

Company Registration No. 07657235 (England and Wales)

LIGHTHOUSE HARMONIZE EDUCATION TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023

LIGHTHOUSE HARMONIZE EDUCATION TRUST

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LIGHTHOUSE HARMONIZE EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Elsie Hogan-Edem Henry Keesz (Resigned 17 July 2023) Liverpool Lighthouse Limited, represented by Helen Hawley Love and Joy Ministries Ltd, Tanidabi Omidayi resigned as representative 17 October 2023 Modupe Omidayi Stephanie Murphy (Appointed 5 December 2022)
Trustees	Modupe Victoria Emrica Omidayi (Chair) Stephen Allen Harper Rebecca Latus Anthony Lawson (Staff) Marie McConville (Principal) James Osborne-White (Resigned 5 December 2022) Osoba Otaigbe Rebecca Jane Ross-Williams Nobert Osemeke (Appointed 20 March 2023)
Senior management team <ul style="list-style-type: none">- Principal- Vice Principal- Assistant Principal and SENDCo- Assistant Principal- Assistant Principal- School Business Manager	Marie McConville Carl Parkinson Gerard Tiernan Elizabeth Cunningham Wynn Ridge Denise McNeil
Company registration number	07657235 (England and Wales)
Registered office	7 Phillimore Road Liverpool Merseyside L6 6DL
Independent auditor	Mitchell Charlesworth (Audit) Limited 3rd Floor 5 Temple Square Temple Street Liverpool L2 5RH
Bankers	The Royal Bank of Scotland plc 1 Dale Street Liverpool Merseyside L2 2PP

LIGHTHOUSE HARMONIZE EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Bates Wells Braithwaite
10 Queen Street Place
London
EC4R 1BE

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The academy trust operates an academy for pupils aged 13-16 serving a catchment area in Merseyside and Cheshire. From September 2021, the pupil capacity expanded to 150; there was a roll of 146 on the school census in May 2023 and 151 by the end of the summer term.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

Trustees

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

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance is the EFA Risk Protection Arrangement (RPA) and provides £10 million cover (2022: £10 million) on any one claim and the cost for the year ended 31 August 2023 was £3,150 (2022 £2,850).

Method of recruitment and appointment or election of trustees

In accordance with the Articles of Association, the trust must appoint up to 9 governors (minimum of 3). The Principal is an ex-officio governor. In addition staff and parent governors may be elected, and further governors may be co-opted.

Policies and procedures adopted for the induction and training of trustees

All new governors will undergo an induction. They will be given a tour of the Free School and the opportunity to meet with staff and students. Policies, procedures, minutes, accounts, budgets and other documents will be available to governors to enable them to undertake their role. Induction is informal and tailored specifically to the needs of the individual. Training will be provided in identified areas, and will depend on the needs and existing experience of the governing body.

Organisational structure

The board of governors and administrative details of the Free School are detailed on page 1. Since the Academy opened on 1st April 2013, full Governing Body meetings are held at least once a term to ensure the Free School is run in an efficient and professional manner. The board have appointed three sub-committees: Quality of Education; Arts and Community; Finance and Resources. The members of the Finance and Resources Committee also meet as the Audit Committee. The Pay Committee convene once a year. Currently the business of the Arts & Community committee is included as an item on the agenda of the Quality of Education Committee.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Arrangements for setting pay and remuneration of key management personnel

In line with national pay scales STPCD (School Teachers' Pay and Conditions Document); and recommendations by the STRB (School Teachers' Review Body).

Trade union facility time

Harmonize Academy is part of the Liverpool Pooled Teachers trade union facility time arrangements.

Related parties and other connected charities and organisations

Love and Joy Ministries Limited and Liverpool Lighthouse Limited are corporate members of Lighthouse Harmonize Education Trust.

Objectives and activities

Objects and aims

The Academy is an Outstanding Alternative Education School for students in Years 9 – 11. It has a Christian ethos that is based on values of trust, respect, compassion and forgiveness which permeate every aspect of school life.

Their aim is to provide every student with a Vision for Life through a personalised curriculum enabling them to fulfil their potential in education, life and employment.

Objectives, strategies and activities

Harmonize Academy aims to provide an outstanding alternative education for Key Stage 3 and 4 students across Merseyside and Cheshire underpinned by Christian values. Harmonize promotes an inclusive community where everyone feels safe, valued and secure; where students achieve their potential both educationally and personally. This is achieved through high quality teaching and learning in a caring, dynamic environment, where a variety of educational pathways exist to enable all students to achieve the academic success and the maturity of character which will enable them to succeed in adult life.

Public benefit

The governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's aims, planning strategy and future activities. Our activities in 2022/23 demonstrated in all accepted definitions that Lighthouse Harmonize Education Trust provides charitable services that are of public benefit through the preparation to provide secondary education, to advise and support other providers of such secondary education, and to make available the facilities and resources of the Academy for the local community and other charitable purposes. We continue to hold the delivery of public benefit as both central and fundamental to our core activities.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

The Trust successfully opened in April 2013 and became one of the first Alternative Provision Free Schools of its kind in the UK. The Academy commands widespread respect and appreciation for its impact on young people and is a popular and credible option for schools and local authorities across Merseyside.

In March 2015, the Academy was graded as 'Outstanding' by Ofsted and in January 2020, the Academy retained its 'Outstanding' status. It has twice been awarded the highest accolade of 'Outstanding' by Ofsted and is one of only 4 secondary schools in Liverpool to achieve this status.

From September 2021, the Academy officially increased the number of students from 104 to 150. The expansion has been expertly overseen by the Principal. The additional classrooms and learning spaces have now been integrated into the curriculum and timetable. The additional increase in student population from 104 to 150 has been seamlessly absorbed whilst maintaining the ethos and care that underpin the values and operation of the Academy.

The trust is part of the AP Forum and The Difference to share best practice, and often hosts visits from other AP schools referred by the DfE who hold us as a model of best practice in the AP Sector. The trust has also established strategic partnerships with Liverpool Hope University, Liverpool John Moores University, Edge Hill University and the University of Liverpool, and provides placements for trainee teachers in English, Maths and Science.

Harmonize Academy has once again had a successful year under the leadership and guidance of its Principal who has twenty years of experience working in the sector and is now in her sixth year as Principal. She is widely respected for her vision and delivery of opportunities for young people who have fallen out of mainstream schooling. The Academy is headed into its tenth year of operation and is rated as outstanding by Ofsted, it has been a decade of opportunity, achievement, transformation and growth. Its expansion has been successfully managed both in terms of pupil numbers and the addition of classrooms and other learning spaces through a building programme. At the same time, the budgetary position has been improved and financial resilience increased. This has been done whilst ensuring the Christian ethos and climate of the Academy have been maintained for students and staff. This is reflected in the positive relationships between students and staff and between students.

Students have benefited from an enhanced curriculum provision that engages and promotes academic success. The expansion has allowed additional staff to be employed and existing staff to be promoted into leadership positions. The wide ranging CPD provision supports all staff whatever stage of their career that they are at. The Principal has driven the bid for an additional school based in Sefton LA which is now under consideration by the DfE and the outcome will be announced shortly.

The evidence presented shows the school commands widespread respect and appreciation for its impact on young people placed in it from across the city region. The curriculum offer and personal development opportunities provided to students allows them to leave with a new sense of belief and confidence as they transition to college, apprenticeships, training and employment. The academic results are impressive for this group of young people across a wide range of subjects. The shadow of Covid and seven days of learning lost to industrial action and its impact on attendance is still being felt in the Academy, as it is across all school settings. Attendance is on an upward curve as strategies under the Principal's and Vice Principal's guidance are implemented. The combined English/Maths target was challenging considering the attendance issue and again strategies have been identified to bring this in line.

In conclusion, the Principal works in tandem with the governing body and staff to continue to meet the needs of a diverse and challenging group of young people. She does this with great skill and insight ensuring that the Academy is maintaining its outstanding provision and offer for all who it engages with. She recognises the need to keep upskilling herself to support the continued growth and proposed expansion into a MAT in September 2025.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key Performance Indicators

The trust considers the following to be the key performance indicators for the period of 2022-23 which relate to the aims and objectives of the Academy.

- Ofsted rating
- Academy achieving target number of 150 students on roll
- Examination Results and Academic Progress
- Outstanding Financial Management

Curriculum and Qualifications available 2022-23:

The school's broad curriculum continued to offer a range of GCSE and vocational qualifications. These included the core subjects of English, Maths, Biology, PE, LAMDA Speaking and Listening and PSHE, supplemented with GCSEs in Art, Photography, Psychology, PE, Physics, Chemistry, Statistics, English Literature and vocational qualifications in Performing and Urban Arts, Dance, Beauty, Childcare, Design Technology, Food Technology, Music and Health & Social Care. These options underpin the school's ethos of '*A Vision for Life*' and its values of *Trust, Respect, Compassion and Forgiveness* permeate through the whole school.

