to be spent on student led and community focused projects to enhance school life and create educational opportunities. The balance at the period end represents the unspent balance in the fund.

The pension reserve represents the Local Government Pension Scheme deficit.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the academy trust from North Somerset and Bath and North East Somerset councils on conversion to academy status.

Fixed assets purchased from GAG and restricted funds represents amounts spent on fixed assets from the GAG funding received from the ESFA and income from other sources specifically for the purchase of fixed assets, including fixed assets that have been donated to the academy trust.

DfE/ESFA Capital grants includes amounts received from the Priority Schools Building Programme.

OTHER INFORMATION

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

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

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
Backwell School	171,676	173,614
Blagdon Primary School	89,173	-
Chew Valley School	106,485	(57,135)
Flax Bourton Church of England Primary School	55,401	40,533
Gordano School	461,809	474,825
Northleaze Church of England Primary School	108,769	95,116
Portishead Primary School	(25,905)	8,099
St Mary's Church of England Voluntary Aided Primary School, Portbury	30,036	8,580
St Peter's Church of England Primary School	303,541	303,464
Whitchurch Primary School	182,973	-
Winford Church of England Primary School	140,481	128,768
Wraxall Church of England Primary School	20,753	37,105
Teaching Schools	192,585	89,430
Central Team	290,874	267,975
Central Team - SCA	-	1,308,980
Backwell Church of England Junior School	20,379	12,822
West Leigh Infant School	35,444	3,549
Bishop Sutton Primary School	23,811	30,762
Stanton Drew Primary School	43,529	28,948
East Harptree Church of England VC Primary School	43,876	54,064
Ubley Church of England Primary School	59,132	75,432
Grove Junior School	85,447	27,285
Hannah More Infant School	(98,202)	(28,525)
High Down Infant School	28,532	40,142

**LIGHTHOUSE SCHOOLS PARTNERSHIP
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High Down Junior School	123,881	113,121
Yatton Infant School	15,005	101,085
Yatton Church of England Junior School	<u>38,632</u>	<u>53,137</u>
Total before fixed asset funds and pension reserve	2,548,117	3,391,176
Restricted fixed asset fund	127,198,668	121,289,508
Pension reserve	(26,744,000)	(23,445,000)
TOTAL	<u>103,002,785</u>	<u>101,235,684</u>

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

19. STATEMENT OF FUNDS (CONTINUED)

Of the revenue balance at the year end attributable to central services, approximately £100k is committed to fund specific items. This includes funding received in 2019-20 that has been earmarked to improve the digital infrastructure in some of the Primary Schools in the Trust and funding that has been earmarked to support continued curriculum development. The remaining balance will be supporting a projected deficit in the Central Services Budget over the next two years.

The Central Services SCA balance of £2,504,156 represents the balance of the school condition allocation remaining at the end of the 2019-20 financial year, this has previously been designated as a restricted fund but is now considered as being unspent within the fixed asset fund. Some of the projects in the Trust's 5 year programme of school condition improvements were delayed due to the closure of schools and the availability of contractors and materials. At the end of June 2020 the Trust was allocated an additional £663,838 of SCA funding which is included in the balance at the end of the 2019-20 financial year.

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Hannah More Infant School	(98,202)
Portishead Primary School	<u>(25,905)</u>

Hannah More Infant School

Hannah More Infant School operates with Grove Junior School under one Governing Body and with an Executive Headteacher. Across the two schools the net deficit is £12,755. The schools, with support from the Trust's Central Team, are currently working together to identify the action required to ensure that the deficit can be recovered and a sustainable budget established within a reasonable time period.

Portishead Primary School

Due to the closure of its wrap around care provision associated with the COVID-19 pandemic, Portishead Primary received significantly less income than originally anticipated in the 2019-20 financial year. It is planned that this deficit will have been recovered by the end of the 2020-21 financial year.

Action has, and continues to be taken, in a number of other schools in the Trust to address actual or projected deficits. An example of this is Chew Valley School that had a deficit at the end of the 2018-19 financial year but has now returned to a surplus balance at the end of the 2019-20 financial year.

