



LIGHTHOUSE
SCHOOLS PARTNERSHIP

Annual Report 2019



‘Collaboration between schools, delivering excellence for children and young people’

www.lsp.org.uk

LIGHTHOUSE SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S McDonald J Shepherd A Haysom M Mallett M Moloney
Trustees	A Haysom, Chair ^{1,2} G Lewis, Chief Executive Officer J Shepherd ¹ J Sorley ¹ D Tossell ^{1,2} J Baldwin R Forbes ² M Sewell ¹ B Wibberley ² ¹ Audit & Risk Committee ² Staffing & Pay Committee
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 School Improvement
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank plc 16 The Triangle Clevedon North Somerset BS21 6NG





**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Solicitors

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





**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

LIGHTHOUSE
SCHOOLS PARTNERSHIP

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 22 academies across North Somerset and Bath and North East Somerset:

Portishead Hub	Phase	Hub	Type	Capacity	NoR	URN
Gordano School	Secondary	Portishead	MAT	1940	1905	136856
High Down Infant School	Infant	Portishead	MAT	300	247	143284
High Down Junior School	Junior	Portishead	MAT	360	416	143286
Portishead Primary School	Primary	Portishead	MAT	480	453	143282
St Peter's CE Primary School	Primary	Portishead	MAT	540	584	143285
St Mary's CE Primary School	Primary	Portishead	MAT	105	113	143283
Backwell Hub	Phase	Hub	Type	Capacity	NoR	URN
Backwell School	Secondary	Backwell	MAT	1728	1756	136722
Backwell CE Junior School	Junior	Backwell	MAT	240	230	145265
West Leigh Infant School	Infant	Backwell	MAT	180	164	145261
Yatton Infant School	Infant	Backwell	MAT	270	240	145444
Yatton Junior School	Junior	Backwell	MAT	360	347	145263
Northleaze CE Primary School	Primary	Backwell	MAT	210	209	145264
Grove Junior School	Junior	Backwell	MAT	300	231	145260
Hannah More Infant School	Infant	Backwell	MAT	180	160	145262
Wraxall CE Primary	Primary	Backwell	MAT	105	93	109237
Flax Bourton CE Primary	Primary	Backwell	MAT	135	159	145445
Chew Valley Hub	Phase	Hub	Type	Capacity	NoR	URN
Chew Valley School	Secondary	Chew	MAT	1253	1106	136722
Bishop Sutton Primary	Primary	Chew	MAT	209	159	146788
Stanton Drew Primary	Primary	Chew	MAT	70	62	146707
East Harptree CE Primary	Primary	Chew	MAT	105	74	146787
Ubley CE Primary	Primary	Chew	MAT	80	79	146689
Winford CE Primary	Primary	Chew	MAT	150	197	146596

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

The Lighthouse Schools Partnership has received approval from the Regional Schools Commissioner for two further schools to join the Trust however these financial statements only cover the activities of the Trust as at 31 August 2019.

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 Articles of Association were updated on 1 July 2018 to increase the Diocesan Foundation representation from 25% to 33%.

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

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.





**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

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 they ceased to be a member.

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 now required to collect and publish, on an annual basis, a range of data in relation to their employees who are trade union representatives. In 2018-19 the Trust had 12 employees who spent less than 50% of their time on trade union activities. The total cost of facility time was £3,173 (0.01% of the Trust's total payroll).

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.





TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

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.

The Committees of the Board are as follows:

Staffing & Pay Committee – this committee meets at least twice 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 – the main function of this committee 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. It reports its findings annually to the Trust Board and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

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 16 to 22 schools. The Trust has an established a central team comprising of the Chief Executive, Chief Financial and Operating Officer, Director of School Improvement and teams covering School Improvement, Finance, HR, Trust Services and Estates.

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

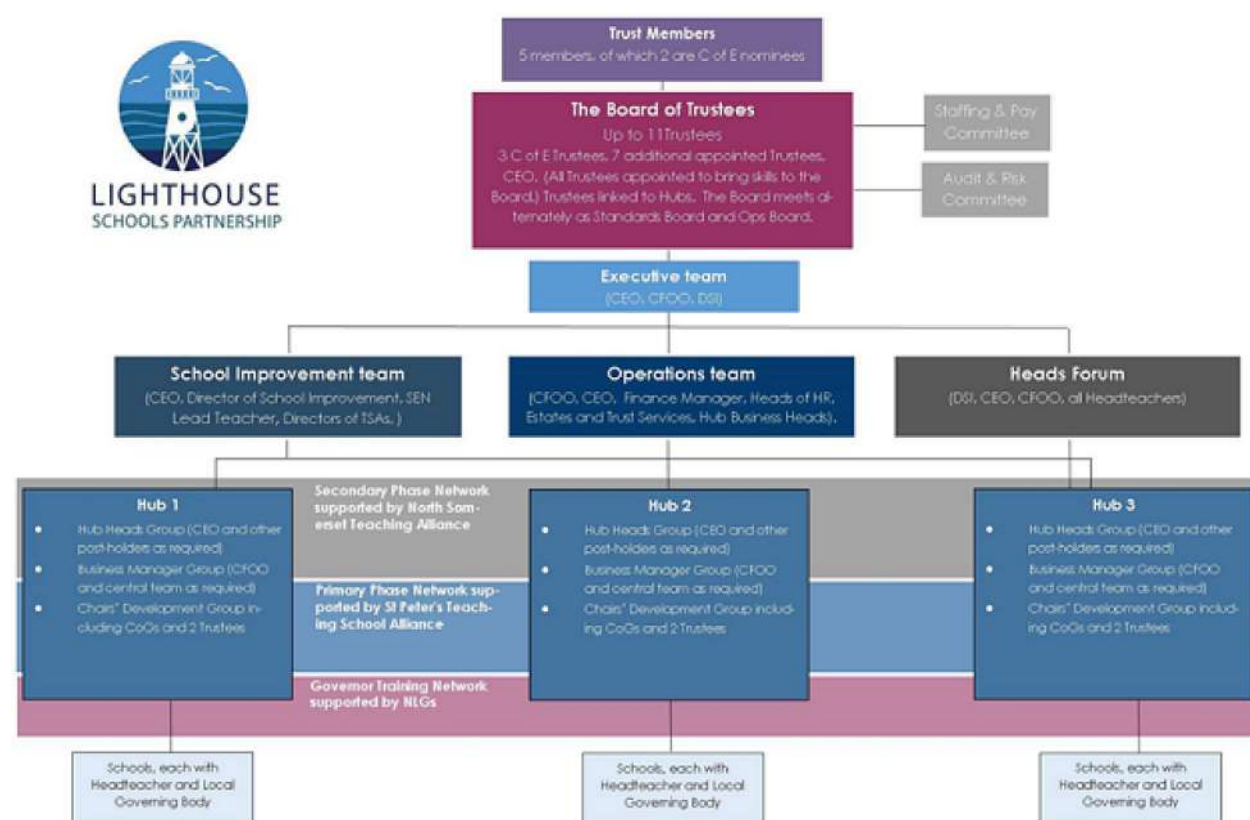
The governance structure of the Trust is detailed below:





TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

LIGHTHOUSE
SCHOOLS PARTNERSHIP



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.

Risk Management

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 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.





**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

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.

The CEO was also a Director of The Bath and Wells DBE Trust and a member of the Board of Education of the Bath and Wells Diocese until December 2018.

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 of 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 their 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.





STRATEGIC REPORT

Achievements and Performance

Outcomes were very strong across Early Years, KS1 and KS2.

Early Years Foundation Stage	National 2018	Trust 2018	Trust 2019
Good Level of Development	72%	82%	83%
Year 1	National 2018	Trust 2018	Trust 2019
Phonics Screening Check	82%	90%	89%
KS1	National 2018	Trust 2018	Trust 2019
Reading Expected Standard	75%	85%	81%
Writing Expected Standard	70%	79%	76%
Mathematics Expected Standard	76%	85%	83%
KS2	National 2019	Trust 2018	Trust 2019
Reading Expected Standard	73%	83%	80%
Writing Expected Standard	78%	84%	86%
Mathematics Expected Standard	79%	79%	82%
Reading, Writing & Mathematics Combined Expected Standard	65%	71%	69%
EGPS Expected Standard	78%	81%	80%
KS2	National 2019	Trust 2018	Trust 2019
Reading Higher Standard	27%	38%	34%
Writing Higher Standard	20%	24%	24%
EGPS Higher Standard	36%	34%	37%
Mathematics Higher Standard	27%	29%	28%
Combined High Standard	11%		

Although there was some variation across our schools on key external measures, the great majority of the Trust schools performed above national outcomes. Progress data is not yet validated at time of writing.





TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

LIGHTHOUSE
SCHOOLS PARTNERSHIP

School	KS1 Reading			KS1 Writing			KS1 Maths		
	EXS	GDS	Total	EXS	GDS	Total	EXS	GDS	Total
Bishop Sutton	50	42	92	58	17	75	54	29	83
East Harptree	27	45	72	36	18	54	45	27	72
Flax Bourton	37	40	77	60	10	70	50	27	77
Hannah More	57	35	92	57	24	81	55	29	84
High Down Infants	48	36	84	50	30	80	49	38	87
Northleaze	40	37	77	60	13	73	60	27	87
Portishead	54	31	85	54	27	81	58	27	85
St Mary's	36	27	63	55	0	55	27	27	54
St Peter's	54	30	84	67	21	88	57	32	89
Stanton Drew	80	0	80	80	0	80	80	0	80
Ubley	41	18	59	35	6	41	65	6	71
West Leigh	47	35	82	57	18	75	50	32	82
Winford	42	27	69	62	4	66	54	23	77
Wraxall	50	33	83	50	33	83	58	25	83
Yatton Infants	54	28	82	59	14	73	54	25	79





TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

LIGHTHOUSE
SCHOOLS PARTNERSHIP

School	KS2 Reading			KS2 Writing			KS2 English, Grammar, Punctuation & Spelling			KS2 Maths			KS2 Combined
	National for EXS 73%			National for EXS 78%			National EXS 78%			National for EXS 79%			National EXS 65% (2019)
	EXS	GDS	Total	EXS	GDS	Total	EXS	GDS	Total	EXS	GDS	Total	All
Backwell Junior	43	44	87	62	27	89	37	53	90	57	30	87	78
Bishop Sutton	50	44	94	39	39	78	44	39	83	44	22	66	61
East Harptree	21	71	92	50	43	93	21	71	92	43	43	86	86
Flax Bourton	50	36	86	64	14	78	29	36	65	21	36	57	57
Grove Junior	41	26	67	65	27	92	48	23	71	61	20	81	62
High Down Junior	50	29	79	64	17	81	55	23	88	61	24	85	66
Northleaze	68	18	86	46	43	89	46	36	82	82	7	89	82
Portishead	50	32	82	60	23	83	47	58	85	45	42	87	73
St Mary's	71	14	85	71	14	85	50	14	64	50	36	86	71
St Peter's	34	42	76	56	39	95	35	47	82	56	32	88	76
Stanton Drew	40	50	90	90	0	90	30	50	80	60	30	90	80
Ubley	43	29	72	43	43	86	71	29	100	57	29	86	71
Winford	38	14	52	67	14	81	29	38	67	43	24	67	48
Wraxall	46	38	84	71	23	100	31	46	77	54	23	77	77
Yatton Junior	42	37	80	66	13	79	36	42	80	45	31	76	65

At secondary phase we have three schools. Progress data remains unvalidated at time of publication but an indicative estimate is included from our data tracker (SISRA). Outcomes were broadly similar or somewhat stronger than in 2018 at Gordano School. There was a slight reduction in outcomes at Chew Valley and at Backwell a significantly weaker cohort has produced weaker outcomes although progress has also fallen.





TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

LIGHTHOUSE
SCHOOLS PARTNERSHIP

Post-16 outcomes broadly comparable across the schools.

Headlines %	Backwell		Chew Valley		Gordano	
	Number in cohort: 270		Number in cohort: 172		Number in cohort: 281	
	2019 outcomes	2018 outcomes	2019 outcomes	2018 outcomes	2019 outcomes	2018 outcomes
English and maths (9-4)	75.6%	82.9%	73.8%	71.1%	76.9%	72%
English and maths (9-5)	55.2%	63.1%	49.4%	52.4%	54.8%	49.5%
Progress 8 (SISRA prediction - this is based on 2018 national data set and may change)	-0.15	+0.3	-0.33	-0.26	+0.19	+0.19
Attainment 8 points	50.5	54.8	48.1	49.01	52.6	51.3
Ebacc Entered	75.2%	81.7%	41%	55.1%	44.5%	46.1%
Achieved Strong (Grade 5+)	29.6%	39.9%	21.5%	24.6%	22.4%	22.9%
Achieved Standard (Grade 4+)	41.4%	52.1%	30.8%	38.5%	33.1 %	32.1%
Points score	4.7	5.3	4.3	4.5	4.7	4.5

Premises Review

£767,401 School Condition Allocation was received in April 2018. A survey of school estates was commissioned from Kenneth & Edwards and, based on that information, works have been undertaken across Trust schools. The largest allocation went to Chew Valley School to address a windows project.





**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

£1,389,867 School Condition Allocation was received in April 2019. Using the condition survey of all schools within the Trust and other external evidence and programme of works has been agreed by the Board of Trustees and work has begun. 16 Trust schools have been allocated resources from this fund. The biggest allocation has been made to Backwell School (£415,200) 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 (£324,651 to address heating works alongside the windows work already funded), Gordano School (£215,934), Backwell Junior School (£97,508) and High Down Junior School (£65,650).

Growth

As noted at the start of the report, the Trust grew from 16 to 22 schools during the last financial period. A further growth of 2 schools is planned for the forthcoming financial year. Whilst there has been significant growth again during 2018-19, 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 2019 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 £46,292,206 and associated expenditure, excluding depreciation is £46,061,938. The surplus of income over expenditure was £230,268. This compares to £302,277 in 2017-18

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.

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 annual income (used to calculate the Core Services Charge) less the value of the Core Services Charges. In the current financial climate, however, the Trustees have agreed that school reserves should be challenged if they vary from 2% of the net 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 £1.77m or at 2% it would equate to £0.71m. The current level of reserves amount to £1.4m which equates to 4.0% of the annual income (used to calculate the Core Services Charge).





**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

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.

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 Going Concern accounting policy.

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 85% 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.

Financial and Risk Management Objectives and Policies

The Trust has agreed a Risk Management Policy and a Risk Register. These 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 their Local Governing Body.

Plans for future periods

Growth of the Trust

Further expansion is planned for the 2019-20 financial year to incorporate a further two primary schools in the Chew Valley hub. The governance structure and central team has been developed to support a MAT of 24 schools, incorporating this planned growth.

The Trust's approach to 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).

By 31 October 2019 a further school had joined the Trust and permission had been received for one additional school to join the Trust.

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.





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 will meet termly to provide a framework for discussing contractual matters and employment policies with trade unions and staff representatives.

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.

Approved by order of the members of the board of Trustees on and signed on their 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.

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 10 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	10	10
G Lewis, Chief Executive Officer	10	10
J Shepherd	8	10
J Sorley	9	10
D Tossell	10	10
J Baldwin	7	10
R Forbes	6	10
M Sewell	5	10
B Wibberley	8	10

Trustees are appointed based on their skills and knowledge.

Review of Governance

A consultation was held on the Scheme of Delegation in January/February 2019 and a revised edition issues in February 2019.

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	2	3
J Sorley	3	3
D Tossell	3	3
M Sewell	3	3
A Haysom	3	3





GOVERNANCE STATEMENT (CONTINUED)

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; Leisure Facilities at Chew Valley School are let to Bath & North East Somerset Council who sub-contract the provision of leisure services to Greenwich Leisure Limited.
- 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.
- Over £500k of savings have been generated through these processes throughout the 2018-19 financial year.

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.





GOVERNANCE STATEMENT (CONTINUED)

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 2018 to 31 August 2019 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 2018 to 31 August 2019 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 i-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:

- Purchasing and Income
- Governance
- Contracts and Leases

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 10 December 2019 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 2018.

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 2018.

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: 10 December 2019





**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019**

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- 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 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 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 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 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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.

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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
16 Queen Square
Bristol
BS1 4NT

Date: 19/12/19

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

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 & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, 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 2018 to 31 August 2019 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 the 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 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 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.

