



# **Lighthouse Harmonize Education Trust**

(A company limited by guarantee)

(Registration number 07657235)

## **ANNUAL REPORT and FINANCIAL STATEMENTS**

**Year Ended 31 August 2019**





Registration number: 07657235

# Lighthouse Harmonize Education Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2019





# **Lighthouse Harmonize Education Trust**

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## **Lighthouse Harmonize Education Trust**

### **Reference and Administrative Details**

<b>Members</b>	Elsie Hogan-Edem Henry Keesz Liverpool Lighthouse Limited, represented by Helen Hawley Love and Joy Ministries Limited, represented by Tanidabi Omidayi Modupe Omidayi Estelle Springer (retired 19 September 2019)
<b>Governors / Trustees</b>	Martin Flatman Stephen Allen Harper Jennifer Hicks Marie McConville Modupe Victoria Emrica Omidayi, Chair Rebecca Jane Ross-Williams James Angus Osborne-White Anthony Lawson Reverend Rachael Alison Garland (retired 3 December 2018) Sheelagh Janet Cloonan (retired 4 October 2019)
<b>Senior Management Team</b>	Marie McConville, Principal Carl Parkinson, Vice Principal Gerard Tiernan, Assistant Principal (SENDCo) Catherine Martin, School Business Manager Elizabeth Cunningham, Assistant Principal Wynn Ridge, Assistant Principal
<b>Principal and Registered Office</b>	7 Phillimore Road Liverpool L6 6DL
<b>Company Registration Number</b>	07657235
<b>Auditors</b>	Beever and Struthers Chartered Accountants and Statutory Auditors St George's House 215-219 Chester Road Manchester M15 4JE
<b>Bankers</b>	Royal Bank of Scotland plc 1 Dale Street Liverpool L2 2PP

**Lighthouse Harmonize Education Trust**

**Reference and Administrative Details (continued)**

**Solicitors**

Browne Jacobson LLP  
14th Floor, No. 1 Spinningfields  
1 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019**

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

#### **Structure, governance and management**

##### ***Constitution***

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 07657235.

The governors act as the trustees for the charitable activities of Lighthouse Harmonize Education Trust and 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 company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

##### ***Trustees' indemnities***

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees, see note 8.

##### ***Method of recruitment and appointment or election of Trustees***

In accordance with the Articles of Association, the trust may appoint up to 9 governors. In addition staff and parent governors may be elected, and further governors may be co-opted. It is expected that the governing body will number between 12 and 14 persons.

##### ***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 that the Free School is run in an efficient and professional manner. The Board has appointed three sub-committees: Quality of Education; Arts and Community (previously Community, Communications and Marketing); Finance and Resources. The members of the Finance and Resources Committee also meet as the Audit and Pay Committees.

##### ***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).

## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### ***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 Trust operates an Alternative Provision (AP) Free School for pupils aged 13 to 16 servicing the Merseyside and Cheshire area. The school has a pupil capacity of 104 and had a head roll of 73 on the school census in October 2018, 90 in January 2019 and 108 in May 2019.

##### ***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 Academy 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 2018/19 demonstrated in all accepted definitions that Lighthouse Harmonize Education Trust provides charitable services that are of public benefit through the provision of secondary education, advice and support to other providers of such secondary education, and making 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 for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

##### **Achievements and performance**

The school's capacity for 2018-19 was 104 comprising of 37 places commissioned from Liverpool City Council's Alternative Provision Team for students who have been permanently excluded from school, and 71 places commissioned from schools across Merseyside and Cheshire, for those students in danger of exclusion or for those students who cannot cope in a mainstream setting for a variety of reasons.

Harmonize Academy continues to provide outstanding alternative education with individualised learning pathways that aim to radically improve the achievement and life chances of our students. We strive to help every student on leaving us to progress to continuing education, training or employment.

We aimed to strengthen the focus on the core subjects, English, Maths and Science and improve levels of attainment across the curriculum. This included plans to develop the Urban Arts, and Sports and Enterprise base which we believe engages and develops confidence in our students and also prepares them for the world of work.

Furthermore, interventions to assist exam success and behaviour management support continued to be important strands of the Harmonize Academy experience.

During 2018-19, Harmonize Academy continued to develop its curriculum offer iGCSE English Language, English Literature and History in enrichment, Graphic Design L2 (NCFE) was added to Design Technology and we gained new qualifications in Arts Awards and Speaking and Listening (LAMDA) for the first time this year.

All students were base-lined on arrival. Their KS2 results in English and maths were considered and an aspirational target set for the end of KS4. Students were also tested for their current levels in English and Maths. A base-lining system for Science was developed and introduced which added to the testing of students on arrival. GCSE forecast grades were changed to a baseline 9-1 target to reflect the new grading system. For students reaching the end of KS4, results were analysed against target to determine whether they had performed better, on or below target grade.

An improvement has been shown each year with more qualifications achieved (389 in 2017-18 and 484 qualifications this year) owing to the broader curriculum. 82% of students were entered for 5 GCSEs or equivalent which was in line with the previous year.



## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

##### **Activities**

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

- From September 2018 the school's capacity remained at 104.
- We welcomed one new member of staff, the Vice Principal, Mr Carl Parkinson.
- Mrs Marie McConville took up her post as Principal.
- Mrs Elizabeth Cunningham and Mr Wynn Ridge were appointed as Assistant Principals and joined the Senior Leadership Team.
- Mrs Ann Coker, Receptionist retired on 31st July 2019
- Ms Leianna Owens, teaching assistant, left for another post in LIPA 6th form 31st August 2019.
- Ms Lotte Schol, teaching assistant, moved out of the Liverpool area to start a job nearer home in May 2019.

The school's curriculum offer was broadened further this year with the introduction of iGCSE English, GCSE English Literature, GCSE History. These are in addition to the core subjects of English, Maths, Biology, PE, LAMDA Speaking and Listening and PSHE and supplemented with Performing Arts and Music, Beauty, Chemistry, Childcare, Design Technology, Food Technology, and GCSE Physical Education options which underpins 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, dance, gospel singing, music, music technology, film and photography, cultural trips, horse-riding, PE, free-running, football, golf, table-tennis, art, catering, bowling and 1:1 English, Maths, Science and Vocational subjects.

# Lighthouse Harmonize Education Trust

## Trustees' Report for the Year Ended 31 August 2019 (continued)

### Strategic Report

#### Exam Results 2019

The total point score per pupil at the end of KS4 for the GCSE results was the highest in the school's history. The table below shows the continued year by year progress the school and pupils are making:

Number of end of key stage 4 pupils	Percentage of pupils entered for 5+ GCSEs or equivalent <sup>2</sup>	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+ GCSE at 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 2018/2019	43	484	81.4	11.4	98.88	22.37	98.88	100	183.51
Harmonize Academy 2017/2018	43	399	74.4	8.4	3.1	87.50	13.16	94.74	164.18
Harmonize Academy 2016/2017	39	362	72.5	13.8	10.3	89.66	15	77.5	157.45
Harmonize Academy 2015/2016	39	305	78.3	13.8	13.6	55.17	32.78	63.79	124.87
Harmonize Academy 2014/2015	26	151	84.61	0.0	0.0	84.61	11.36	81.82	100.88
Harmonize Academy 2013/2014	19	97	68.42	21.05	10.53	47.37	25.00	70.00	95.53
Liverpool 2014/2015	147		0.0	0.0	0.0	0.0	0.0	32.7	17.8
Knowsley 2014/2015	17		0.0	0.0	0.0	0.0	33.3	88.2	51.0
Sefton 2014/2015	20		19.2	3	1	19.2	1	15.4	73.1
Manchester 2014/2015	118		28.0	5.8	25.4	4.2	43.2	72.0	89.1

2018/2019		2017/2018		2016/2017		2015/2016		2014/2015		2013/2014	
English yr 11	9 (9-4)	11 (3-1)	0(U)	3 (9-4)	35 (3-3)	3(U)	1 (9-4)	34 (3-1)	1(U)	12 (A*-C)	19 (D-G)
Maths yr 11	8 (9-4)	12 (3-1)	2(U)	6 (9-4)	37 (3-1)	4(U)	5 (9-4)	28 (3-1)	3(U)	7 (A*-C)	18 (D-G)
English yr 10	2 (9-4)	17 (3-1)	1(U)	2 (9-4)	7 (3-3)	0 (U)	1 (A*-C)	13 (D-G)		4 (A*-C)	3 (D-G)
Maths yr 10	1 (9-4)	4 (3-1)	0 (U)	3 (9-4)	4 (3-1)	1 (U)	1 (A*-C)	1 (D-G)		0 (A*-C)	6 (D-G)
Maths yr 9	0 (9-4)	7 (3-1)	0 (U)	0 (9-4)	1 (3-1)					0	0
Average no. of results at HA			47			45		39		20	

NEW POINT SCORE SCALE FOR LEGACY GCSES		
GCSE GRADE	2017 POINTS	POINTS VALUE
G	1	16
F	1.5	22
E	2	28
D	3	34
C	4	40
B	5.5	46
A	7	52
A*	8.5	58

Harmonize Academy an Alternative Provision free school, celebrates staggering results this year.

- 100% pupils achieved a recognised qualification, compared to the national average for AP/PRU of 57.7%
- The schools best ever Level 1 English and maths results with 97% achieving Level 1 compared to the national average for AP/PRU of 18.9%
- The schools best ever Level 2 English and maths results with 22% achieving Level 2 compared to the national average for AP/PRU of 4.3%
- The schools best ever GCSE results as 81% of pupils leave with five GCSEs compared to the national average for AP/PRU of 12.3%

All year 11 students who left the academy in summer 2019 went into education, employment or training. Learning and career choices included progression to the following fields: Construction - the most popular, Welding, Engineering (electrical, gas, marine), Mechanics, Business, Sport, Music, Performing Arts, Health & Social, Childcare, Hair & Beauty, Animal Care and Law. In a positive development, five students were successful in gaining paid apprenticeships with Signature Living a local hotelier.