Enrichment offers pupils many choices including beauty, catering, computer coding, dance, singing, jewellery-making, music, music technology, film and photography, cultural trips, horse-riding, PE, bowling, free-running, football, gardening, table-tennis, art, catering, well-being and 1:1 English, Maths, Science.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Qualification List 2023-2024

GCSEs		Marking Scheme	Equivalent Qualifications		Marking Scheme
Eduqas English Language	CORE	9 – 1	NCFE FS EL, L1, L2 Certs English	CORE	Pass, Fail
CIE IGCSE English Language	CORE	9 – 1			
AQA/Eduqas English Literature	OPTION	9 – 1			
Edexcel Maths (Foundation / Higher)	CORE	9 – 1	NCFE FS EL, L1, L2 Certs Maths	CORE	Pass, Fail
Excell Statistics (Foundation / Higher)	OPTION	9 – 1			
AQA Biology (Foundation / Higher)	CORE	9 – 1			
AQA Chemistry (Foundation / Higher)	OPTION	9 – 1			
AQA Physics (Foundation / Higher)	OPTION	9 – 1			
AQA Drama	OPTION	9 – 1	LAMDA Public Speaking Grades (Oracy)	OPTION	Pass, Merit, Distinction
AQA Dance	OPTION	9 – 1	NCFE L2 Cert Performance Skills	OPTION	Pass, Fail
AQA Art and Design (Art, Craft and Design)	OPTION	9 – 1	NCFE L2 Cert Music Technology	OPTION	Pass, Fail
AQA Photography	OPTION	9 – 1	Arts Award Bronze / Silver (Music Technology, Drama)	OPTION	Pass, Fail
			SLQ Dance Leadership	OPTION	Pass, Fail
Eduqas Physical Education Full/Short Course	OPTION	9 – 1	NCFE Level 1 Award in Creative Craft	OPTION	Pass, Merit, Distinction
Edexcel Psychology	OPTION	9 – 1	NCFE Level 2 Award in Creative Craft	OPTION	Pass, Merit, Distinction
			NCFE Level 2 Certificate in Creative Craft	OPTION	Pass, Merit, Distinction
ENRICHMENT ACTIVITIES			NCFE L1/L2 Cert Food and Cookery Skills	OPTION	Pass, Merit, Distinction
TEAM UP: English, Lit, Maths, Science, Vocational, Psychology			NCFE L1/L2 TA Food and Cookery Skills	OPTION	L1P, L1M, L1D, L2P, L2M, L2D, L2D*
Careers			Edexcel L2 BTEC Personal Growth and Wellbeing	PSHE CORE	Pass, Fail
Basketball / Fitness / Football / Free-running / Golf / Horse-riding /			Archbishop of York Young Leaders Award KS3 / KS4	SMSC	Achieved
Rounders / Trampolining / Volley-ball			NCFE CACHE L1/2 Technical Award Child Development & Care EY	OPTION	L1P, L1M, L1D, L2P, L2M, L2D, L2D*
Drama / Dance			NCFE CACHE L1/2 Technical Award Health & Social Care	OPTION	L1P, L1M, L1D, L2P, L2M, L2D, L2D*
Band Workshops / Rap / DJ-ing			VTCT L1 Award Introduction to Hair & Beauty Sector	OPTION	Pass, Fail
Singing / Gospel Singing			VTCT L1 Cert Introduction to Hair & Beauty Sector	OPTION	Pass, Fail
Art / Textiles / Photography			VTCT L2 Award Hair & Beauty Skills	OPTION	Pass, Merit, Distinction
Beauty / Body-Art / Jewellery			VTCT L2 Ext Award Hair & Beauty Skills	OPTION	Pass, Merit, Distinction
Cookery			VTCT L2 Ext Cert Hair & Beauty Skills	OPTION	Pass, Merit, Distinction
Computing / Computer Coding			NCFE L1 Award Photography	ENRICHMENT	Pass, Fail
Games			NCFE L2 Certificate Photography	ENRICHMENT	Pass, Fail
Graphics / Design Technology			Duke of Edinburgh Award Bronze, Silver	ENRICHMENT	Pass, Fail
Statistics			RDA Riding & Horse Care Certificates Grades 1/2 Proficiency Tests	ENRICHMENT	Pass, Fail
Chaplaincy			Trinity: ESOL Grade 5	Literacy	Pass, Merit, Distinction
Well-being					
Gardening					
Student Focus Group					

Examinations

The academic year of 2022-23 saw the full return to externally assessed examinations following two years of cancellations due to Covid. During 2020, centre-assessed grades were given; in 2021 teacher assessed grades were used, and in 2022 external examinations returned with advance information about exam topics.

GCSE and Vocational Qualification Results 2023

It has been another great year for KS4 outcomes for the vast majority of students in the school. Harmonize Academy works hard to ensure that our students are given the opportunity to get back on track in education and achieve highly in a variety of GCSE and vocational qualifications. Whilst we understand that not all achievements are academic, we recognise that having good exam results is often what is required to re-engage young people in education in order for them to successfully progress on to further education, employment and training. Offering an exciting broad and balanced curriculum is important to ensure that our students are not disadvantaged in any way. Harmonize Academy consistently demonstrates that our students can, and do achieve qualifications like their peers, often achieving more than they would have in mainstream school.

Some of the highlights for our 60 year 11 students this year include:

- 100% of students achieving a nationally recognised qualification.
- 95% of students achieving 5+ GCSE or equivalent.
- 21% GCSE grade 4 and above in English.
- 7% GCSE grade 4 and above in Maths.
- 23% GCSE grade 4 or above in Drama.
- 30% GCSE grade 4 or above in Art; 1 student achieved grade 4 in Photography.
- 17 students achieving GCSE passes in PE.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- 12 students achieving GCSE passes in Psychology.
- 10 students achieving GCSE passes in Statistics.
- 5 students achieved GCSE passes in English Literature.
- Nearly all students passing their L2 vocational qualifications in their options for Food Tech, Design Tech, Beauty, Performing Arts, Music Tech and Childcare.
- All students achieving many qualifications in PSHE including RSE, Mental Health Awareness and Archbishop of York Young Leaders Award.

The table below shows the continued year by year progress the school and pupils are making:

Exam Data 2023

	Number of end of key stage 4 pupils	No of Quals	Percentage of pupils entered for 5+ GCSEs or equivalent ³	Percentage of pupils at the end of key stage 4 achieving						Average GCSE and equivalents point score per pupil at the end of key stage 4	
				5+ GCSE at 9-4 or equivalent	5+ 9-4 including English and mathematics GCSEs	5+ GCSE at 9-1 or equivalent	Level 2 English and mathematics skills	Level 1 English and mathematics skills	A pass in any qualification		
Harmonize Academy 2022/2023	60	539	95.0	26.4	1.9	94.3	13.2	94.3	100	202.5	
Harmonize Academy 2021/2022	45	460	95.4	26.2	7.1	97.7	15.5	97.7	100	228.0	Assisted Exam:
Harmonize Academy 2020/2021	45	472	100.0	44.7	33.3	100.0	44.7	100.0	100	227.1	(No Exams)
Harmonize Academy 2019/2020	47	496	89.4	35.7	26.6	100.0	46.8	100.0	100	226.2	(No Exams)
Harmonize Academy 2018/2019	43	484	81.4	11.4	11.4	96.9	22.4	96.9	100	183.5	
Harmonize Academy 2017/2018	43	389	74.4	9.4	3.1	87.5	13.2	94.7	100	164.2	
Harmonize Academy 2016/2017	39	362	72.5	13.8	10.3	89.7	15.0	77.5	100	152.5	
Harmonize Academy 2015/2016	39	305	76.3	13.8	13.8	55.2	32.8	63.8	100	124.9	
Harmonize Academy 2014/2015	26	151	84.6	0.0	0.0	84.6	11.4	81.8	100	100.9	
Harmonize Academy 2013/2014	19	97	68.4	21.1	10.5	47.4	25.0	70.0	100	95.5	

Academic Progress

We are extremely proud of all of our students for their hard-work, resilience and ambition. I wish our students continued success and hope that they will stay in touch with us beyond their time in the school. Our transition and alumnae support for leavers of Harmonize Academy is offered for as long as it is required through our Move On and Move Up Programmes which supports students not just with their first next steps, but as they move on to their careers in adult life. All students for the tenth year running went on to further education training or employment. We feel privileged to be able to have an impact on the lives of the students, many of whom have complex high needs.

Progress across the curriculum as deemed outstanding in an Alternative Provision context:

- In English, 81% of students achieved results above or in line with expected progress and 42% achieved results well above expected progress.
- In Maths, 68% of students achieved results above or in line with expected progress and 29% achieved results well above expected progress.
- In Science, 89% of students achieved results above or in line with expected progress and 30% achieved results well above expected progress.

Given the backgrounds of the children who are referred to Harmonize Academy, this represents rapid progress from their starting points on entry to the Academy. Performance in other subjects was strong and showed rapid progress from the point of entry.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

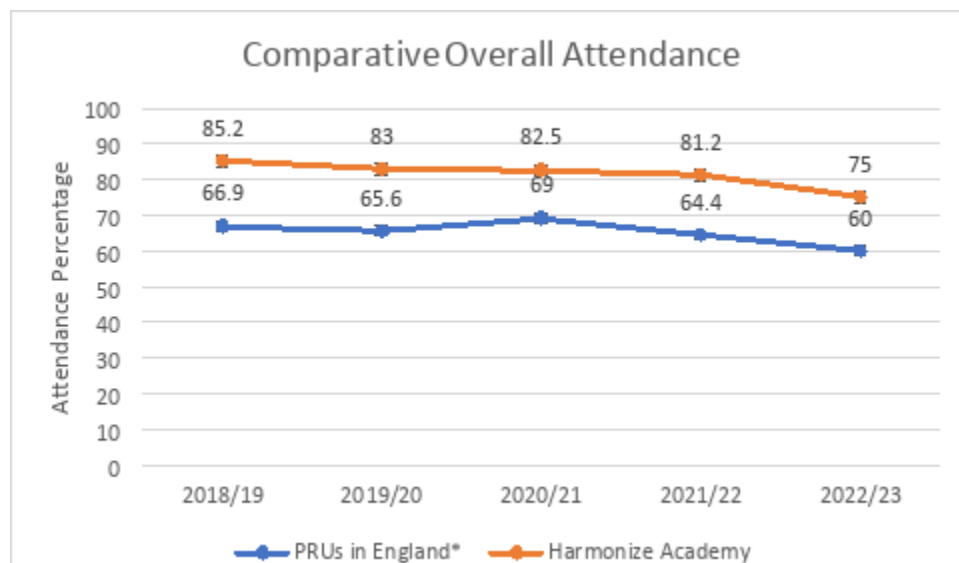
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Attendance

Whole school attendance for 2022/23 academic year was 75%. Consideration of the implications of continued Covid student absence, 7 teacher strike days and 4% of students not returning after Covid is very important in regard to the analysis of the 2022-23 figures.

To contextualise our attendance, a comparison has been done with PRUs throughout England.