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

**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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Joseph Scalfe FCA DChA

Bishop Fleming LLP
16 Queen Square
Bristol
BS1 4NT

Date: 19 December 2019

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants	4	1,521,905	1,320,756	12,455,124	15,297,785	61,966,940
Charitable activities	5	1,715,860	39,337,529	-	41,053,389	28,314,125
Teaching schools		88,627	519,564	-	608,191	198,952
Other trading activities	6	757,161	-	-	757,161	574,584
Investments	7	3,290	-	-	3,290	2,352
TOTAL INCOME		4,086,843	41,177,849	12,455,124	57,719,816	91,056,953
EXPENDITURE ON:						
Raising funds	8	360,606	-	-	360,606	270,675
Charitable activities	9	3,714,489	41,443,426	2,618,894	47,776,809	33,069,401
Teaching schools		460	542,957	-	543,417	174,296
Other expenditure		-	-	-	-	-
TOTAL EXPENDITURE		4,075,555	41,986,383	2,618,894	48,680,832	33,514,372
NET INCOME / (EXPENDITURE)		11,288	(808,534)	9,836,230	9,038,984	57,542,581
Transfers between funds	19	-	(1,617,846)	1,617,846	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		11,288	(2,426,380)	11,454,076	9,038,984	57,542,581
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	27	-	(3,782,000)	-	(3,782,000)	2,808,000
NET MOVEMENT IN FUNDS		11,288	(6,208,380)	11,454,076	5,256,984	60,350,581
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,166,906	(15,023,638)	109,835,432	95,978,700	35,628,119
Net movement in funds		11,288	(6,208,380)	11,454,076	5,256,984	60,350,581
TOTAL FUNDS CARRIED FORWARD		1,178,194	(21,232,018)	121,289,508	101,235,684	95,978,700

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 29 to 65 form part of these financial statements.

**LIGHTHOUSE SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07662102**

**BALANCE SHEET
AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	15	121,289,508	109,580,875
		<u>121,289,508</u>	<u>109,580,875</u>
CURRENT ASSETS			
Debtors	16	1,856,261	2,580,031
Cash at bank and in hand		5,342,391	4,080,913
		<u>7,198,652</u>	<u>6,660,944</u>
Creditors: amounts falling due within one year	17	(3,807,476)	(3,331,119)
NET CURRENT ASSETS		<u>3,391,176</u>	<u>3,329,825</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>124,680,684</u>	<u>112,910,700</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>124,680,684</u>	<u>112,910,700</u>
Defined benefit pension scheme liability	27	(23,445,000)	(16,932,000)
TOTAL NET ASSETS		<u><u>101,235,684</u></u>	<u><u>95,978,700</u></u>
FUNDS OF THE TRUST			
Restricted funds:			
Fixed asset funds	19	121,289,508	109,835,432
Restricted income funds	19	2,212,982	1,908,362
		<u>123,502,490</u>	<u>111,743,794</u>
Restricted funds excluding pension asset	19	123,502,490	111,743,794
Pension reserve	19	(23,445,000)	(16,932,000)
Total restricted funds	19	<u>100,057,490</u>	<u>94,811,794</u>
Unrestricted income funds	19	<u>1,178,194</u>	<u>1,166,906</u>
TOTAL FUNDS		<u><u>101,235,684</u></u>	<u><u>95,978,700</u></u>

The financial statements on pages 26 to 65 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:


A Hayson
Chair of Trustees

The notes on pages 29 to 65 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	21	722,734	(1,050,803)
CASH FLOWS FROM INVESTING ACTIVITIES	23	119,918	(231,503)
CASH FLOWS FROM FINANCING ACTIVITIES	22	418,826	2,329,445
		<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		1,261,478	1,047,139
Cash and cash equivalents at the beginning of the year		4,080,913	3,033,774
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24	5,342,391	4,080,913
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 29 to 65 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. 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 2018 to 2019 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.

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 2019**

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 2019**

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 2019

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.

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 2019**

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 Bishop Sutton Primary School, East Harptree Church of England Primary School, Flax Bourton Church of England Primary School, Stanton Drew Primary School and Ubley Church of England 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 25.

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 26.

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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DONATIONS				
Transfer from Local Authority on Conversion	333,214	11,094,396	11,427,610	35,906,506
Transfer from existing Academy Trust	-	-	-	23,560,457
	<u>333,214</u>	<u>11,094,396</u>	<u>11,427,610</u>	<u>59,466,963</u>
Donations	1,188,691	622,161	1,810,852	853,837
Grants	-	2,059,323	2,059,323	1,646,140
	<u>1,188,691</u>	<u>2,681,484</u>	<u>3,870,175</u>	<u>2,499,977</u>
	<u>1,521,905</u>	<u>13,775,880</u>	<u>15,297,785</u>	<u>61,966,940</u>
Total 2018	<u><u>1,536,218</u></u>	<u><u>60,430,722</u></u>	<u><u>61,966,940</u></u>	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DFE/ESFA GRANTS				
General Annual Grant	-	35,426,521	35,426,521	24,969,764
Start-Up Grant	-	137,000	137,000	167,000
Other DfE/ESFA	-	2,362,653	2,362,653	1,378,734
	-	37,926,174	37,926,174	26,515,498
Other Government grants				
High Needs (SEN)	-	313,875	313,875	395,607
Other Government grants: non capital	-	1,097,480	1,097,480	239,195
	-	1,411,355	1,411,355	634,802
Other funding				
Catering income	359,649	-	359,649	161,465
Income for hosting trainee teachers	391,063	-	391,063	284,922
Sales to students	24,454	-	24,454	20,134
Trips and other income	827,431	-	827,431	586,076
Catering income	96,766	-	96,766	99,488
Income for hosting trainee teachers	16,497	-	16,497	11,740
	1,715,860	39,337,529	41,053,389	28,314,125
Total 2018	1,163,825	27,150,300	28,314,125	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings	145,308	145,308	119,997
Consultancy	13,552	13,552	21,157
After school and breakfast clubs	508,716	508,716	390,543
Teaching School income and other	89,585	89,585	42,887
	<u>757,161</u>	<u>757,161</u>	<u>574,584</u>

The amounts in the prior year were all unrestricted.

7. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	3,290	3,290	2,352
	<u>3,290</u>	<u>3,290</u>	<u>2,352</u>

The amounts in the prior year were all unrestricted.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. EXPENDITURE

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on fundraising trading activities:					
Direct costs	298,526	-	62,080	360,606	270,675
Education					
Direct costs	29,294,045	2,619,344	4,949,248	36,862,637	25,319,453
Allocated support costs	5,279,466	3,482,633	2,152,073	10,914,172	7,749,948
Teaching school	-	-	543,417	543,417	174,296
	<u>34,872,037</u>	<u>6,101,977</u>	<u>7,706,818</u>	<u>48,680,832</u>	<u>33,514,372</u>
Total 2018	<u>24,227,614</u>	<u>4,368,202</u>	<u>4,918,556</u>	<u>33,514,372</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	<u>36,862,637</u>	<u>10,914,172</u>	<u>47,776,809</u>	<u>33,069,401</u>
Total 2018	<u>25,319,453</u>	<u>7,749,948</u>	<u>33,069,401</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Pension finance costs	430,000	199,810
Staff costs	29,294,045	20,239,493
Depreciation	2,618,894	2,226,659
Educational supplies	1,160,237	772,913
Examination fees	429,697	347,965
Staff development	119,202	93,441
Educational visits and other costs	2,437,514	1,159,080
Agency costs	373,048	280,092
	<u>36,862,637</u>	<u>25,319,453</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs (continued)

Included within Educational visits and other costs is:

- Music tuition £200,427 (2018: £166,285)
- Trips £1,654,710 (2018: £1,095,985)
- Cost of resources sold to students £24,454 (2018: £20,134)
- Other £185,987 (2018: £78,294)

Included within staff costs is £373,048 (2018: £356,719) in relation to supply teacher costs.

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Pension income	83,000	177,190
Staff costs	4,906,418	3,474,339
Other costs	24,588	21,111
Recruitment and support	36,726	36,425
Maintenance of premises and equipment	1,639,332	477,203
Cleaning	795,355	632,593
Rent and rates	284,454	226,177
Energy costs	665,505	432,943
Insurance	236,317	170,161
Security and transport	124,498	209,622
Catering	913,782	511,790
Technology costs	486,535	416,809
Office overheads	247,105	159,912
Legal and professional	434,377	752,827
Bank interest and charges	100	413
Governance	36,080	50,433
	10,914,172	7,749,948

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	94,755	42,654
Depreciation of tangible fixed assets	2,618,894	2,226,659
Fees paid to auditors for:		
- audit	21,500	20,000
- accounts preparation	8,000	7,500
- other services	3,750	3,500
	=====	=====

11. STAFF COSTS

a. STAFF COSTS

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	26,230,126	18,316,734
Social security costs	2,370,014	1,663,793
Pension costs	5,782,025	3,889,778
	=====	=====
	34,382,165	23,870,305
Apprenticeship levy	116,824	77,217
Agency costs	373,048	280,092
	=====	=====
	34,872,037	24,227,614
	=====	=====
	2019 £	2018 £
Redundancy payments	122,379	-
	=====	=====
	122,379	-
	=====	=====

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. STAFF COSTS (CONTINUED)

b. STAFF NUMBERS

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

	2019 No.	2018 No.
Teachers	510	360
Administration and support	554	389
Management	70	41
	<u>1,134</u>	<u>790</u>

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	420	313
Administration and support	304	218
Management	66	40
	<u>790</u>	<u>571</u>

c. HIGHER PAID STAFF

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	8	9
In the band £70,001 - £80,000	7	3
In the band £90,001 - £100,000	2	2
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the academy trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Executive Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £318,006 (2018: £179,842). This change is due to all members of the Executive Team being in place for the full 2018-19 financial year. As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 13 has not been included in the total benefits received by key management personnel above.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. CENTRAL SERVICES

The Trust has provided a range of 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 Trust charges for these services on the following basis:

The academy trust will charge each school 4% of the General Annual Grant income pro-rata for the year.

The actual amounts charged during the year were as follows:

	2019	2018
	£	£
Backwell School	310,395	179,225
Backwell CE Junior School	31,461	16,181
Bishop Sutton Primary School	14,945	-
Chew Valley School	202,964	103,916
East Harptree CE Primary School	9,343	-
Flax Bourton CE Primary School	21,274	-
Gordano School	328,741	282,530
Grove Junior School	32,212	11,851
Hannah More Infant School	24,484	8,980
High Down Infant School	38,923	34,179
High Down Junior School	51,644	45,305
Northleaze CE Primary School	30,569	14,586
Portishead Primary School	62,234	53,866
St Mary's CE Primary School	18,179	14,192
St Peter's CE Primary School	77,589	63,559
Stanton Drew Primary School	8,019	-
Ubley CE Primary School	9,403	-
West Leigh Infant School	24,907	12,720
Winford CE Primary School	18,520	-
Wraxall CE Primary School	17,431	2,575
Yatton Infant School	36,495	16,889
Yatton Junior School	46,434	13,386
TOTAL	1,416,166	873,940

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

13. TRUSTEES' REMUNERATION AND EXPENSES

The CEO is the only Trustee to receive remuneration and only receives remuneration in respect of services they provide undertaking 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 role as Trustees. The value of Trustees' remuneration and other benefits was as follows: G Lewis: remuneration £110k - £115k (2018: £110k - £115k), employer's pension contributions £15k - £20k (2018: £15k - £20k).

Other related party transactions involving the trustees are set out in note 29.