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

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 2020 £	Total 2019 £
Backwell School	6,246,165	1,023,266	201,757	872,948	8,344,136	8,763,034
Backwell CE Junior School	688,040	107,122	20,257	190,438	1,005,857	1,028,288
Bishop Sutton Primary School	522,480	93,384	16,543	118,854	751,261	494,896
Blagdon Primary School	310,866	48,336	10,624	103,742	473,568	-
Chew Valley School	4,318,098	723,578	131,462	937,505	6,110,643	6,150,316
East Harptree CE Primary School	347,269	36,321	18,564	107,577	509,731	308,117
Flax Bourton CE Primary School	503,313	64,083	22,935	160,208	750,539	672,446
Gordano School	7,078,134	1,013,781	164,262	1,624,009	9,880,186	9,136,992
Grove Junior School	687,520	89,194	24,827	149,180	950,721	937,204
Hannah More Infant School	585,889	87,670	18,320	124,953	816,832	758,208
High Down Infant School	985,138	120,493	21,781	164,769	1,292,181	1,274,862
High Down Junior School	1,070,711	327,900	59,549	277,264	1,735,424	1,714,017
Northleaze CE Primary School	603,075	118,593	16,707	126,534	864,909	899,298
Portishead Primary School	1,296,207	255,021	51,537	306,058	1,908,823	1,959,635

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St Mary's CE Primary School	375,295	44,349	17,348	108,042	545,034	564,864
St Peter's CE Primary School	1,787,819	265,471	40,293	432,581	2,526,164	2,306,991
Stanton Drew Primary School	264,346	49,778	6,829	39,589	360,542	226,542
Ubley CE Primary School	276,240	51,261	14,792	78,361	420,654	269,981
West Leigh Infant School	492,287	71,232	17,380	175,557	756,456	700,962

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

19. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational ; support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Whitchuch Primary School	251,390	60,123	7,475	37,550	356,538	-
Winford CE Primary School	657,508	92,551	11,360	182,878	944,297	577,359
Wraxall CE Primary School	366,403	37,799	16,966	104,545	525,713	517,502
Yatton Infant School	871,871	172,500	33,058	201,382	1,278,811	1,205,848
Yatton Junior School	1,167,873	133,695	43,636	219,345	1,564,549	1,348,072
Central Services	334,705	782,565	75,956	1,973,134	3,166,360	3,711,950
Teaching School	115,111	52,634	209,763	158,608	536,116	534,554
TRUST						
	<u>32,203,753</u>	<u>5,922,700</u>	<u>1,273,981</u>	<u>8,975,611</u>	<u>48,376,045</u>	<u>46,061,938</u>

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

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General funds	1,166,906	3,973,580	(3,962,292)	-	-	1,178,194
Nursery	-	113,263	(113,263)	-	-	-
	<u>1,166,906</u>	<u>4,086,843</u>	<u>(4,075,555)</u>	<u>-</u>	<u>-</u>	<u>1,178,194</u>

RESTRICTED GENERAL FUNDS

General Annual Grant (GAG)	323,061	35,426,521	(34,772,203)	(680,943)	-	296,436
High needs funding (SEN)	-	704,078	(704,078)	-	-	-
Donations	21,444	632,254	(653,698)	-	-	-
Pupil premium	-	981,950	(981,950)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	598,409	(598,409)	-	-	-
Devolved formula capital	98,151	678,549	(52,953)	(184,708)	-	539,039
CIF	524,995	-	-	(524,995)	-	-
Training / Teaching school funding	9,362	522,364	(463,199)	-	-	68,527
MAT set-up	-	137,000	(137,000)	-	-	-
Schools Condition Allocation (SCA)	853,361	1,389,867	(858,103)	(76,145)	-	1,308,980
Growth funding	-	188,135	(188,135)	-	-	-
Other restricted	2,500	591,397	(442,842)	(151,055)	-	-

**LIGHTHOUSE SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**



grants - non
government

Other restricted grants - government	44,306	389,263	(433,569)	-	-	-
Discretionary Fund	31,182	-	(31,182)	-	-	-
Teachers grant	-	337,062	(337,062)	-	-	-
Pension reserve	(16,932,000)	(1,399,000)	(1,332,000)	-	(3,782,000)	(23,445,000)
	<u>(15,023,638)</u>	<u>41,177,849</u>	<u>(41,986,383)</u>	<u>(1,617,846)</u>	<u>(3,782,000)</u>	<u>(21,232,018)</u>