[Pupil absence in schools in England, Autumn term 2022/23 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://explore-education-statistics.service.gov.uk)

There is a well-planned system of rewards which provides real incentives for students to improve their behaviour and attendance and stay focused on learning. Each student belongs to one of eight houses and has their own individual mentor with whom they have a timetabled meeting once a week to review achievements, behaviour and to set targets for the following week.

Enrichment

Enrichment trips and activities continue to offer high quality learning and enrichment experiences on a daily basis. Throughout the year students benefited from many different learning opportunities and trips to enrich their educational experience, these included:

- Art: The Art of Banksy, Manchester and ZAPP Art
- Beauty: Make-up Artist End of Year Photoshoot with professional photographer
- Career Event: Edge Hill University Campus Tour
- Music and Photography: A range of cultural venues and green space parks and gardens
- Performing Arts: *Liverpool Playhouse – Noughts and Crosses; The Black-E, Immersive theatre production (Asylum Seekers) with Matt Rutter; Cornerstone Theatre*
- Sports & Fitness: *Various local sports centres – football, free-running, rock climbing, trampolining,*
- Health & Wellbeing activity days to promote positive mental health
- School Council made up and delivered Christmas hampers and parcels for families in need
- Liverpool FC Foundation County Lines event
- PSHE Fundraising for L6 Food Bank; "Show Racism the Red Card" art competition – a year 9 student who won first prize for our school attended an awards ceremony at LFC stadium
- Duke of Edinburgh Award: Walking tour, Mam Tor, Peak District and Hilbre Island
- End of term trips to Alton Towers, Ninja Warrior adventure, go-karting, ice-skating, paint-balling, Quirky Quarter.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

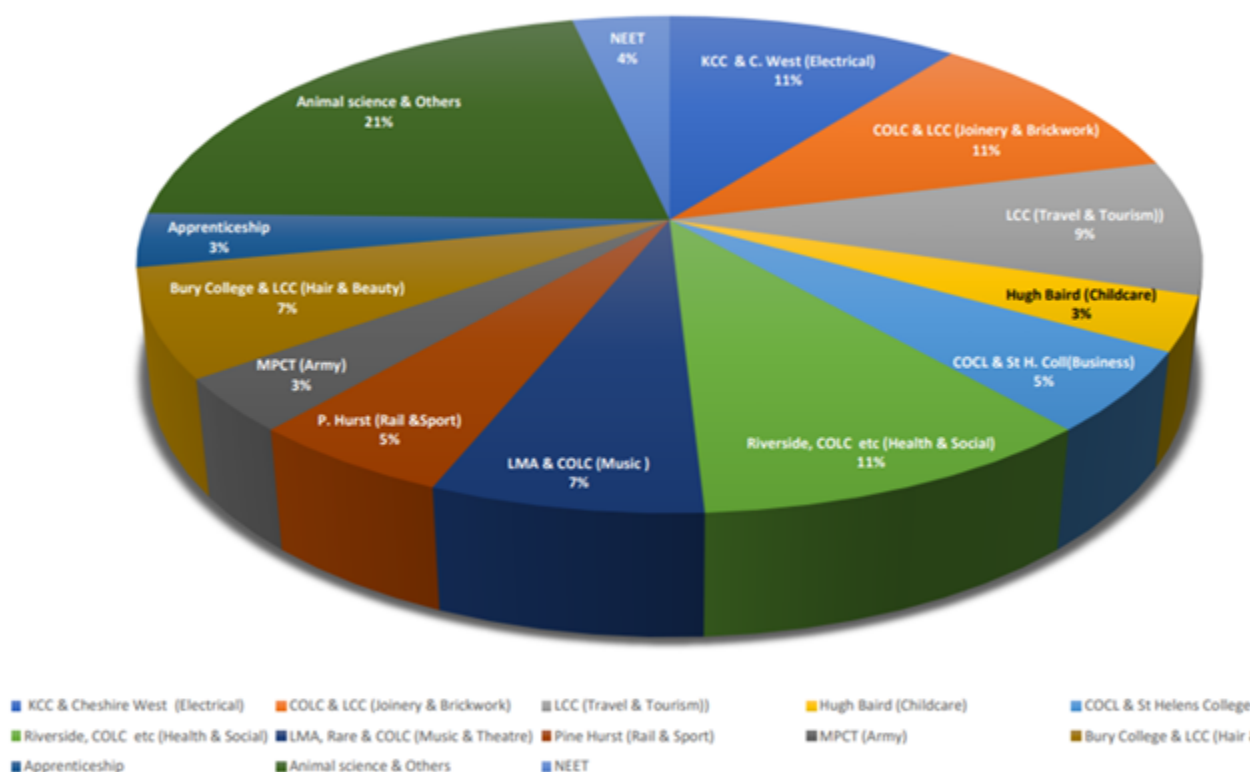
Harmonize Productions:

- Christmas Performance at Liverpool Lighthouse
- Vocational Department Showcase (Art & Photography, Beauty, Food Technology, Design Technology)

Year 11 Destinations

Students who left the Academy in summer 2023 went into education, employment or training, or received ongoing support from *Career Connect*. Many of our leavers enrolled at regional Further Education, Sixth Form Colleges and school sixth forms. Once again, learning and career choices included progression to a diverse range of vocational fields and popular sectors continue to be *Animal Care, Beauty, Construction Industries, Engineering, Joinery, Health & Social Care, Music Technology, Travel and Tourism, as well as Apprenticeships*.

**Destination Data Post Harmonize Academy
2022/23**



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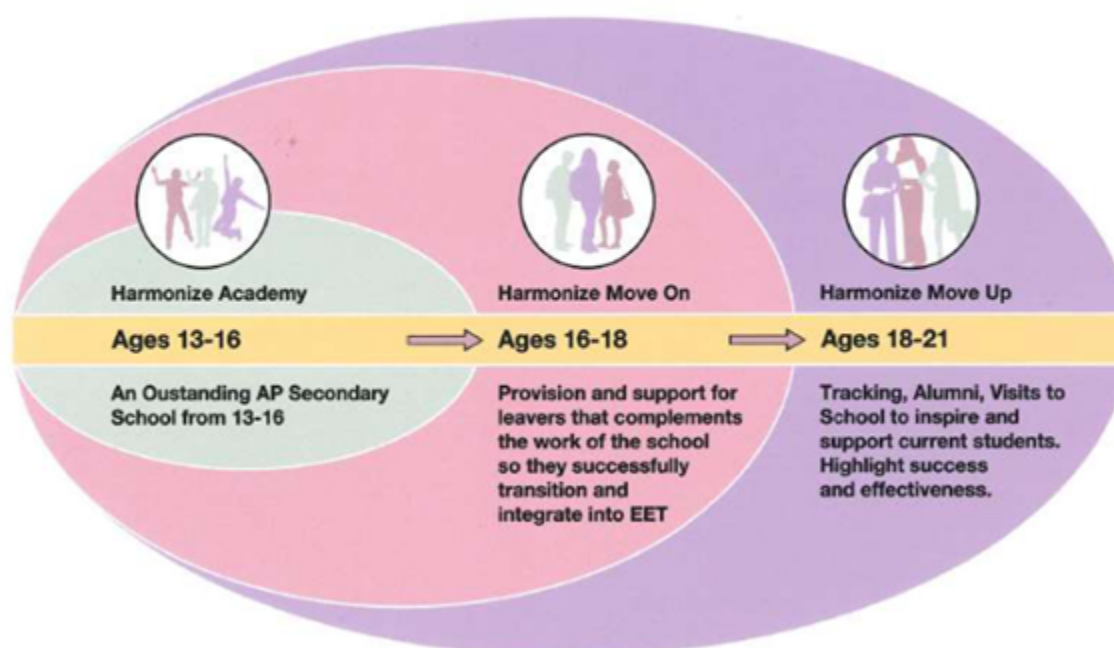
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Harmonize Academy Move On and Move Up

Harmonize Academy supports the transformation from **exclusion-inclusion-career**, inspiring students to change their lives, giving them choice and opportunity to succeed. Due to Covid and the disruption to students' education in previous years, we have continued to support our year 11 students over the summer holidays and the following autumn term to ensure they moved on to continued education, employment and training. Through offering this additional support, we have seen the need to develop a programme of support for students once they **Move On** from Harmonize and, an alumni tracking programme for students who **Move Up** to their careers to come back into school to inspire and support our students.

Harmonize Academy supports the transformation from exclusion-inclusion-career, inspiring students to change their lives, giving them choice and opportunity to succeed.



Activities

Mrs Marie McConville, the Principal gave the following account of activities throughout the year.

- From September 2022 the school's capacity was 150.