## Lighthouse Harmonize Education Trust

### Trustees' Report for the Year Ended 31 August 2019 (continued)

#### Strategic Report

Qualifications available 2018-19:

GCSEs		Marking Scheme	Equivalents qualifications		Marking Scheme
WJEC English Language	CORE	9-1	NCFE EL, L1, L2 Certs English		Pass, Fail
CIE IGCSE English Language	CORE	9-1			
AQA English Literature	OPTION	9-1			
Edexcel Maths (Foundation / Higher)	CORE	9-1	NCFE EL, L1, L2 Certs Maths		Pass, Fail
CIE IGCSE Maths	CORE	9-1			
AQA Biology (Foundation / Higher)	CORE	9-1			
AQA Chemistry (Foundation / Higher)	OPTION	9-1			
AQA Drama	OPTION	9-1	IAMD A2 Award Speaking and Listening Skills IAMD A1 Public Speaking Grades NCFE L2 Cert Creative Studies: Performance Skills NCFE L2 Cert Performance Skills NCFE L2 Cert Music Technology NCFE L2 Ext Cert Music Technology Arts Award Bronze / Silver	ORACY	Pass, Merit, Distinction
AQA Dance	OPTION	9-1		ORACY	Pass, Fail
				OPTION	Pass, Fail
				OPTION	Pass, Fail
				OPTION	Pass, Fail
				OPTION	Achieved
AQA Design and Technology (June 2019)	OPTION	9-1	AQA L1 Foundation Project DT	CORE	A*, A, B, U
WJEC Physical Education	OPTION	9-1	NCFE L1/L2 Technical Award Graphic Design	OPTION	Pass, Merit, Distinction, Dist*
WJEC Physical Education short course	OPTION	9-1	NCFE Level 2 Certificate in Creative Studies: Craft	OPTION	Pass, Merit, Distinction, Dist*
Edexcel Psychology	OPTION	9-1			
AQA History	OPTION	9-1			
<b>ENRICHMENT ACTIVITIES</b> TEAM UP: English, Maths, Science Fitness / Football / Free-running / Golf / Horse-riding / Pool / Volley-ball Drama Band Workshops Rap Singing / Gospel Singing Art Beauty / Body-Art Cookery Computing Food Bank Games Graphics Photography Chaplaincy OAP Home Visits Well-being / One-to-One			L1 NCFE V-Cert Food and Cookery	OPTION	Pass, Merit, Distinction
			L2 NCFE V-Cert Food and Cookery	OPTION	Pass, Merit, Distinction
			L1 NCFE Cert Food and Cookery Skills	OPTION	Pass, Merit, Distinction
			NCFE L1 Award PSD	PSHE	Pass, Fail
			NCFE L1 Cert PSD	PSHE	Pass, Fail
			NCFE CACHE L1 Award Sexual Health Awareness	PSHE	Pass, Fail
			NCFE CACHE L1 Award Mental Health Awareness	PSHE	Pass, Fail
			VTCT L1 Award Introduction to Hair & Beauty Sector	OPTION	Pass, Fail
			VTCT L1 Cert Introduction to Hair & Beauty Sector	OPTION	Pass, Fail
			VTCT L2 Award Hair & Beauty Skills	OPTION	Pass, Merit, Distinction
			VTCT L2 Ext Award Hair & Beauty Skills	OPTION	Pass, Merit, Distinction
			VTCT L2 Ext Cert Hair & Beauty Skills	OPTION	Pass, Merit, Distinction
			NCFE L1 Award Photography	ENRICHMENT	Pass, Merit, Distinction
			NCFE L2 Certificate Photography	ENRICHMENT	Pass, Merit, Distinction
			NCFE CACHE L2 Award Child Development & Care	OPTION	A*-D
			NCFE CACHE L2 Technical Award Child Development & Care	OPTION	Pass, Merit, Distinction, Dist*
			BHS EL Award Equestrian Skills	ENRICHMENT	Pass, Fail
			Archbishop of York Young Leaders Award KS3/ KS4	SMSC	Pass, Fail
			Trinity: ESOL Grade 5	LITERACY	Pass, Merit, Distinction

#### Partner Organisations:

Over the past year we have worked closely with many organisations to give our students, with their complex needs, every chance to succeed and to develop their true potential. These have included:

- **Addaction** - Worked with individual students
- **Blackburn House**
- **Brook Liverpool**
- **Career Connect** - Individual Careers advice service offered in school to all year 11s to assist progression; and a very successful careers fair for years 10 and 11 held in school in January attended by fifteen local employers and training providers
- **Dollworx Photography Studio**
- **dot-art Schools Liverpool** - art competition
- **EBD Schools Football League**- Football Tournaments
- **Fagends** - Addiction support
- **LACES**- Looked after children, Liverpool
- **Liverpool Dyslexia Society**- Individual support for students 2 days per week
- **Liverpool Lighthouse**
- **Liverpool Learning Partnership**
- **Liverpool University Dance Project** - Shake it Up
- **Liverpool Youth Service**
- **Merseyside Police**



## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

##### **Achievements and performance (continued)**

- New Schools Network
- North West Ambulance Service - Skills Project
- Positive Futures - (1-1) with student
- RARE Dance & Performing Arts Studio
- Resonate- Liverpool's Music Hub- Enrichment Music lessons
- Royal Court: Terriers "Eve's Story"
- Rowan Garth Nursing Home- Enrichment visits for Archbishop of York, Young Leaders Award
- Signature Living - motivational speaking / career opportunities
- Twist [Dance]
- University student placements - 1 x LIPA; 1 x University of Chester
- University support.-1:1 English, maths, and science support delivered by local students weekly
- Young Everyman Playhouse

##### **VIP visitors and Guest Facilitators:**

- Dr Sarah Black, Lecturer in Dance
- Lawrence Kenwright, Signature Living
- Cllr Barbara Murray, Liverpool Cabinet Member for Education
- Matt Rutter and Robert Awork, YEP
- Vicky Riley, Hairdresser

##### **Regular Individual Facilitators:**

- Dr Andy Cornes - Psychologist
- Carla Ellington and Anthony Farrell - Choir Tutors
- James Reader - Frontrow Films (Harmonize TV) and Photography Tutor

##### **Education Visitors and Events 2018/2019**

###### **Regional:**

- Vicky Furlong, LJMU
- Kate West, Social Finance
- Shaun Brown, The Difference

###### **National:**

- Eugene Dwaah - Jason Roberts Foundation, Brent
- Paula Rippingham-Smith, Reach Academy, Alpha Academies Trust

##### **Education Network Events**

- Annual AP Forum in Kidderminster

##### **The following schools placed students at Harmonize Academy during 2018-19:**

The Alsop High School, Bank View High School, The Bishops' Bluecoat CE High School, Blacon High School, Broadgreen International School, Broughton Hall High School, Calderstones School, The De La Salle Academy, The Ellesmere Port CE College, Finchwood Academy, Halewood Academy, Helsby High School, Hillside High School, Holly Lodge Girls' College, Hugh Baird College, King David High School, Kirkby High School, Lord Derby Academy, Maricourt Catholic High School, Neston High School, New Heights High School, North Liverpool Academy, Notre Dame Catholic College, Ormiston Bolingbroke Academy, Ormiston Chadwick Academy, Prenton High School for Girls, The Prescott School, St Edmund Arrowsmith Catholic Centre for Learning, St Edward's College, The Academy of Saint Francis of Assisi, St Francis Xavier's College, St Hilda's CE High School, St Julie's Catholic High School, The Academy of St Nicholas, Studio@Deyes, Weatherhead High School, West Derby School, Woodchurch High School.

## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

##### **Achievements and performance (continued)**

**The following Local Authorities placed students at Harmonize Academy during 2018-19:**

Liverpool City Council Alternative Provision Team; Liverpool City Council SEN & Disability Team; Knowsley Metropolitan Borough Council; Cheshire West & Chester Council; and Warrington Borough Council SEN.

##### **Enrichment Trips and Activities**

- Beauty: Sudley House, LUSH, Sally's Wholesalers
- Childcare: Baby & Toddler Show, Event City, Manchester, Jake's Place
- Dance: LEAP Festival, Epstein Theatre
- Design Technology: Heavenly Desserts Restaurant
- Enrichment: Beechley Stables RDA
- Liverpool Lighthouse Christmas Service
- Music and Photography: A range of indoor and outdoor architectural, cultural and green space venues such as local museums, galleries, historic houses, parks and gardens
- Performing Arts: Floral Pavilion, Everyman Theatre - Students performed showcase, Playhouse
- PSHE: Princess Diana Trust Anti-Bullying Ambassador Training
- PSHE: Comics workshop called 'Comic Youth' for Year 9s to explore themes such as mental health and isolation through the production of comic zines.
- Science: Robot Day at Knowsley Community College, Rocket Launch at Bright Park
- Sports & Fitness: *Aintree Golf Course, Air Unlimited, Airborne Academy, Awesome Walls, Boccia, Clip 'n' Climb, Football, Go-Karting, Hollywood Bowl, Horse-riding, Ice-skating, Jubilee Sports Centre, Judo, Pool, Table-tennis, Tug-of-War, Walking - Moel Famau, Watersports, Velocity Trampoline Park, Volleyball*

##### **Harmonize Productions:**

- Performing Arts and Dance: Performance Showcase at the Everyman Theatre, Liverpool
- Music: Showcase

##### **Continuing Professional Development:**

- **Jason Bambala, Behaviour Management:** All classroom staff
- **Mental Health Awareness Training May 2019:** All classroom staff
- **NPQSL:** DT Teacher
- **NPQML:** Science Teacher
- **NQT:** PSHE/English Teacher
- **QTLS:** Dance, Drama, Music Teachers
- **Cert Ed:** Maths TA
- **Promoting Educational Achievement LAC:** Assistant Principal/SENDCo
- **Impact of SEND on Mental Health:** PSHE/English Teacher
- **Bereavement Project:** Psychology Teacher
- **L3 Award Supporting Teaching and Learning:** Four Teaching Assistants

##### **Parental/Carer Support**

The annual Review Day was held in July 2019 and provided an opportunity for parents/carers to meet with Harmonize Teaching staff to discuss their child's school report and progress. This was a successful event and the staff members were pleased to receive positive feedback from parents/carers as follows:

##### **Parent/Carer Comments:**

- I can't thank you all enough for the care and support [my son] has received at Harmonize. He has never liked school from nursery and is now excelling. Thank you.
- Well done! I am so pleased with how much my daughter has improved in every way. She is a different person now in a very positive way.



## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

- Our son has improved in behaviour, attitude and the amount of work he has completed whilst at Harmonize and we are so grateful and proud.
- I'm very pleased with the progress my daughter has made over the last year and hope she keeps up the good work.
- Harmonize is a truly amazing school and it makes me so proud to see how my son has come on with all the support, love and understanding he has been given.
- I am extremely proud of the comments from teachers regarding my son and I am made up with the improvement. He has come on brilliantly since starting at Harmonize.
- We agree with all the comments. Our son needs to settle down and focus on all subjects, not just the ones he likes. He can give a lot more - he knows this. We have seen a professional, caring attitude towards him.
- I feel that the teachers are working really well with my son and he enjoys coming to school. His performance has immensely improved and I appreciate all the hard work all the teachers are doing with him.
- It has been an amazing year for my son who has been encouraged by staff to mature and be responsible. Thank you.
- Harmonize has been a much more stimulating school than any before and has brought out the best in him.
- I would like to thank all the staff at Harmonize for their continual support for my son. He has definitely made progress with his education since coming here and seems to be able to engage with his peers and not be so isolated.

#### **Multi Academy Trust Status:**

LHET had been in talks with Manchester LEA for a period of time with a view to opening an APT school based on the Harmonize Academy model in Manchester. Unfortunately, Manchester LEA was not successful in its bid to the DfE to open an AP free school. LHET continues to investigate other opportunities to open a further AP free school and achieve MAT status.

#### **Key performance indicators**

Key Performance Indicators (KPI) were identified for the period 2018-20 which related to the aims and objectives of the Academy. These were used to evaluate the Academy's success and progress towards achieving these objectives. These included:

- Ofsted rating: Harmonize Academy was rated outstanding by Ofsted in March 2015, target is to retain this rating.
- Exam results: Target increased from 15% to 20% of students achieving five 9-4 including English & Maths. 22% achieved in 2018-19.  
An improvement has been shown each year with more qualifications achieved (389 in 2017-18 and 484 this year) owing to a broader curriculum including more options such as LAMDA, Psychology, Chemistry and Dance. The school continues to achieve a 100% pass rate for each year 11 student achieving at least one qualification. The individual student Point Score has increased each year – from 164.16 in 2017-18 to 183.51 in 2018-19.
- Academic progress: 90% of students making one level of progress.  
72% of students made better than expected progress in English and 60% made better than expected progress in Maths. Overall, 94% of students made at least one level of progress per year.
- Progression: 95% Engagement rates in FE/HE and/or Employment or Training:  
100% year 11 leavers summer 2019 progressed to FE/HE and/or Employment or Training.
- Maintain school capacity: The academy's projected capacity for September 2019 was 104 students. There were 90 (86) students recorded on the spring 2019 census and 108 (102) on the summer 2019 census.

## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

##### ***Going concern***

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

##### **Financial review**

The Trust's main income is received from the Education and Skills Funding Agency (ESFA). 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 and Cheshire 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 overall deficit for 2019 is £149k (2018: £119k) after depreciation and amortisation charges of £78k (2018: £96k).

After accounting for the actuarial loss on the local government pension scheme the net movement in funds for the year is a negative £338k (2018: £29k).

A full financial strategy document is currently under development.

##### ***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 at developing income streams that would enable the trust to build up reserves to act as a buffer against any changes in funding, and will set a reserve level in their policy.

Support staff are members of the Local Government Pension Scheme. The academy's share of the deficit on the scheme in 2018 was £159k which had a negative impact on the overall reserves position. A plan has been implemented to reduce the deficit – this comprised increasing employer contributions over a period of three years, making an additional contribution of £3k and carrying out a review at the end of the 3 year period. This plan has been followed. The academy's share of the deficit in the scheme in 2019 is £420k.

##### ***Investment policy***

The governors have not considered a formal investment policy to be necessary up to this time given that the only cash investments are the funds held within bank accounts. However, going forward they will consider an investment policy as part of the financial strategy.



## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

##### *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 management of risk. This is reviewed by the governors on a termly basis and was the subject of review by Beever & Struthers during the 2017-18 financial year.

The risk register assessment 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 control such as, adverse economic events.

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: a lack of strategic direction resulting in a loss of reputation and lack of demand for the Trust's services;
  - Operational Risks: security of assets is compromised resulting in loss; loss of key skills;
  - Financial Risks: inadequate financial controls resulting in poor financial management;
  - Compliance Risks: failure to comply with legislation or regulations resulting in loss of academy status.
- The Academy Trust has put in place controls:

- Adherence to a cycle of planning agreed by the Governing Body;
- Reviewed security arrangements, logging assets in a fixed asset register and has ensured it has adequate insurance cover;
- Cross-training and internal development of staff;
- Documented its authorised policies and procedures and an annual review of these is carried out;
- Financial reports are linked to the Trust's strategic plan and include accurate projections produced on a termly basis by staff with the required skills and competencies;
- Identified key legal and regulatory requirements and allocated responsibility for key compliance procedures, obtaining compliance reports from regulators where appropriate.