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income &	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	104,704,071	12,407,784	(2,236,948)	-	-	114,874,907
Fixed assets purchased from GAG and other restricted funds	5,131,361	47,340	(381,946)	1,617,846	-	6,414,601
	<u>109,835,432</u>	<u>12,455,124</u>	<u>(2,618,894)</u>	<u>1,617,846</u>	<u>-</u>	<u>121,289,508</u>
TOTAL RESTRICTED FUNDS						
	<u>94,811,794</u>	<u>53,632,973</u>	<u>(44,605,277)</u>	<u>-</u>	<u>(3,782,000)</u>	<u>100,057,490</u>
TOTAL FUNDS						
	<u>95,978,700</u>	<u>57,719,816</u>	<u>(48,680,832)</u>	<u>-</u>	<u>(3,782,000)</u>	<u>101,235,684</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	124,694,512	124,694,512
Current assets	1,674,605	5,869,591	2,504,156	10,048,352
Creditors due within one year	-	(4,996,079)	-	(4,996,079)
Provisions for liabilities and charges	-	(26,744,000)	-	(26,744,000)
TOTAL	<u>1,674,605</u>	<u>(25,870,488)</u>	<u>127,198,668</u>	<u>103,002,785</u>

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	121,289,508	121,289,508
Current assets	1,312,603	5,886,049	-	7,198,652
Creditors due within one year	(134,409)	(3,673,067)	-	(3,807,476)
Provisions for liabilities and charges	-	(23,445,000)	-	(23,445,000)
TOTAL	<u>1,178,194</u>	<u>(21,232,018)</u>	<u>121,289,508</u>	<u>101,235,684</u>

21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the period (as per statement of financial activities)	2	9
ADJUSTMENTS FOR:		
Depreciation	2,711,476	2,618,894
Capital grants from DfE and other capital income	(1,993,674)	(2,068,416)
Interest receivable	(3,082)	(3,290)
Defined benefit pension scheme cost less contributions payable	1,178,000	1,044,000
Defined benefit pension scheme finance cost	480,000	288,000
(Increase)/decrease in debtors	(1,239,459)	723,770
Increase in creditors	1,188,603	476,357
Net assets and liabilities transferred from local authority on conversion	(4,874,584)	(11,427,610)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>124,381</u>	<u>690,689</u>

22. CASH FLOWS FROM CONVERSION TO AN ACADEMY

	2020 £	2019 £
Funds received from the Local Authority and other academies on conversion	147,037	418,826
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>147,037</u>	<u>418,826</u>

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

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2020	2019
	£	£
Interest received	3,082	3,290
Purchase of tangible assets	(657,933)	(1,919,743)
Capital grants from DfE Group	1,993,674	2,068,416
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>1,338,823</u>	<u>151,963</u>

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash in hand	6,952,632	5,342,391
TOTAL CASH AND CASH EQUIVALENTS	<u>6,952,632</u>	<u>5,342,391</u>

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	5,342,391	1,610,241	6,952,632
	<u>5,342,391</u>	<u>1,610,241</u>	<u>6,952,632</u>

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

26. CONVERSION TO AN ACADEMY TRUST

During the year Blagdon Primary School and Whitchurch Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Lighthouse Schools Partnership from North Somerset Council and Bath and North East Somerset Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	5,458,547	5,458,547
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	118,308	28,729	-	147,037
NON-CURRENT LIABILITIES				
LGPS pension deficit	-	(731,000)	-	(731,000)
NET ASSETS/(LIABILITIES)				
	<u>118,308</u>	<u>(702,271)</u>	<u>5,458,547</u>	<u>4,874,584</u>

The above net assets include £147,037 that was transferred as cash.

The LGPS pension deficit of £731,000 is the total deficit transferred on conversion of both schools.

The assets received on conversion by each school are as follows.

BLAGDON PRIMARY SCHOOL

Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
-----------------------	---------------------	------------------------------------	----------------

	£	£	£	£
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	1,025,691	1,025,691
Cash - representing budget surplus on LA funds	32,621	22,164	-	54,785
	<u>32,621</u>	<u>22,164</u>	<u>1,025,691</u>	<u>1,080,476</u>

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

WHITCHURCH PRIMARY SCHOOL

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	4,432,586	4,432,586
Cash - representing budget surplus on LA funds	85,687	6,565	-	92,252
	<u>85,687</u>	<u>6,565</u>	<u>4,432,586</u>	<u>4,524,838</u>

27. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2019 the Trust received £43,619 (2019: £43,172), £14,763 (2019: £36,770) was disbursed from the fund and the Trust retained an admin fee of £2,181 (2019: £1,256). An amount of £26,675 (2019: £5,146) is included in other creditors relating to undistributed funds that are potentially repayable to ESFA.