We welcomed the following new staff:

- Jack McCormick - Science Technician
- Loretta Jamieson - Teaching Assistant
- Paige Patterson - Teaching Assistant
- Molly Penrose - Teaching Assistant
- Faye Burn - Teaching Assistant Intern
- Billy Beet - Casual Teaching Assistant
- Jackie White – Catering Assistant / Cleaner

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Other Staff Changes

Leavers:

- Mr Gerard Tiernan, Assistant Principal / SENDCo
- Ms Emily Charlton, Teaching Assistant
- Mrs Rita Knight, Receptionist

Continuing Professional Development:

- **Supporting Students who are Self-Harming** – SLT training
- **I Can Save a Life** – staff first aid and de-fibrillator training
- **NPQML** – three teaching staff working towards

Partnerships

Over the past year we have worked successfully with the following organisations:

- **Beechley Riding Stables**
- **Career Connect** - Individual Careers advice service offered in school to all year 11s to assist progression; and a careers fair for years 9, 10 and 11 held in school in March attended by local employers and training providers.
- **Careers:** Apprenticeships ASK Programme
- **dot-art Schools Liverpool** – online schools art competition
- **EBD Schools Football League**- Football Tournaments
- **Family First Knowsley**
- **First Person Project CiC**
- **Frantic Assembly**
- **Karma (Therapies.Training.Courses)** – Beauty Courses Verification
- **Liverpool Dyslexia Centre**- Individual support for students 2 days per week
- **Liverpool Lighthouse**
- **Liverpool Learning Partnership** – *Silver Liverpool Counts Quality Mark* achieved
- **Liverpool YOT**
- **L6 Food Bank**
- **Positive Futures**
- **Resonate- Liverpool's Music Hub**- Enrichment Music lessons
- **Royal Court Terriers**
- **Solar Arts**
- **University student placements:** 10 student/trainee long-term and short-term placements from local and regional universities
- **Virtual School Liverpool and regional** - Looked after Children
- **We Are With You**
- **Young Everyman Playhouse**
- **YPAS**

VIP and Education Visitors and Events 2022-23

- **Rev Canon Dr Neal Barnes**, Liverpool Cathedral
- **Dr Carrie Grant**, MBE, SEND Training
- **Mr Phil Watson**, Foster Carer Promotion LAC CPD
- **Mr Younes Henini**, Stone Soup Academy, Nottingham
- **Mrs Jenni Hicks**
- **Mrs Rebecca Latus**, Governor
- **Dr Nobert Osemeke**, Governor
- **Pastor Fola Olaoye**, Chaplain

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- **Ms Nicola Ready**, Deputy Executive Head, New River College, London
- **Tricia Davies** and **Tracy McKeating**, Sefton Borough Council
- **Paul Olubayo**
- **Austine Gavin, Mark Hignett, Nicola Licata, Sarah Whittington - Amethyst Academies Trust**, Wolverhampton, West Midlands
- **Mr Dan Carter**, Head of Education, Learning Partnership West CiC, Bristol
- **Dr Kate Chhatwal OBE**, Chief Executive, **Challenge Partners, John Keats Primary School, 391 Rotherhithe New Road, London, SE16 3FN** and independent chair of the Liverpool Education Investment Board
- **Jennifer Murch**, Director of Headway: Community & Wellbeing, Baysgarth School, Barton-Upon-Humber
- **Laura Donaldson, VP Magnus Church of England Academy**, Newark, Nottinghamshire
- **Kate Truscott**, Deputy Headteacher for a PRU, Lansdown, Stockwood Lane, Avon, Bristol BS14 8SJ
- **Eno Akinyande**
- **Mr Andrew McCracken**, Head of Alternative Provision, Rivington & Blackrod High School, part of Leverhulme Academy Trust

Regular Individual Facilitators:

- **Sandra Andrew** – Liverpool Dyslexia Centre
- **James Dodd** and **Matt Humphries** - Resonate
- **Carla Jane** – Choir Tutor
- **Leanne Morrey** – Career Connect
- **George Mensah** – We Are With You
- **Paige Patterson** – Dance Facilitator
- **James Reader** – Frontrow Films and Photography Tutor
- **Matt Rutter** – Drama Facilitator

The following schools placed students at Harmonize Academy during 2022-23:

The Alsop High School, Archbishop Beck Catholic College, Archbishop Blanch School, Birkenhead High School, Birkenhead Park School, Broughton Hall High School, Calderstones School, Cardinal Heenan Catholic High School, De La Salle School St Helens, Dixons Broadgreen Academy, Dixons Fazakerley Academy, Gateacre School, Halewood Academy, Helsby High School, Holly Lodge Girls' College, Holy Family Catholic High School, King David High School, King's Leadership Academy Hawthornes, Kings Leadership Liverpool, Kirkby High School, Liverpool College, LIPA, Lord Derby Academy, North Liverpool Academy, Notre Dame Catholic College, Ormiston Bolingbroke Academy, Ormiston Chadwick Academy, Prenton High School for Girls, The Prescott School, Rainhill High School, Sacred Heart Catholic Academy, St Edmund Arrowsmith Catholic Academy, St Edward's College, The Academy of Saint Francis of Assisi, St Francis Xavier's College, St John Bosco Arts College, St Julie's Catholic High School, South Wirral High School, Upton by Chester High School, Wade Deacon High School, Weatherhead High School, Weaverham High School, West Derby School, Whitby High School.

The following Local Authorities placed students at Harmonize Academy during 2022-23:

Liverpool City Council Alternative Provision Team, Liverpool SEN, Liverpool Virtual School, Cheshire West & Chester Council, Cheshire West & Chester Virtual School, Knowsley Metropolitan Borough Council, Sefton Council, Wirral SEN, Wirral Virtual School.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Parent/Carer Support

We were able to host our usual parent/carers review day in July for students in years 9 and 10. This is always a highlight of the year and was a great success with a high turnout of students, parents and carers. A review afternoon for year 11 students and their parents/carers was held earlier in the year. These events were very worthwhile and a model that we will continue to follow. We received many positive comments including the following:

A selection of comments from parents, carers and students during 2022-23:

- Well done. I'm so proud of all my son has achieved. The move to Harmonize was definitely the best decision. I know he will go on to achieve even more in college next term.
- Brilliant report. My son has loved his time at Harmonize. The school has brought out the best in him and I can't thank this school enough.
- We are really happy with how our son is doing at Harmonize. He has come along really well with his education and behaviour.
- I am extremely proud of how much my son has succeeded at Harmonize Academy. I am very grateful to all the staff for all their help and support towards myself and my son.
- We are very pleased to hear how much progress our daughter is making here and we are positive this will continue after the holidays.
- I'm so happy with my daughter's report. She is such a happier child since joining the school. I can't thank you enough!
- We have seen massive changes in our daughter since joining Harmonize and that is credit to the school. Thank you everyone at Harmonize.
- My son struggled in school especially when in mainstream secondary. Since coming to Harmonize, every teacher has put time and effort into his education and to see him succeed. Thank you.
- I feel my son has come out of his shell and has more confidence in his future. Harmonize has really helped him to progress.
- I think I have done well considering I joined late and I think I have learned and achieved a lot while being at Harmonize. [Year 11]
- The school is a supportive friendly place. They have helped me improve my confidence and self-esteem. [Year 11]
- I feel like I have done well in Harmonize. I really love this school. All the teachers have helped so much. I appreciate everything Harmonize has done for me. [Year 11]
- I like Harmonize and would like to stay here. [Year 9]
- I have enjoyed my time at Harmonize and I will always have a special place in my heart for this school. Thank you. [Year 11]
- Being at Harmonize gave me a very amazing chance to be able to strive in all my subjects and I am so thankful to all my teachers for giving me this chance. [Year 11]
- I love being at Harmonize, I love all the teachers and I am really happy I came here. [Year 10]

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The following feedback is from others

- I just wanted to email you to say that last night when I was running the Children in Care Council group, lots of the young people were giving feedback about their experiences of good and bad practice. K added that she has had a really good experience at your school. She said that you have helped her to manage her anger, focus on her education, and actually enjoy school and enjoy learning. She added 'and that's saying a lot, from me' (meaning, someone who has always struggled at school and who has usually been critical of teachers). So just wanted to feed this back to you as it's obvious that you have made a big difference to K's life and that you and the school will be remembered by K when she is older as a happy memory and safe place for her. Thanks for your hard work. **Lucy Mclachlan, LCC**
- I just wanted to say a huge thank you for our visit on Friday and your support for our students this term. It is great to see that your school is going from strength to strength, which is evident in your expansion plans. Please pass on my thanks to all of your staff for the support they have provided our students. **Natalie Sullivan, Senior Deputy Head Teacher Weatherhead High School.**
- When a school is getting it right there is much cause for celebration. Your heart leads the school and I can see why you are outstanding. All the best, **Carrie Grant MBE**
- What a Fantastic School, thanks for the invitation. Lovely staff. **Philip Watson, Foster Carer Promotion, Liverpool City Council**

Multi Academy Trust Status

LHET submitted a bid in February 2023 as the lead applicant partnering with Sefton Local Authority to open an alternative provision free school in Sefton. An interview by the DFE, which was the second stage of the process, took place on 3rd July 2023. The outcome of the application process is expected to be communicated in Autumn 2023. Success in this will lead to LHET becoming a Multi Academy Trust.

Key performance indicators

Key Performance Indicators (KPIs) were identified for the period 2022-23 which related to the aims and objectives of the Academy. Each priority area of the Improvement Plan has identified Key Performance Indicators (KPIs). These were used to evaluate the Academy's success and progress towards achieving these objectives. These included:

Leadership and governance pursue excellence and outstanding provision for all students.

Self-evaluation leads to effective actions, improving learning and outcomes for students.

1. Maintain and Increase the Student Roll (Overall Effectiveness)

- a. Maintain the Academy's roll at 100 in September 2023
- b. Maintain the Academy's roll at 150 by June 2023

2. Attendance (Behaviour & Attitudes)

- a. Maintain the historical improvements in attendance (at a minimum of 85%) and reduce PA accordingly for students completing 6-week trial and are enrolled at the Academy.
- b. Punctuality - Work towards 70% of students being registered present in school by 9.15 am.

3. Attainment (Quality of Education - Impact)

- a. GCSE Average Point Score total at 200 points based on an increased cohort of approx. 60 students in Year 11
- b. Combined English & Mathematics at Grade 9-4 20%
- c. 5 GCSE grades 9-1 or equivalent including English & Mathematics 95%

4. Behaviour (Behaviour & Attitudes)

- a. 0% Permanent exclusions
- b. 2% Fixed term exclusions maximum
- c. 90% Student class behaviour records Good or Outstanding
- d. 2% Student class behaviour records Serious or Unacceptable maximum

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5. Progress (Quality of Education - Impact)

- a. English: 60% students to make one level of progress or better from baseline assessment on entry
- b. Mathematics: 50% students to make one level of progress or better from baseline assessment on entry

6. Teaching and Learning (Leadership & Management)

- a. Lesson Observations Target - 90% Judged to be Good or better
- b. Lesson Observations Target - 45% Judged to be Outstanding
- c. Lesson observations Target - 0% Inadequate

7. Leadership & Management (Leadership and Management)

- a. To maintain the Outstanding Ofsted judgement (Jan. 2020) for the overall effectiveness
- b. To continue to support staff on a range of "focused and highly effective professional development" programmes. "This (will) consistently translate into improvements in the teaching of the curriculum."