During the year ended 31 August 2019, expenses totalling £3,986 (2018: £2,281) were reimbursed across the 10 Trustees (2018: 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 2019

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 2018	117,885,891	1,218,290	769,997	20,740	77,060	119,971,978
Additions	1,294,257	315,247	310,239	-	-	1,919,743
Assets transferred on conversion	12,407,784	-	-	-	-	12,407,784
At 31 August 2019	131,587,932	1,533,537	1,080,236	20,740	77,060	134,299,505
DEPRECIATION						
At 1 September 2018	9,368,674	571,636	448,648	2,145	-	10,391,103
Charge for the year	2,280,886	173,734	160,126	4,148	-	2,618,894
At 31 August 2019	11,649,560	745,370	608,774	6,293	-	13,009,997
NET BOOK VALUE						
At 31 August 2019	119,938,372	788,167	471,462	14,447	77,060	121,289,508
At 31 August 2018	108,517,217	646,654	321,349	18,595	77,060	109,580,875

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

16. DEBTORS

	2019 £	2018 £
DUE WITHIN ONE YEAR		
Trade debtors	94,124	186,321
Other debtors	453,871	811,541
Prepayments and accrued income	1,308,266	1,582,169
	<u>1,856,261</u>	<u>2,580,031</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	602,305	772,294
Other taxation and social security	620,597	559,259
Other creditors	702,238	700,423
Accruals and deferred income	1,882,336	1,299,143
	<u>3,807,476</u>	<u>3,331,119</u>
	2019 £	2018 £
Deferred income at 1 September 2018	749,764	372,285
Resources deferred during the year	700,162	749,764
Amounts released from previous periods	(749,764)	(372,285)
	<u>700,162</u>	<u>749,764</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

	2019 £	2018 £
FINANCIAL ASSETS		
Financial assets measured at amortised cost	<u>6,266,961</u>	<u>5,541,623</u>
	2019 £	2018 £
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(1,955,293)</u>	<u>(1,461,980)</u>

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. STATEMENT OF FUNDS

	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 grants - non government	2,500	591,397	(442,842)	(151,055)	-	-
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>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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>

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 the ESFA 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. During the year £184,708 was transferred to the restricted fixed asset fund to represent fixed assets purchased from DFC.

The Condition Improvement Fund represents amounts received from the ESFA for particular projects.

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
FOR THE YEAR ENDED 31 AUGUST 2019**

19. STATEMENT OF FUNDS (CONTINUED)

School Condition Allocation represents amounts received from the ESFA for maintenance of school premises. During the year £76,145 was transferred to the restricted fixed asset fund to represent fixed assets purchased from School Condition Allocation.

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. During the year £151,055 was transferred to the restricted fixed asset fund to represent fixed assets purchased from other restricted funds.

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 Council 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 demographic growth capital and amounts received from the Academies Capital Maintenance Fund and Condition Improvement Fund.

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 2019.

**LIGHTHOUSE SCHOOLS PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Backwell CE Junior School	12,822	43,417
Backwell School	173,614	229,774
Backwell School - CIF	-	524,995
Bishop Sutton Primary School	30,762	-
Chew Valley school	(57,135)	69,420
East Harptree CE Primary School	54,064	-
Flax Bourton CE Primary School	40,533	-
Gordano School	474,825	546,758
Grove Junior School	27,285	2,215
Hannah More Infant School	(28,525)	3,449
High Down Infant School	40,142	20,643
High Down Junior School	113,121	103,420
Northleaze CE Primary School	95,116	65,221
Portishead Primary School	8,099	33,474
St Mary's CE Primary School	8,580	27,605
St Peter's CE Primary School	303,464	275,380
Stanton Drew Primary School	28,948	-
Teaching School	89,430	43,793
Ubley CE Primary School	75,432	-
West Leigh Infant School	3,549	17,113
Winford CE Primary School	128,768	-
Wraxall CE Primary School	37,105	29,507
Yatton Infant School	101,085	95,306
Yatton Junior School	53,137	17,050
Central Services	267,975	73,367
Central Services - SCA	1,308,980	853,361
Total before fixed asset funds and pension reserve	3,391,176	3,075,268
Restricted fixed asset fund	121,289,508	109,835,432
Pension reserve	(23,445,000)	(16,932,000)
TOTAL	101,235,684	95,978,700

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. STATEMENT OF FUNDS (CONTINUED)

Of the revenue balance at the year end attributable to the central team (£267,975), approximately £60k is committed to fund specific items. This includes Sponsorship Funding received in 2018-19 for Blagdon School that will be spent during 2019-20 and one off funding that is supporting a project on alternative provision. The remaining balance will be supporting a projected deficit in the Central Services Budget over the next two years.

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

	Deficit £
Chew Valley school	(57,135)
Hannah More Infant School	(28,525)
	<u><u> </u></u>

Chew Valley School

Expenditure at the school was beyond the level that could be sustained within the available resources. The school, with support from the Trust's Central Team, has been through a change management process which has supported the school to establish a more sustainable budget. It is planned that this deficit will have been recovered by the end of the 2020-21 financial year.

Hannah More Infant School

Hannah More Infant School operates with Grove Junior School under one Governing Body and with an Executive Headteacher. The school, 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.

**LIGHTHOUSE SCHOOLS PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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 £	Education al supplies £	Other costs excluding depreciati on £	Total 2019 £	Total 2018 £
Backwell School	5,957,804	943,225	232,186	1,629,819	8,763,034	5,755,601
Backwell CE Junior School	664,052	112,937	36,240	215,059	1,028,288	536,254
Bishop Sutton Primary School	330,790	50,211	12,687	101,208	494,896	-
Chew Valley School	4,215,727	706,399	117,666	1,110,524	6,150,316	3,727,151
East Harptree CE Primary School	216,004	24,354	12,626	55,133	308,117	-
Flax Bourton CE Primary School	433,416	57,872	21,586	159,572	672,446	-
Gordano School	6,508,045	833,157	184,379	1,611,411	9,136,992	9,150,061
Grove Junior School	681,301	86,704	18,055	151,144	937,204	433,307
Hannah More Infant School	529,526	83,586	14,505	130,591	758,208	315,837
High Down Infant School	919,935	148,808	26,465	179,654	1,274,862	1,335,990
High Down Junior School	1,084,459	309,589	70,024	249,945	1,714,017	1,682,453
Northleaze CE Primary School	586,796	128,793	23,636	160,073	899,298	535,011
Portishead Primary School	1,358,734	266,136	66,736	268,029	1,959,635	1,980,430
St Mary's CE Primary School	381,408	40,935	14,846	127,675	564,864	522,335
St Peter's CE Primary School	1,534,342	219,197	55,039	498,413	2,306,991	2,101,041
Stanton Drew Primary School	155,228	28,161	9,014	34,139	226,542	-
Ubley CE Primary School	175,229	29,771	15,521	49,460	269,981	-
West Leigh Infant School	492,457	49,440	23,975	135,090	700,962	419,059
Winford CE Primary School	389,214	60,154	18,237	109,754	577,359	-
Wraxall CE Primary School	342,649	47,097	14,399	113,357	517,502	78,791
Yatton Infant School	832,270	166,414	32,811	174,353	1,205,848	511,340
Yatton Junior School	928,000	161,618	36,343	222,111	1,348,072	629,317
Central Services	958,570	650,386	103,261	1,999,733	3,711,950	1,494,356
Teaching School	87,733	46,233	167,534	233,054	534,554	79,379
TRUST	29,763,689	5,251,177	1,327,771	9,719,301	46,061,938	31,287,713