28. CAPITAL COMMITMENTS

	2020 £	2019 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	<u>2,574,005</u>	<u>-</u>

This capital commitment is in relation to a project to build a new sports hall, fitness suite and science classrooms at Backwell secondary school. This project is currently underway and is due to be completed in May 2021.

29. PENSION COMMITMENTS

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Avon Pension Fund. 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 2016.

Contributions amounting to £158,952 were payable to the schemes at 31 August 2020 (2019 - £145,227) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

**NOTES TO THE FINANCIAL STATEMENTS
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29. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 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 £4,462,650 (2019 - £2,995,320).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £2,567,000 (2019 - £2,384,000), of which employer's contributions totalled £2,116,000 (2019 - £1,956,000) and employees' contributions totalled £ 451,000 (2019 - £428,000). The agreed contribution rates for future years are 19.40 per cent for employers and 5.6 per cent for employees.

As described in note 26 the LGPS obligation relates to the employees of the Trust, 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 Trust 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.

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

29. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.15	3.65
Rate of increase for pensions in payment / inflation	2.15	2.15
Discount rate for scheme liabilities	1.70	1.90
Inflation assumption (CPI)	<u>2.15</u>	<u>2.15</u>

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	22.4	22.4
Females	24.6	24.5
<i>Retiring in 20 years</i>		
Males	23.3	23.2
Females	<u>26.0</u>	<u>25.9</u>

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

	2020 £	2019 £
Equities	9,625,000	5,928,000
Bonds	2,154,000	3,148,000
Property	1,917,000	1,305,000
Cash	654,000	284,000
Other	6,467,000	3,517,000
Total market value of assets	<u>20,817,000</u>	<u>14,182,000</u>

The actual return on scheme assets was £3,945,000 (2019 - £734,000).

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

29. PENSION COMMITMENTS (CONTINUED)

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

	2020 £	2019 £
CURRENT SERVICE COST	(3,169,000)	(2,244,000)
Past service cost	(125,000)	(531,000)
Interest income	249,000	313,000
Interest cost	(729,000)	(826,000)
Total amount recognised in the Statement of Financial Activities	<u>(3,774,000)</u>	<u>(3,288,000)</u>

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

	2020 £	2019 £
At 1 September	37,628,000	28,281,000
Upon conversion	1,140,000	1,550,000
Current service cost	3,169,000	2,244,000
Interest cost	729,000	826,000
Employee contributions	451,000	428,000
Actuarial losses/(gains)	4,561,000	4,168,000
Benefits paid	(242,000)	(400,000)
Past service costs	125,000	531,000
At 31 August	<u>47,561,000</u>	<u>37,628,000</u>

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

	2020 £	2019 £
At 1 September	14,183,000	11,349,000
Upon conversion	409,000	151,000
Interest income	294,000	348,000
Actuarial gains	3,651,000	386,000
Employer contributions	2,116,000	1,956,000
Employee contributions	451,000	428,000

**LIGHTHOUSE SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**



Benefits paid	(242,000)	(400,000)
Administration expenses	(45,000)	(35,000)
At 31 August	<u>20,817,000</u>	<u>14,183,000</u>

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

30. OPERATING LEASE COMMITMENTS

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

	2020	2019
	£	£
Not later than 1 year	85,823	85,823
Later than 1 year and not later than 5 years	20,691	106,514
	<u>106,514</u>	<u>192,337</u>

31. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustee's remuneration and expenses already disclosed in note 13.

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Gordano School Community Trust (GSCT) has some Trustees in common with Lighthouse Schools Partnership. During the year Lighthouse Schools Partnership charged £83,392 (2019: £86,343) to GCST. At the year end GCST owed Lighthouse Schools Partnership £83,392 (2019: £86,343).

32. MEMBERS' LIABILITY

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

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

33. TEACHING SCHOOL TRADING ACCOUNT

	2020 £	2020 £	2019 £	2019 £
Income				
DIRECT INCOME				
Income	611,757		608,191	
TOTAL INCOME		611,757		608,191
Expenditure				
DIRECT EXPENDITURE				
Expenditure	508,602		543,417	
TOTAL EXPENDITURE		508,602		543,417
Surplus from all sources		103,155		64,774
Teaching school balances at 1 September 2019		89,430		24,656
TEACHING SCHOOL BALANCES AT 31 AUGUST 2020		<u>192,585</u>		<u>89,430</u>