**Quotations from the Ofsted School Inspection Handbook 2022, Leadership and Management section.*

Community Strategy and Academy Development Targets

- a. To open Harmonize 2 in September 2025 subject to DfE approval.
- b. Work towards the successful application and establishment of a "new" school and MAT growth plan in conjunction with Sefton LA.
- c. Continue to engage with local and regional agencies.
- d. Continue to maintain the already established and effective working relationships with other AP providers including the Everton F. C. Free School.
- e. Continue to develop, implement and strengthen the Academy's Financial Strategy.
- f. Develop a chaplaincy on-site to further support the Christian ethos of the Academy.
- g. Continue to promote and develop the "Move On and Move Up" programme, and continue to engage with former Academy students to benefit the current cohort groups.

Monitoring of the above will take place through the existing management and evaluation procedures in operation at the Academy.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Trust's main income is received from the Education Funding Agency (EFA). This revenue funding is called the general annual grant (GAG) and is received on a monthly basis. This is topped up by income from Liverpool City Council places allocated to provide alternative provision for pupils that have been permanently excluded. Also, we commission places from schools across Merseyside for those pupils in danger of exclusion or for those who cannot cope with mainstream education for a variety of reasons. These schools are invoiced on an individual basis per term.

The Academy's surplus for 2023 is £53k (2022 surplus £374k) after depreciation and amortisation charges of £93k (2022 £74k).

After accounting for the actuarial gain on the local government pension scheme the net movement in funds for the year is a £273k surplus (2022 surplus £828k).

A financial strategy document is currently under development.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The governors review the reserve levels of the Free School annually. This review considers the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The governors are looking to develop income streams that would enable the trust to build up reserves to act as a buffer against any changes in funding.

They have decided that it is prudent to try and build a reserve of restricted funds approximately equal to 5% of annual income to safeguard against unforeseen circumstances, late ESFA payments, emergencies and other catastrophes. This is sound commercial practice designed to safeguard the quality of education received at the Trust.

In 2023, the value of restricted general reserves is £411k (2022: £529k) and restricted fixed asset reserves is £2,390k (2022: £2,190k).

Support staff are members of the Local Government Pension Scheme. The academy's share of the surplus on the scheme is £59k (2022 deficit £129k) which has a positive (2022: negative) impact on the overall reserves position. The current position will be evaluated in line with the triennial valuation. This will be monitored by the Finance & Resources Committee.

Investment policy

The governors have yet to devise a formal investment policy, due to not considering one to be necessary given that the only cash investments are the funds held within bank accounts. However, in the future an investment policy will be considered as a part of the Academy's financial strategy.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

Lighthouse Harmonize Education Trust takes a robust approach to managing risk and maintains a Risk Register to assess its activities and operational risks. This is reviewed on a termly basis.

The risk assessment register is a 'live' document which continually identifies risks and where necessary, agrees and puts in place measures of control and mitigation to manage risk. The Trust's strategic plan makes clear that it is unable to mitigate risks outside of its controls such as adverse economic circumstances.

The following categories are utilised in order that all risks, including the principal risks stated, are subject to governance via the appropriate committee:

- Strategic and Reputational Risks
- Operational Risks
- Compliance Risks
- Financial Risks

The Academy Trust has put controls in place to address these risks:

- Adherence to a cycle of planning agreed by the Governing Body;
- Reviewed security arrangements, logging of assets in a fixed asset register and ensured adequate insurance coverage;
- Cross-training and internal development of staff;
- Documented its authorised policies and procedures which are reviewed annually;
- Financial reports are linked to the Trust's Strategic plan and include accurate projections produced on a termly basis by staff who possess the necessary skills and competencies;
- Identified key legal and regulatory requirements and allocated responsibility for the key compliance procedures, obtaining compliance reports from regulators as appropriate.

The governors have assessed the major risks to which the Trust is exposed, in particular those related to the strategic planning, operation, finances and reputation of the Trust as well as compliance with legal and regulatory requirements. In as far as they are able, the governors are satisfied that they have put systems in place to identify potential risks and their impact and to mitigate exposure to major risks as well as ensuring changes to legislation are taken into consideration.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The principal risks and uncertainties facing the charity, as identified by the charity trustees are listed below, along with a summary of their plans and strategies for managing those risks.

Risk and impact	Strategies/plans for management and mitigation
Loss of experience, skills and knowledge, including loss of a key member of staff or governance team Operational impact on key projects and priorities through the loss of key skills from the Academy Trust	Succession planning is in place; systems are documented. Handover periods are agreed wherever possible. Staff are cross-trained to cover skills shortages. The school has a track record of developing staff internally.
Security of assets Possible loss of assets	The AT has reviewed its assets security arrangements, logged its assets in a fixed asset register, implemented a rolling inspection programme and ensured it has adequate insurance cover.
Server crash or ransomware attack leading to loss or corruption of data.	The AT maintains multiple redundancy sets of data for recovery if required, including on-site systems and an enterprise grade cloud-based system maintained by an external provider. Internet content is filtered, and the Lightspeed Alerts System analyses what users are searching and typing and flags up any concerns.
Destruction of property, equipment or records through fire, flood or similar damage	The AT has a disaster recovery plan and insurance in place. It also has robust fire safety and other H&S inspection and maintenance regimes and preventative measures in place.
Non-compliance with GDPR and associated regulation. A data breach combined with non-compliance with regulation would expose the Trust to financial sanctions and reputational harm.	A Data Asset Register is held to maintain control of Protected Data Assets. A Data Protection Officer is appointed as a role within the Academy. Training is conducted across the Academy at all levels.
An economic event outside of the AT's control has an adverse impact on the AT, leading to loss or closure.	The risk register is a 'live' document updated for changes in legislation and funding. The AT has a well thought out strategic plan so that if such a risk crystallises it is clear that the event was outside of its control.

Fundraising

The Arts and Community Committee in particular was tasked with the responsibility for initiating fundraising activities.

The following grants and donations were received during the year:

- £350 from the **Margaret Bryce Smith School Scholarship** which was set up to further the education of pupils attending any secondary school in the City of Liverpool by the award of prizes;
- **DfE Connect the Classroom** grant, £23,575 to upgrade the Wi-fi;
- **Duke of Edinburgh** (The Award Scheme), £2,575.50
- £1,175 from **Edge Hill University** for student placements programme;
- £550 from **Manchester Metropolitan University** for a student placement;
- **Brighter Futures** payment for recycled items £600.

Harmonize Academy would like to thank all of the organisations and individuals who supported our educational activities this year.

During school holidays, Liverpool City Council distributed meals vouchers to families with children eligible for free school meals. We encouraged families who were not already receiving free school meals to apply via their local Council, if they believed they would be eligible. We provided food parcels and vouchers for any families who were in need or struggling at Christmas.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

LHET submitted a bid in February 2023 as the lead applicant partnering with Sefton Local Authority to open an alternative provision free school in Sefton. An interview by the DFE, which was the second stage of the process, took place on 3rd July 2023. The outcome of the application process is expected to be communicated in Autumn 2023. If approved the Trust will move into a pre-opening period which will culminate in the new school opening in September 2025, and LHET becoming a Multi Academy Trust.

The Improvement Plan sets the strategic direction and focus of the Academy for 2019-23. This will be reviewed annually as part of the monitoring and evaluation cycle.

The Improvement Plan has 4 priority areas which reflect the new Ofsted Inspection Framework (2019). Each priority area has identified Key Performance Indicators and success criteria which will be used by the leadership team to evaluate the Academy's progress.

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Mitchell Charlesworth (Audit) Limited be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 04 December 2023 and signed on its behalf by:



Modupe Victoria Emrica Omideyi

Chair

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lighthouse Harmonize Education Trust and the Secretary of State for Education. The Accounting Officer is 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Modupe Victoria Emrica Omideyi (Chair)	4	4
Stephen Allen Harper	2	4
Rebecca Latus	3	4
Anthony Lawson (Staff)	3	4
Marie McConville (Principal)	4	4
James Osborne-White (Resigned 5 December 2022)	2	2
Osoba Otaigbe	2	4
Rebecca Jane Ross-Williams	4	4
Nobert Osemeke (Appointed 20 March 2023)	2	2

For details of governors' appointments and resignations see page 1.

Governors' training and development is a standing item on every full board agenda. New governors complete a skills audit at induction; this is used to identify initial training and development needs. Training needs, responsibilities and interests are reviewed on an ongoing basis, either as a group or one-to-one with the Chair.

Challenges which the Board faces include:

- Governor recruitment. This is a challenge in the light of the national shortage of governors. Harmonize Academy works hard to recruit governors with relevant skills and expertise, both to expand the board for the future, and to replace governors moving on due to personal circumstances. We use several avenues, including the NGA's Inspiring Governance Service and Governors for Schools.
- Identifying parent governors who are able to make a commitment.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Finance and Resources Committee

The finance and resources committee is a sub-committee of the main board of trustees. Its purpose is to:

- To assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters by the Governing Body on a regular basis.
- Major issues will be referred to the full Governing Body for ratification.

Finance:

- To consider the academy's indicative funding, notified annually by the DfE, and to assess its implications for the academy, in consultation with the Principal, in advance of the financial year, drawing any matters of significance or concern to the attention of the Governing Body.
- To consider and recommend acceptance/non-acceptance of the academy's budget, at the start of each financial year.
- To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the Governing Body.
- To contribute to the formulation of the academy's development plan, through the consideration of financial priorities and proposals, in consultation with the Principal, with the stated and agreed aims and objectives of the academy.
- To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- To liaise with and receive reports from the Quality of Education and Arts and Community committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Governing Body.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
- To prepare the financial statement to form part of the annual report of the Governing Body to parents and for filing in accordance with Companies Act and Charity Commission requirements.
- To receive auditors' reports and to recommend to the full Governing Body action as appropriate in response to audit findings.
- To recommend to the full Governing Body the appointment or re-appointment of the auditors of the academy.
- To ensure, as far as is practical, that Health and Safety issues are appropriately prioritised.
- To determine whether sufficient funds are available for pay increments as recommended by the Principal or the Principal's Performance Review Group.
- To annually review the following policies: Charges and Remissions, Expenses, Lettings.
- Additional items which individual Governing Bodies may wish to include.