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS						
General funds	1,136,013	3,275,610	(3,244,717)	-	-	1,166,906
Nursery	-	111,228	(111,228)	-	-	-
	<u>1,136,013</u>	<u>3,386,838</u>	<u>(3,355,945)</u>	<u>-</u>	<u>-</u>	<u>1,166,906</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	168,528	24,954,774	(24,493,414)	(306,827)	-	323,061
High needs funding (SEN)	-	395,607	(395,607)	-	-	-
Donations	4,566	363,247	(346,369)	-	-	21,444
Pupil premium	-	767,496	(767,496)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	382,921	(382,921)	-	-	-
Devolved formula capital	58,999	184,463	(30,710)	(114,601)	-	98,151
CIF	-	524,995	-	-	-	524,995
Training / Teaching school funding	6,638	89,093	(86,369)	-	-	9,362
MAT set-up	95,066	167,000	(262,066)	-	-	-
Schools Condition Allocation (SCA)	257,764	841,182	(35,222)	(210,363)	-	853,361
Growth funding	34,030	47,133	(81,163)	-	-	-
Other restricted grants - non government	-	192,062	(40,617)	(148,945)	-	2,500
Other restricted grants - government	9,964	323,817	(226,975)	(62,500)	-	44,306
Discretionary Fund	28,534	7,487	(4,839)	-	-	31,182
Pension reserve	(8,201,000)	(10,761,000)	(778,000)	-	2,808,000	(16,932,000)
	<u>(7,536,911)</u>	<u>18,480,277</u>	<u>(27,931,768)</u>	<u>(843,236)</u>	<u>2,808,000</u>	<u>(15,023,638)</u>

**LIGHTHOUSE SCHOOLS PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	37,499,021	69,168,914	(1,963,864)	-	-	104,704,071
Fixed assets purchased from GAG and other restricted funds	1,269,940	20,924	(262,795)	843,236	-	1,871,305
DfE/ESFA Capital grants	3,260,056	-	-	-	-	3,260,056
	<u>42,029,017</u>	<u>69,189,838</u>	<u>(2,226,659)</u>	<u>843,236</u>	<u>-</u>	<u>109,835,432</u>
TOTAL RESTRICTED FUNDS	<u>34,492,106</u>	<u>87,670,115</u>	<u>(30,158,427)</u>	<u>-</u>	<u>2,808,000</u>	<u>94,811,794</u>
TOTAL FUNDS	<u>35,628,119</u>	<u>91,056,953</u>	<u>(33,514,372)</u>	<u>-</u>	<u>2,808,000</u>	<u>95,978,700</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	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>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	109,580,875	109,580,875
Current assets	1,166,906	5,239,481	254,557	6,660,944
Creditors due within one year	-	(3,331,119)	-	(3,331,119)
Provisions for liabilities and charges	-	(16,932,000)	-	(16,932,000)
TOTAL	1,166,906	(15,023,638)	109,835,432	95,978,700

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

	2019 £	2018 £
Net income for the year (as per statement of financial activities)	9,038,984	57,542,581
ADJUSTMENTS FOR:		
Depreciation	2,618,894	2,226,659
Capital grants from DfE and other capital income	(2,036,327)	(1,646,140)
Interest receivable	(3,334)	(2,356)
Defined benefit pension scheme cost less contributions payable	288,000	401,000
Defined benefit pension scheme finance cost	1,044,000	377,000
Decrease/(increase) in debtors	723,770	(2,163,011)
Increase in creditors	476,357	1,680,427
Net assets and liabilities transferred from local authority on conversion	(11,427,610)	(59,466,963)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	722,734	(1,050,803)

22. CASH FLOWS FROM CONVERSION TO AN ACADEMY

	2019 £	2018 £
Funds received from the Local Authority and other academies on conversion	418,826	2,329,445
NET CASH PROVIDED BY FINANCING ACTIVITIES	418,826	2,329,445

**LIGHTHOUSE SCHOOLS PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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23. CASH FLOWS FROM INVESTING ACTIVITIES

	2019	2018
	£	£
Interest received	3,334	2,356
Purchase of tangible assets	(1,919,743)	(1,879,999)
Capital grants from DfE Group	2,036,327	1,646,140
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	119,918	(231,503)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Cash in hand	5,342,391	4,080,913
TOTAL CASH AND CASH EQUIVALENTS	5,342,391	4,080,913

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

25. CONVERSION TO AN ACADEMY TRUST

During the year Bishop Sutton Primary School, East Harptree CE Primary School, Flax Bourton CE Primary School, Stanton Drew Primary School, Ubley CE Primary School and Winford CE 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	-	-	12,407,784	12,407,784
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	333,214	85,612	-	418,826
NON-CURRENT LIABILITIES				
LGPS pension deficit	-	(1,399,000)	-	(1,399,000)
NET ASSETS/(LIABILITIES)	333,214	(1,313,388)	12,407,784	11,427,610

The above net assets include £418,826 that was transferred as cash.