Support staff are members of the Local Government Pension Scheme. The academy's share of the deficit on the scheme in 2019 was £420k (2018: £159k). A plan was implemented to reduce the deficit which comprised increasing employer contributions over a period of three years, making an additional contribution of £3k and carrying out a review at the end of the 3 year period.

##### *Risk Management*

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 in legislation and funding are taken into account.

##### **Fundraising**

The Arts and Community Committee in particular will take responsibility for initiating fundraising activities. An application was submitted for £1,000 for chemistry to The Royal Society of Chemistry.

##### **Chair's Thanks**

I would like to take this opportunity to thank all governors, staff (teaching and non-teaching), LCC AP Team and all the schools and local authorities who have commissioned places for their support over the past seven years which has enabled the school to flourish and more importantly, to make a significant difference to the life chances of the students in our care.

## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Strategic Report**

##### *Plans for future periods*

No events have taken place post balance sheet date that are out of the ordinary or that affect the Academy's financial status as at that date.

##### **Achievement**

During 2019-20 we aim to raise achievement and improve progress at Key Stage 3 and 4 through broadening the curriculum further and maintaining levels of attainment. Over the last six years the school has achieved a 100% pass rate with each year 11 student achieving at least one qualification. We aim to maintain this rate alongside an aspirational target to continue increasing the average individual student point score at the end of KS4.

##### **Teaching and Learning**

To maintain high quality teaching and learning across the school, the introduction of the Vocational Department has been improved standards of options qualifications in Graphic Design, Design Technology and Food Technology. A literacy group will be established in 2019-20 to bring English, Drama, Music Technology (Rap) together to enrich the language of students and address recent research on the 30M word gap.

##### **Behaviour and Safety**

Strong and effective pastoral management for all our students is integral to their experience at Harmonize Academy and will continue to be at the heart of the school's activity. We endeavour to ensure that behaviour across the academy is good to outstanding at all times and, that students feel safe in school. We also aim to improve whole school attendance and punctuality aspiring to National averages. The Enrichment activities programme will support these aims through activities such as:

- A Gifted and Talented programme offering GCSEs in English Literature and History will continue in enrichment for a small group of year 11 students.
- Design Technology Teacher, Hollie Crewdson continues to run a small social enterprise [*Enterprise @ Harmonize*] enrichment activity with a small group of students which aims to teach them how to set up and run a small business and gain valuable insights into enterprise. This will also allow students to earn money from their designs and encourage them to develop a sense of social responsibility as 20% of profits will be donated to charity.
- Further enrichment activities new for the coming year, will include wellbeing enrichment days throughout the year to develop mental and emotional resilience; the Food Bank grows from strength to strength and supports two families weekly with food donations in partnership with Liverpool Lighthouse.

##### **Leadership and Governance**

- To maintain outstanding leadership and governance across the school at all levels with regard to the quality of education, behaviour and attitudes, personal development and leadership and management.
- To implement effective strategies for improving teaching by monitoring the quality of teaching and learning, performance management and developing staff through coaching, training, mentoring and support.
- To apply for MAT status and to successfully bid to open a new AP free school or schools in conjunction with local authority bids such as in the Manchester region if funding becomes available in 2020.

## **Lighthouse Harmonize Education Trust**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

#### **Funds held as Custodian Trustee on behalf of others**

The Trust does not act as a custodian trustee for any charities.

#### **Auditor**

Insofar as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 2/12/19 and signed on its behalf by:

  
Modupe Victoria Emrica Omideyi  
Governor





# **Lighthouse Harmonize Education Trust**

## **Governance Statement**

### **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 Governing Body has delegated the day-to-day responsibility to the Principal, Mrs Marie McConville 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. She is also responsible for reporting to the Governing Body 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 Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Modupe Victoria Emrica Omidéyi	4	4
Sheelagh Janet Cloonan	4	4
Martin Flatman	4	4
Reverend Rachael Alison Garland	1	1
Stephen Allen Harper	3	4
Jennifer Hicks	0	4
Anthony Lawson	4	4
Marie McConville	4	4
James Angus Osborne-White	4	4
Rebecca Jane Ross-Williams	3	4

### **Governance reviews**

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:

Replacing governors who move on, especially in the light of the steadily increasing demands in time, capability and commitment required by the DfE. LHET has always adopted a skills-based approach to governor recruitment. Attempts are usually made to fill vacant roles through the NGA's Inspiring Governance Service, and through Governors for Schools. LHET is now looking to fill the more recent vacancies that have arisen.

## **Lighthouse Harmonize Education Trust**

### **Governance Statement (continued)**

#### **Finance and Resources Committee**

The Finance and Resources Committee is a sub-committee of the main Governing Body. 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 trust'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 trust'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.

## Lighthouse Harmonize Education Trust

### Governance Statement (continued)

- 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.