HR

- To draft and keep under review the staffing structure in consultation with the Principal and the Quality of Education Committee.
- To establish a Salary Policy for all categories of staff and to be responsible for its administration and review.
- To oversee the appointment procedure for all staff.
- To establish and review a Performance Management policy for all staff*.
- To oversee the process leading to staff reductions.
- To keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence.
- To make recommendations on personnel related expenditure to the Governing Body.
- To consider any appeal against a decision on pay grading or pay awards.
- To review all staffing-related policies.
- Additional items which the Governing Body may wish to include.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Assets:

- To advise the Governing Body on priorities, including Health and Safety, for the maintenance and development of the school's premises.
- To oversee arrangements for repairs and maintenance.
- To make recommendations to the Governing Body on premises-related expenditure.
- In consultation with the Principal, to oversee premises-related funding bids.
- To oversee arrangements, including Health and Safety, for the use of school premises by outside users, subject to Governing Body policy.
- To establish and keep under review a Building Development Plan.
- To establish and keep under review an Accessibility plan.
- Additional items which the Governing Body may wish to include.

Disqualification:

Any relevant person employed to work at the school other than as the Principal, when the subject for consideration is the pay or performance review of any person employed to work at the school.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Modupe Victoria Emrica Omideyi (Chair)	3	3
Stephen Allen Harper	3	3
Rebecca Latus	2	3
Marie McConville (Principal)	3	3
James Osborne-White (Resigned 5 December 2022)	1	1
Nobert Osemeke (Appointed 20 March 2023)	1	1

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Audit Committee

The Audit Committee is a sub-committee of the main Governing Body. The terms quoted are those to which the Committee will operate to comply with the Academies Financial handbook and to include the Regularity audit. Its purpose is to:

- To advise the Governors on the adequacy and effectiveness of the School's whole system of internal control and its arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money).
- To advise the Governors on the appointment, re-appointment, dismissal and remuneration of the financial statements' auditor or the internal audit service (if applicable).
- To advise the Governors on the scope and objectives of the Internal Auditor work and the financial statements auditor.
- To consider and advise the Governors on the audit strategy and annual audit plans for the Internal Auditor work.
- To advise the Governors on Internal Auditor work reports on control issues including the management letters of the financial statements' auditor and management's responses to these.
- To consider and advise the Governors on relevant reports by the National Audit Office and the Education and Skills Funding Agency (ESFA) and other funding bodies, and where appropriate, management responses to these.
- To monitor, within an agreed timescale, the implementation of agreed recommendations relating to Internal Auditor work reports and the financial statements auditor's management letter.
- To establish in conjunction with the School's management, relevant annual performance measures and indicators, and to monitor the effectiveness of the financial statements' auditor through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate.
- To produce an annual report for the Governing Body and Accounting officer, this should include the Committee's advice on the effectiveness of the school's risk management, control and governance processes and any significant matters arising from the Responsible Officer work and the financial statements auditor.
- To ensure that all allegations of fraud and irregularity are properly followed up.
- To be informed of all additional services undertaken by the financial statements' auditor.
- Additional items which the Governing Body may wish to include.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Modupe Victoria Emrica Omideyi (Chair)	3	3
Stephen Allen Harper	3	3
Rebecca Latus	2	3
Marie McConville (Principal)	3	3
James Osborne-White (Resigned 5 December 2022)	1	1
Obert Osemeke (Appointed 20 March 2023)	1	1

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Quality of Education Committee

The Quality of Education Committee is a sub-committee of the main Governing Body. Its purpose is:

- To consider and advise the Governing Body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy.
- To consider curricular issues which have implications for Finance and HR decisions and to make recommendations to the relevant committee or the Governing Body.
- To consider and monitor progress against the School Development Plan.
- To make arrangements for the Governing Body to be represented at School Improvement discussions and for reports to be received by the Governing Body.
- To oversee arrangements for individual governors to take a leading role in specific areas of provision, eg SEN, Literacy, Numeracy. To receive regular reports from them and advise the Governing Body.
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator.
- To keep informed of the current statutory requirements relevant to the school's curriculum offer.
- To approve and monitor the school's systems for assessment and tracking of pupils. To receive and discuss the results of all examinations and key assessments in school, including academic, vocational, social and emotional development.
- To receive and discuss Governor visit reports and School Improvement Plan reports written by Senior Leadership Team.
- To receive and discuss reports on the provision of Special and Additional Educational Needs.
- To maintain an overview of all education-related school policies and review these on a regular basis.
- To be kept informed of the staffing situation, to support Principal and Finance and Resources Committee in reviewing staffing structure and assist with appointments where appropriate.
- Additional items which the Governing Body may wish to include.

Attendance at meetings during the year was as follows:

	Meetings attended	Out of possible
Modupe Victoria Emrica Omideyi	3	3
Anthony Lawson	1	3
Marie McConville	3	3
Osoba Otaigbe	0	3
Rebecca Jane Ross-Williams	2	3

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Arts and Community Committee

- To consider and advise the Governing Body on standards, practice and other matters relating to urban arts at Harmonize
- To consider and monitor the progress of the Arts Strategy and report to the Governing Body
- To consider and advise the Governing Body on Harmonize arts practice
- To receive and discuss the arts programme for the academic year
- To make recommendations on the arts programme including curriculum subjects, arts supporting subjects across the curriculum, enrichment activity and new initiatives to the relevant committee or Governing Body
- To review results of arts examinations, qualifications and assessments in school
- To consider the communication of arts internally and externally including representation within Harmonize brand
- To oversee arrangements for individual governors to take a leading role in specific areas of provision, e.g. Arts programme curriculum/enrichment, Arts in the Community, Progression Routes,
- To consider and monitor training and CPD for staff and Governors in arts and Creative Learning
- To oversee an arts and community relationships plan and assist with appointments where appropriate
- To maintain an overview of arts representation in school and review on a regular basis
- Additional items which the Governing Body may wish to include.

It has been agreed that the Arts and Community Committee will not convene separately and that the business of this committee will be included as an item on the agenda of The Quality of Education Committee until further notice.

In addition, the Free School has ad hoc Committees covering disciplinary and dismissal hearings and appeal hearings in respect of staff.

Review of value for money

As accounting officer, the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the Academy trust has delivered improved value for money during the year by:

- We use Crown Commercial Service (CCS) to purchase best price energy for the school. CCS is the biggest public procurement organisation in the UK and plays an important role helping the public sector save money when buying common goods and services. CCS is currently used by Liverpool City Council.
- Our catering contract continues to be with a local 'not for profit' sustainable school meals company who provides good quality healthy nutritional meals and uses local produce and suppliers. They aim to raise standards and offer quality of choice and ensure compliance with food hygiene and health and safety legislation.
- As a result of careful management of funds, the older buildings in the school have been refurbished to bring them up to a similar standard to the new buildings so that neither staff nor the young people in the school see any major differences between the two.
- A full refurbishment of the student toilet facilities was carried out in summer 2023 at a cost of £69,587. This much-needed work was carried out by a reliable company previously used by the school.
- The garage was renovated to create a new gymnasium space in summer 2023 at a cost of £54,760. This improvement utilises an under-used space better for educational activities.
- A new 17 seat Ford minibus was purchased for £18,666. The lease on the previous minibus had expired. After review, it was decided that it would be better value for money for the Trust to purchase and run a minibus directly for transporting students.
- A partial electrical re-wire was carried out which was essential for upgrading the new wing of the building and enabling good IT provision in the classrooms. Cost £47,750.

A full Value for Money Statement can be found at <http://www.harmonizeacademy.org/Value-for-Money>

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lighthouse Harmonize Education Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has decided to employ JD Education Finance Services as internal auditor.

Internal Control enables Academy Trusts to effectively and efficiently develop systems that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organisation. Designing and implementing an effective system of internal control can be challenging and with greater use and dependence on technology. The Internal Control Assessor applies judgment as they monitor and assess the effectiveness of the system of internal control. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The audit consisted of a high-level compliance review of the key controls in place in relation to the School's finance function. The consistent application of key controls across the School's main financial processes provides on-going assurance over the financial management of the organisation. The Internal auditor's role is in line with the ESFA's requirement included giving advice on financial matters and performing a range of checks on the school's financial systems. In particular the key control areas tested in the current period included:

- Bank reconciliations
- Cash flows
- Petty cash
- Personnel Files / Payroll
- Amendments to payroll
- Creditors/Debtors
- Income
- Purchasing
- Purchase card transactions
- Month end procedures
- Trial Balance

The trustees have agreed a programme of internal scrutiny for the Trust. The Academy had 3 visits during financial year 2022-23. These occurred in January, May and September. On a termly basis, the internal auditor reports to the board of trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees, and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Three internal financial assurance and one internal scrutiny report were completed for the year and no material control or other issues were reported.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;

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

Approved by order of the board of trustees on 04 December 2023 and signed on its behalf by:



Modupe Victoria Emrica Omidoyi
Chair



Marie McConville
Principal

LIGHTHOUSE HARMONIZE EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Lighthouse Harmonize Education Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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.