The LGPS pension deficit of £1,399,000 is the total deficit transferred on conversion of all six schools.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

BISHOP SUTTON PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	3,056,789	3,056,789
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	48,867	19,950	-	68,817
NET ASSETS	<u>48,867</u>	<u>19,950</u>	<u>3,056,789</u>	<u>3,125,606</u>

EAST HARPTREE CE PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	823,056	823,056
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	51,217	12,518	-	63,735
NET ASSETS	<u>51,217</u>	<u>12,518</u>	<u>823,056</u>	<u>886,791</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

FLAX BOURTON CE PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	4,481,314	4,481,314
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	38,286	9,942	-	48,228
NET ASSETS	<u>38,286</u>	<u>9,942</u>	<u>4,481,314</u>	<u>4,529,542</u>

STANTON DREW PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	984,296	984,296
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	19,671	15,222	-	34,893
NET ASSETS	<u>19,671</u>	<u>15,222</u>	<u>984,296</u>	<u>1,019,189</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

25. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

UBLEY CE PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	664,331	664,331
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	66,911	16,771	-	83,682
NET ASSETS	<u>66,911</u>	<u>16,771</u>	<u>664,331</u>	<u>748,013</u>

WINFORD CE PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold/leasehold land and buildings	-	-	2,397,998	2,397,998
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	108,262	11,209	-	119,471
NET ASSETS	<u>108,262</u>	<u>11,209</u>	<u>2,397,998</u>	<u>2,517,469</u>

26. 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 £43,172 (2018: £33,598), £36,770 (2018: £14,292) was disbursed from the fund and the Trust retained an admin fee of £1,256 (2018: £1,680). An amount of £5,146 (2018: £17,626) is included in other creditors relating to undistributed funds that are repayable to ESFA.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

27. PENSION COMMITMENTS

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme for 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 2012 and of the LGPS 31 March 2016.

Contributions amounting to £145,227 were payable to the schemes at 31 August 2019 (2018 - £179,314) 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 and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was prepared 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% employer administration charge)
- 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
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the 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 is 4.45%.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

27. PENSION COMMITMENTS (CONTINUED)

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £2,995,320 (2018 - £2,130,712).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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 2019 was £2,384,000 (2018 - £1,631,000), of which employer's contributions totalled £1,956,000 (2018 - £1,335,000) and employees' contributions totalled £ 428,000 (2018 - £296,000). The agreed contribution rates for future years are 17.68 per cent for employers and 5.6 per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.65	3.75
Rate of increase for pensions in payment / inflation	2.15	2.25
Discount rate for scheme liabilities	1.90	2.80
Inflation assumption (CPI)	2.15	2.25

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	22.4	23.5
Females	24.5	26.1
<i>Retiring in 20 years</i>		
Males	23.2	26.1
Females	25.9	28.8

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

27. PENSION COMMITMENTS (CONTINUED)

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

	At 31 August 2019	At 31 August 2018
	£	£
Equities	5,928,000	4,841,000
Bonds	3,148,000	1,493,000
Property	1,305,000	1,035,000
Cash	284,000	154,000
Other	3,517,000	3,825,000
Total market value of assets	14,182,000	11,348,000

The actual return on scheme assets was £734,000 (2018 - £284,000).

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

	2019	2018
	£	£
CURRENT SERVICE COST	(2,244,000)	(1,736,000)
Past service cost	(531,000)	-
Interest income	313,000	175,000
Interest cost	(826,000)	(552,000)
Total amount recognised in the Statement of Financial Activities	(3,288,000)	(2,113,000)

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

	2019	2018
	£	£
At 1 September	28,281,000	11,627,000
Upon conversion	1,550,000	17,127,000
Current service cost	2,244,000	1,736,000
Interest cost	826,000	552,000
Employee contributions	428,000	296,000
Actuarial losses/(gains)	4,168,000	(2,723,000)
Benefits paid	(400,000)	(334,000)
Past service costs	531,000	-
At 31 August	37,628,000	28,281,000

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

27. PENSION COMMITMENTS (CONTINUED)

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

	2019 £	2018 £
At 1 September	11,349,000	3,426,000
Upon conversion	151,000	6,366,000
Interest income	348,000	199,000
Actuarial gains	386,000	85,000
Employer contributions	1,956,000	1,335,000
Employee contributions	428,000	296,000
Benefits paid	(400,000)	(334,000)
Administration expenses	(35,000)	(24,000)
At 31 August	14,183,000	11,349,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2019 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	85,823	94,755
Later than 1 year and not later than 5 years	106,514	153,674
	192,337	248,429

29. RELATED PARTY TRANSACTIONS

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

Owing to the nature of the Trust's operations 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 a trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

Gordano School Community Trust (GSCT) has some Trustees in common with Lighthouse Schools Partnership. During the year Lighthouse Schools Partnership charged £86,343 (2018: £77,852) to GSCT. At the year end GSCT owed Lighthouse Schools Partnership £86,482 (2018: 77,425).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

30. POST BALANCE SHEET EVENTS

An additional school joined the Academy Trust from 1 October 2019; this school was Blagdon Primary School.

Following the year end, Backwell School has undertaken capital works for the school development. This total project is estimated to cost £3.5m.

31. MEMBERS' LIABILITY

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

32. TEACHING SCHOOL TRADING ACCOUNT

	2019 £	2019 £	2018 £	2018 £
Income				
DIRECT INCOME				
Income	608,191		198,952	
TOTAL INCOME		608,191		198,952
Expenditure				
DIRECT EXPENDITURE				
Expenditure	543,417		174,296	
TOTAL EXPENDITURE		543,417		174,296
Surplus from all sources		64,774		24,656
Teaching school balances at 1 September 2018		24,656		-
TEACHING SCHOOL BALANCES AT 31 AUGUST 2019		89,430		24,656