#### 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 during the year was as follows:

Trustee	Meetings attended	Out of a possible
Modupe Victoria Emrica Omidoyi	3	3
Stephen Allen Harper	3	3
Marie McConville	3	3
James Angus Osborne-White	2	3



## **Lighthouse Harmonize Education Trust**

### **Governance Statement (continued)**

#### **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 Responsible Officer work and the financial statements auditor.
- To consider and advise the Governors on the audit strategy and annual audit plans for the Responsible Officer work.
- To advise the Governors on Responsible Officer 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 Funding Agency and other funding bodies, and where appropriate, management responses to these.
- To monitor, within an agreed timescale, the implementation of agreed recommendations relating to Responsible Officer 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 during the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Modupe Victoria Emrica Omidoyi	3	3
Stephen Allen Harper	3	3
Marie McConville	3	3
James Angus Osborne-White	2	3

## Lighthouse Harmonize Education Trust

### Governance Statement (continued)

#### 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 in the year was as follows:-

Trustee	Meetings attended	Out of a possible
Modupe Victoria Emrica Omideyi	3	3
Martin Flatman	2	3
Anthony Lawson	2	3
Marie McConville	3	3

## Lighthouse Harmonize Education Trust

### Governance Statement (continued)

#### 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.

Attendance at meetings in the year was as follows:-

Trustee	Meetings attended	Out of a possible
Modupe Victoria Emrica Omideyi	3	3
Sheelagh Janet Cloonan	-	3
Martin Flatman	2	3
Rachael Garland	1	1
Jennifer Hicks	2	3
Marie McConville	3	3
Rebecca Ross Williams	3	3

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



## **Lighthouse Harmonize Education Trust**

### **Governance Statement (continued)**

#### **Review of value for money**

As Accounting Officer, the member has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:-

- As members of the Crescent Purchasing Consortium, this helps us to achieve value for money with our purchasing requirements particularly in tendering for larger contracts.
- Our catering contract is with a local 'not for profit' school meals company, providing good quality nutritional meals using local produce and suppliers and ensuring compliance with food hygiene and health and safety legislation.
- The lease of a new minibus and the purchase of the previously leased minibus at a greatly discounted cost have proved invaluable in transporting students on PE lessons and enrichment activities including trips to local sports venues. This has proved much more cost effective than regular hire arrangements and taxi costs.
- The procurement policy has been updated to ensure flexibility for the Trust whilst also ensuring that value for money is achieved and that procurement risks are managed appropriately.

#### **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 year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Governing Body 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 Governing Body 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 year ended 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

#### **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 Governing Body;
- 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

## Lighthouse Harmonize Education Trust

### Governance Statement (continued)

The Governing Body has considered the need for a specific internal audit function and has decided :

- to appoint Beever and Struthers as internal auditor

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

- a review of the GDPR processes.

On a termly basis, the auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the Governing Body to date.

#### Review of Effectiveness

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

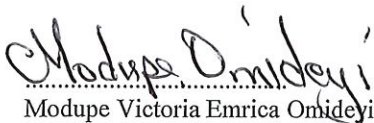
- the work of the Assurance Advisers internal auditor ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and the Finance and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 2/12/19 and signed on its behalf by:



Marie McConville  
Accounting officer  
Governor



Modupe Victoria Emrica Omideyi  
Governor

## Lighthouse Harmonize Education Trust

### Statement on Regularity, Propriety and Compliance

As Accounting Officer of Lighthouse Harmonize Education Trust I have considered my responsibility to notify the academy trust Governing Body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust Governing Body 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 Academies Financial Handbook 2018.

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

*Marie McConville*

Marie McConville  
Accounting Officer

Date: 2/12/19





## Lighthouse Harmonize Education Trust

### Statement of Trustees' Responsibilities

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

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

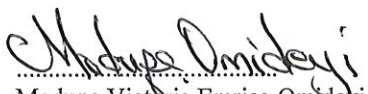
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board on 2/12/19 and signed on its behalf by:

  
.....  
Modupe Victoria Emrica Omidoyi  
Governor



## **Lighthouse Harmonize Education Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Lighthouse Harmonize Education Trust**

#### **Opinion**

We have audited the financial statements of Lighthouse Harmonize Education Trust "the academy trust" for the year ended 31 August 2019, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including 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 2015 and Academies Accounts Direction 2018 to 2019.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements 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**

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

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

#### **Other information**

The Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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



## **Lighthouse Harmonize Education Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Lighthouse Harmonize Education Trust (continued)**

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 25, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Academy Trust or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy Trust's internal control.