Marie McConville

Marie McConville
Accounting Officer

04 December 2023

LIGHTHOUSE HARMONIZE EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Lighthouse Harmonize Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 04 December 2023 and signed on its behalf by:



Modupe Victoria Emrica Omideyi
Chair

LIGHTHOUSE HARMONIZE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIGHTHOUSE HARMONIZE EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Lighthouse Harmonize Education Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIGHTHOUSE HARMONIZE EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIGHTHOUSE HARMONIZE EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the academy's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the board of governors of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the academy's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the academy's Statement of Financial Activities, (ii) the academy's accounting policy for revenue recognition (iii) the overstatement of salary and other costs (iv) the assumptions used in the calculation of the valuation of the surplus or deficit on the defined benefit pension scheme and the movements for the year. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body, along with the Academies Financial Handbook and Accounts direction.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the academy's ability to operate or to avoid a material penalty. This includes regulations concerning Data Protection and Safeguarding.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIGHTHOUSE HARMONIZE EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Audit response to risks identified

As a result of performing the above, we identified the presentation of the academy's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

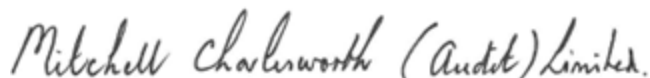
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the board concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Philip Griffiths (Senior Statutory Auditor)
for and on behalf of Mitchell Charlesworth (Audit) Limited

18 December 2023

Accountants
Statutory Auditor

3rd Floor
5 Temple Square
Temple Street
Liverpool
L2 5RH

LIGHTHOUSE HARMONIZE EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 7 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lighthouse Harmonize Education Trust during the period 1 September 2022 to 31 August 2023 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 Harmonize Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Lighthouse Harmonize Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lighthouse Harmonize Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Lighthouse Harmonize Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Lighthouse Harmonize Education Trust's funding agreement with the Secretary of State for Education dated 31 March 2016 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewing the activities to ensure they are in keeping with the charitable objectives and framework.
- Reviewing declarations of interest and seeking further representations.
- Reviewing the control environment and considering potential weaknesses.
- Reviewing minutes of various committees, management accounts and holding discussions with key personnel.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LIGHTHOUSE HARMONIZE EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mitchell Charlesworth (Audit) Limited.

Reporting Accountant

Mitchell Charlesworth (Audit) Limited
3rd Floor
5 Temple Square
Temple Street
Liverpool
L2 5RH

Dated: 18 December 2023

LIGHTHOUSE HARMONIZE EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from:						
Donations and capital grants	3	-	520	46,351	46,871	7,335
Charitable activities:						
- Funding for educational operations	4	-	3,067,781	-	3,067,781	2,886,617
Investments	5	2,713	-	-	2,713	125
Total		<u>2,713</u>	<u>3,068,301</u>	<u>46,351</u>	<u>3,117,365</u>	<u>2,894,077</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	-	2,970,817	93,590	3,064,407	2,518,662
Total	6	<u>-</u>	<u>2,970,817</u>	<u>93,590</u>	<u>3,064,407</u>	<u>2,518,662</u>
Net income/(expenditure)		2,713	97,484	(47,239)	52,958	375,415
Transfers between funds	14	-	(247,479)	247,479	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	16	-	220,000	-	220,000	454,000
Net movement in funds		<u>2,713</u>	<u>70,005</u>	<u>200,240</u>	<u>272,958</u>	<u>829,415</u>
Reconciliation of funds						
Total funds brought forward		-	399,879	2,189,531	2,589,410	1,762,096
Total funds carried forward		<u>2,713</u>	<u>469,884</u>	<u>2,389,771</u>	<u>2,862,368</u>	<u>2,591,511</u>

LIGHTHOUSE HARMONIZE EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
	Notes	£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	-	500	6,835	7,335
Charitable activities:					
- Funding for educational operations	4	-	2,886,617	-	2,886,617
Investments	5	125	-	-	125
Total		125	2,887,117	6,835	2,894,077
Expenditure on:					
Charitable activities:					
- Educational operations	7	-	2,444,334	74,328	2,518,662
Total	6	-	2,444,334	74,328	2,518,662
Net income/(expenditure)		125	442,783	(67,493)	375,415
Transfers between funds	14	-	(179,841)	179,841	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	16	-	454,000	-	454,000
Net movement in funds		125	716,942	112,348	829,415
Reconciliation of funds					
Total funds brought forward		-	(315,038)	2,077,134	1,762,096
Total funds carried forward		125	401,904	2,189,482	2,591,511

LIGHTHOUSE HARMONIZE EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023	2022
	Notes	£'000	£'000
Fixed assets			
Tangible assets	11	2,389,671	2,189,532
Current assets			
Debtors	12	78,478	56,469
Cash at bank and in hand		475,155	573,024
		553,633	629,493
Current liabilities			
Creditors: amounts falling due within one year	13	(139,936)	(98,514)
Net current assets		413,697	530,979
Net assets excluding pension asset/(liability)		2,803,368	2,720,511
Defined benefit pension scheme asset/(liability)	16	59,000	(129,000)
Total net assets		2,862,368	2,591,511
Funds of the academy trust:			
Restricted funds	14		
- Fixed asset funds		2,389,771	2,189,482
- Restricted income funds		410,884	530,904
- Pension reserve		59,000	(129,000)
Total restricted funds		2,859,655	2,591,386
Unrestricted income funds	14	2,713	125
Total funds		2,862,368	2,591,511

The accounts on pages 37 to 58 were approved by the trustees and authorised for issue on 04 December 2023 and are signed on their behalf by:



Modupe Victoria Emrica Omideyi
Chair

Company registration number 07657235 (England and Wales)

LIGHTHOUSE HARMONIZE EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	17		148,897		563,850
Cash flows from investing activities					
Dividends, interest and rents from investments		2,713		125	
Capital grants from DfE Group		46,351		6,835	
Purchase of tangible fixed assets		(293,279)		(186,676)	
Proceeds from sale of tangible fixed assets		(1)		-	
Net cash used in investing activities			(244,216)		(179,716)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(95,319)		384,134
Cash and cash equivalents at beginning of the year			573,024		188,211
Cash and cash equivalents at end of the year			477,705		572,345
ERROR - Figure differs from expected balance by:			2,550		(679)
Figure should equal:			475,155		573,024

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Lighthouse Harmonize Education Trust is a charitable company limited by guarantee. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Lighthouse Harmonize Education Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling which is also the functional currency of the academy trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

At the balance sheet date the Academy had net assets of £2.86m (2022: £2.59m) after providing for long term pension scheme commitments of £59k (asset position) (2022: £129k liability) in respect of the support staff defined benefit pension scheme and had net current assets of £414k (2022: £529k).

The trustees have reviewed and approved budgets and cashflow forecasts for 2022/23 and future years and consider in the light of this review that it is appropriate to prepare the financial statements on a going concern basis.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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.

Sponsorship income

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

Donations

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

Other income

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold Land and Buildings	125 years straight line
Leasehold improvements	2% straight line
Computer equipment & software	20-33% straight line
Fixtures, fittings & equipment	5-10% straight line
Motor vehicles	10% straight line

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

1.6 Liabilities

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

1.7 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the [Department for Education Group].

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

FRS 102 section 28.22 allows an entity to recognise a surplus within the Local Government Pension Scheme “only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan”. The actuarial report as at 31 August 2023 indicates a defined benefit asset position. A calculation has been done to compare the surplus to the present value of future service costs, only where the surplus is lower has the asset position been recognised. This is on the basis that a surplus following the triennial review would result in the employer being able to reduce contributions, much like a shortfall would result in increased contributions.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Capital grants	-	46,351	46,351	6,835
Other donations	-	520	520	500
	-	46,871	46,871	7,335

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	1,550,965	1,550,965	1,505,884
Other DfE/ESFA grants:				
- Pupil premium	-	20,708	20,708	23,665
- Others	-	9,483	9,483	6,488
	-	1,581,156	1,581,156	1,536,037
Other government grants				
Local authority grants	-	1,361,466	1,361,466	1,197,796
Special educational projects	-	100,232	100,232	114,936
	-	1,461,698	1,461,698	1,312,732
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	17,388	17,388	27,390
Other incoming resources	-	7,539	7,539	10,458
Total funding	-	3,067,781	3,067,781	2,886,617

5 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Short term deposits	2,713	-	2,713	125

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2023 £'000	Total 2022 £'000
Academy's educational operations					
- Direct costs	1,963,841	-	189,952	2,153,793	1,787,148
- Allocated support costs	433,463	239,024	238,127	910,614	731,514
	2,397,304	239,024	428,079	3,064,407	2,518,662

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6	Expenditure	(Continued)	
Net income/(expenditure) for the year includes:		2023	2022
		£'000	£'000
	Operating lease rentals	3,597	3,591
	Depreciation of tangible fixed assets	81,230	74,328
	Loss on disposal of fixed assets	12,360	-
	Fees payable to auditor for:		
	- Audit	8	7
	- Other services	2	2
	Net interest on defined benefit pension liability	4,000	8,000
7	Charitable activities	2023	2022
All from restricted funds:		£'000	£'000
	Direct costs		
	Educational operations	2,153,793	1,787,148
	Support costs		
	Educational operations	910,614	731,514
		3,064,407	2,518,662

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Charitable activities	(Continued)	
	2023 £'000	2022 £'000
Analysis of support costs		
Support staff costs	433,463	436,720
Depreciation	93,590	74,328
Technology costs	14,833	2,890
Premises costs	145,434	64,732
Legal costs	4,169	525
Other support costs	150,934	106,031
Governance costs	68,191	46,288
	<u>910,614</u>	<u>731,514</u>
8 Staff		
Staff costs		
Staff costs during the year were:		
	2023 £'000	2022 £'000
Wages and salaries	2,067,456	1,715,261
Social security costs	176	144
Pension costs	329,672	349,737
Staff costs - employees	<u>2,397,304</u>	<u>2,065,142</u>
	2,397,304	2,065,142
Staff development and other staff costs	<u>15,617</u>	<u>15,072</u>
Total staff expenditure	<u>2,412,921</u>	<u>2,080,214</u>
Staff numbers		
The average number of persons employed by the academy trust during the year was as follows:		
	2023 Number	2022 Number
Teachers	22	21
Administration and support	38	32
Management	5	5
	<u>65</u>	<u>58</u>

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Staff

(Continued)

Higher paid staff

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

	2023 Number	2022 Number
£60,001-£70,000	3	1
£70,001-£80,000	1	-
£80,001-£90,000	-	1
£90,001-£100,000	1	-
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £491,973 (2022: £456,289).

9 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

M McConville (Principal and trustee):

Remuneration - £90,001 - £95,000 (2022: £85,001 - £90,000)

Employer's pension contributions paid - £20,001 - £25,000 (2022: 20,001 - £25,000)

A Lawson (staff governor and trustee):

Remuneration - £40,001 - £45,000 (2022: £35,001 - £40,000)

Employer's pension contributions paid - £0 - £5,000 (2022: £0 - £5,000)

During the period ended 31 August 2023, travel and subsistence expenses totalling £56 were reimbursed or paid directly to 1 trustee (2022: £nil to 0 trustees)

10 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10 million (2022 £10 million) on any one claim and the cost for the year ended 31 August 2023 was £3,150 (2022: £2,850). The cost of this insurance is included in the total insurance cost.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Tangible fixed assets

	Leasehold Land and Buildings £'000	Leasehold improvements £'000	Computer equipment & software £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 September 2022	1,469,000	966,493	198,541	249,851	-	2,883,885
Additions	214,305	-	19,703	40,604	18,667	293,279
Disposals	-	-	(2,634)	(123,595)	-	(126,229)
At 31 August 2023	1,683,305	966,493	215,610	166,860	18,667	3,050,935
Depreciation						
At 1 September 2022	203,472	149,572	156,722	184,138	-	693,904
On disposals	-	-	(2,634)	(111,236)	-	(113,870)
Charge for the year	42,737	-	23,246	14,391	856	81,230
At 31 August 2023	246,209	149,572	177,334	87,293	856	661,264
Net book value						
At 31 August 2023	1,437,096	816,921	38,276	79,567	17,811	2,389,671
At 31 August 2022	1,265,528	816,922	41,369	65,713	-	2,189,532
Errors in NBV: Brought forward	-	(1)	450	-	-	449

12 Debtors

	2023 £'000	2022 £'000
Trade debtors	12,204	-
VAT recoverable	7,211	6,030
Prepayments and accrued income	59,063	50,439
	78,478	56,469

13 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	-	3,973
Other taxation and social security	46,541	40,679
Other creditors	(40)	(93)
Accruals and deferred income	93,435	53,955
	139,936	98,514

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
Restricted general funds					
General Annual Grant (GAG)	528,879	1,550,965	(1,421,481)	(247,479)	410,884
Pupil premium	-	20,708	(21)	-	20,687
Other DfE/ESFA COVID-19 funding	-	17,388	(17)	-	17,371
Other DfE/ESFA grants	-	9,483	(46,541)	-	(37,058)
Other government grants	-	1,461,698	(1,461,698)	-	-
Other restricted funds	-	8,059	(9,059)	-	(1,000)
Pension reserve	(129,000)	-	(32,000)	220,000	59,000
	<u>399,879</u>	<u>3,068,301</u>	<u>(2,970,817)</u>	<u>(27,479)</u>	<u>469,884</u>
Restricted fixed asset funds					
DfE group capital grants	<u>2,189,531</u>	<u>46,351</u>	<u>(93,590)</u>	<u>247,479</u>	<u>2,389,771</u>
Total restricted funds	<u>2,589,410</u>	<u>3,114,652</u>	<u>(3,064,407)</u>	<u>220,000</u>	<u>2,859,655</u>
Unrestricted funds					
General funds	<u>-</u>	<u>2,713</u>	<u>-</u>	<u>-</u>	<u>2,713</u>
Total funds	<u>2,589,410</u>	<u>3,117,365</u>	<u>(3,064,407)</u>	<u>220,000</u>	<u>2,862,368</u>

General Annual Grant must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the free school was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2016.

EFA Lead in Grant and other EFA grants. These have been received for specific purposes throughout the year and include pupil premium and the lead in grant which was fully spent in the year.

Local Authority Grants consist of various support grants received from Liverpool City Council and other schools, for which pupils have been transferred to LHET.

EFA Capital Grant for the building renovation and infrastructure. Depreciation of assets capitalised is to be matched against this income in line with accounting policy.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Funds

(Continued)

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	152,962	1,505,884	(949,559)	(179,841)	529,446
Pupil premium	-	23,665	(24)	-	23,641
Other DfE/ESFA COVID-19 funding	-	27,390	(27)	-	27,363
Other DfE/ESFA grants	-	6,488	(29,641)	-	(23,153)
Other government grants	-	1,312,732	(1,312,110)	-	622
Other restricted funds	-	10,958	(37,973)	-	(27,015)
Pension reserve	(468,000)	-	(115,000)	454,000	(129,000)
	<u>(315,038)</u>	<u>2,887,117</u>	<u>(2,444,334)</u>	<u>274,159</u>	<u>401,904</u>
Restricted fixed asset funds					
DfE group capital grants	<u>2,077,134</u>	<u>6,835</u>	<u>(74,328)</u>	<u>179,841</u>	<u>2,189,482</u>
Total restricted funds	<u>1,762,096</u>	<u>2,893,952</u>	<u>(2,518,662)</u>	<u>454,000</u>	<u>2,591,386</u>
Unrestricted funds					
General funds	<u>-</u>	<u>125</u>	<u>-</u>	<u>-</u>	<u>125</u>
Total funds	<u>1,762,096</u>	<u>2,894,077</u>	<u>(2,518,662)</u>	<u>454,000</u>	<u>2,591,511</u>

15 Analysis of net assets between funds

	Unrestricted Funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	2,389,671	2,389,671
Current assets	553,082	551	-	553,633
Current liabilities	(139,796)	(140)	-	(139,936)
Pension scheme asset	-	59,000	-	59,000
Total net assets	<u>413,286</u>	<u>59,411</u>	<u>2,389,671</u>	<u>2,862,368</u>
Balance to allocate	(410,573)	410,473	100	-
Per balance sheet	2,713	469,884	2,389,771	2,862,368

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Analysis of net assets between funds (Continued)

	Unrestricted Funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	2,189,532	2,189,532
Current assets	628,865	628	-	629,493
Current liabilities	(98,415)	(99)	-	(98,514)
Pension scheme liability	-	(129,000)	-	(129,000)
Total net assets	530,450	(128,471)	2,189,532	2,591,511
Balance to allocate	(530,325)	530,375	(50)	-
Per balance sheet	125	401,904	2,189,482	2,591,511

16 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Pension and similar obligations

(Continued)

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

- 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
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. 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 including earnings growth is 4.45%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £204,647 (2022: £177,120).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The employer contribution rate was 17.3% as at 1 September 2021 and has remained as this rate during the year. The employee contribution rates start at 5.5% increasing to 12.5% depending on earnings.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	93,000	65,000
Employees' contributions	32,000	23,000
	<hr/>	<hr/>
Total contributions	125,000	88,000
	<hr/>	<hr/>

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Pension and similar obligations (Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	4.3	4.4
Rate of increase for pensions in payment/inflation	2.9	3
Discount rate for scheme liabilities	5.4	4.3
Inflation assumption (CPI)	2.8	2.9

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

	2023 Years	2022 Years
Retiring today		
- Males	20.8	20.9
- Females	23.3	24
Retiring in 20 years		
- Males	22.1	22.4
- Females	25.1	25.9

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

	2023 £'000	2022 £'000
Discount rate + 0.1%	-18	-20
Discount rate - 0.1%	18	20
Mortality assumption + 1 year	23	22
Mortality assumption - 1 year	-22	-22
CPI rate + 0.1%	18	21
CPI rate - 0.1%	-17	-21

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Pension and similar obligations	(Continued)	
The academy trust's share of the assets in the scheme	2023	2022
	Fair value	Fair value
	£'000	£'000
Equities	564	462
Government bonds	62	89
Other bonds	20	34
Cash/Liquidity	12	21
Property	130	104
Other assets	297	250
	<hr/>	<hr/>
Total market value of assets	1,085	960
	<hr/>	<hr/>
Warning - Asset value does not agree to value in accounts:	1,085,000	960,000
The actual return on scheme assets was £20,000 (2022: £(41,000)).		
Amount recognised in the statement of financial activities	2023	2022
	£'000	£'000
Current service cost	118,000	170,000
Interest income	(44,000)	(16,000)
Interest cost	48,000	24,000
Administration expenses	3,000	2,000
	<hr/>	<hr/>
Total operating charge	125,000	180,000
	<hr/>	<hr/>
Changes in the present value of defined benefit obligations	2023	
	£'000	
At 1 September 2022	1,089,000	
Current service cost	118,000	
Interest cost	48,000	
Employee contributions	32,000	
Actuarial gain	(244,000)	
Benefits paid	(17,000)	
	<hr/>	
At 31 August 2023	1,026,000	
	<hr/>	

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16	Pension and similar obligations			(Continued)
	Changes in the fair value of the academy trust's share of scheme assets			
				2023
				£'000
	At 1 September 2022			960,000
	Interest income			44,000
	Actuarial loss			(24,000)
	Employer contributions			93,000
	Employee contributions			32,000
	Benefits paid			(17,000)
	Administration expenses			(3,000)
	At 31 August 2023			1,085,000
17	Reconciliation of net income to net cash flow from operating activities			
		Notes	2023	2022
			£'000	£'000
	Net income for the reporting period (as per the statement of financial activities)		52,958	375,415
	Adjusted for:			
	Capital grants from DfE and other capital income		(46,351)	(6,835)
	Investment income receivable	5	(2,713)	(125)
	Defined benefit pension costs less contributions payable	16	28,000	107,000
	Defined benefit pension scheme finance cost	16	4,000	8,000
	Depreciation of tangible fixed assets		81,230	74,328
	Loss on disposal of fixed assets		12,360	-
	(Increase) in debtors		(22,009)	(17,736)
	Increase in creditors		41,422	23,803
	Net cash provided by operating activities		148,897	563,850
18	Analysis of changes in net funds			
		1 September 2022	Cash flows	31 August 2023
		£'000	£'000	£'000
	Cash	573,024	(97,869)	475,155

LIGHTHOUSE HARMONIZE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Long-term commitments

Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £'000	2022 £'000
Amounts due within one year	19	14
Amounts due in two and five years	28	16
	<u>47</u>	<u>30</u>

20 Related party transactions

Owing to the nature of the free school's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving the such organisations are conducted at arm's length and in accordance with the free school's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in notes 8 and 9.

21 Members' liability

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