## Lighthouse Harmonize Education Trust

### Independent Auditor's Report on the Financial Statements to the Members of Lighthouse Harmonize Education Trust (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

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

*Beever and Struthers*

.....  
Sue Hutchinson (Senior Statutory Auditor)  
For and on behalf of Beever and Struthers, Statutory Auditor

St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

Date:..... 20/12/19



## **Lighthouse Harmonize Education Trust**

### **Independent Reporting Accountant's Report on Regularity to Lighthouse Harmonize Education Trust and the Education & Skills Funding Agency**

In accordance with the terms of our engagement letter dated 27 July 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lighthouse Harmonize Education Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

**Lighthouse Harmonize Education Trust**

**Independent Reporting Accountant's Report on Regularity to Lighthouse Harmonize  
Education Trust and the Education & Skills Funding Agency (continued)**

**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 year from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Beever and Struthers*

.....  
Sue Hutchinson

For and on behalf of Beever and Struthers, Chartered Accountants

St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

Date:.....20/12/19



# Lighthouse Harmonize Education Trust

## Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2018/19 Total £ 000	2017/18 Total £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	-	12	12	5
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	1,748	-	1,748	1,746
Total		1,748	12	1,760	1,751
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	5	1,831	78	1,909	1,870
Net expenditure		(83)	(66)	(149)	(119)
<b>Other recognised gains and losses</b>					
Actuarial gains/(loss) on defined benefit pension schemes	20	(189)	-	(189)	90
Net movement in deficit		(272)	(66)	(338)	(29)
<b>Reconciliation of funds</b>					
Total (deficit)/funds brought forward at 1 September 2018		(109)	2,226	2,117	2,146
Total (deficit)/funds carried forward at 31 August 2019		(381)	2,160	1,779	2,117




# Lighthouse Harmonize Education Trust

(Registration number: 07657235)  
Balance Sheet as at 31 August 2019

	Note	2019 £ 000	2018 £ 000
<b>Fixed assets</b>			
Tangible assets	10	2,160	2,226
<b>Current assets</b>			
Debtors	11	5	7
Cash at bank and in hand		87	89
		92	96
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	12	(53)	(46)
<b>Net current assets</b>		39	50
<b>Total assets less current liabilities</b>		2,199	2,276
<b>Net assets excluding pension liability</b>		2,199	2,276
Defined benefit pension scheme liability	20	(420)	(159)
<b>Total net assets including pension liability</b>		1,779	2,117
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		39	50
Restricted fixed asset fund		2,160	2,226
Restricted pension fund		(420)	(159)
		1,779	2,117
<b>Total funds</b>		1,779	2,117

The financial statements on pages 31 to 51 were approved by the Trustees, and authorised for issue on 21/2/19 and signed on their behalf by:

  
Modupe Victoria Emrica Omideyi  
Governor





# **Lighthouse Harmonize Education Trust**

## **Statement of Cash Flows for the Year Ended 31 August 2019**

	Note	2019 £ 000	2018 £ 000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	16	(2)	32
<b>Cash flows from investing activities</b>	17	<u>-</u>	<u>(6)</u>
<b>Change in cash and cash equivalents in the year</b>		(2)	26
<b>Cash and cash equivalents at 1 September</b>		<u>89</u>	<u>63</u>
<b>Cash and cash equivalents at 31 August</b>	18	<u><u>87</u></u>	<u><u>89</u></u>



## **Lighthouse Harmonize Education Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2019**

#### **1 Accounting policies**

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.

##### **Basis of preparation**

The financial statements 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### **Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 financial statements 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 financial statements.

##### **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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### **Donations**

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

## Lighthouse Harmonize Education Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 1 Accounting policies (continued)

##### *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.

##### **Expenditure**

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

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.

##### **Intangible fixed assets**

Intangible assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible 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:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Computer Software	20% straight line



## **Lighthouse Harmonize Education Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)**

#### **1 Accounting policies (continued)**

##### **Tangible fixed assets**

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold land	125 years straight line
Leasehold buildings	2% straight line
Leasehold improvements	2% straight line
Computer equipment and software	20 - 33% straight line
Furniture and fittings	5 - 10% straight line

##### **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.

##### **Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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

##### **Leased assets**

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

## **Lighthouse Harmonize Education Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)**

#### **1 Accounting policies (continued)**

##### **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 as detailed in note 11. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

##### **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.

##### **Pension 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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.



## Lighthouse Harmonize Education Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 1 Accounting policies (continued)

##### 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 the Education & Skills Funding Agency/Department for Education/sponsor/other 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 Education & Skills Funding Agency/Department for Education Group.

##### Critical accounting estimates and areas of judgement

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.

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31/08/2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### 2 Donations and capital grants

	Restricted fixed asset funds £ 000	2018/19 Total £ 000	2017/18 Total £ 000
Capital grants	12	12	5

# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2018/19 Total £ 000	2017/18 Total £ 000
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	1,056	1,056	1,067
Other DfE/EFA Grants	<u>47</u>	<u>47</u>	<u>60</u>
	1,103	1,103	1,127
<b>Other government grants</b>			
Local Authority Grants	642	642	612
<b>Non-government grants and other income</b>			
Other income	<u>3</u>	<u>3</u>	<u>7</u>
Total grants	<u>1,748</u>	<u>1,748</u>	<u>1,746</u>

### 4 Expenditure

	Non Pay Expenditure			2018/19 Total £ 000	2017/18 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
<b>Academy's educational operations</b>					
Direct costs	1,126	-	158	1,284	1,267
Allocated support costs	<u>342</u>	<u>138</u>	<u>145</u>	<u>625</u>	<u>603</u>
	<u>1,468</u>	<u>138</u>	<u>303</u>	<u>1,909</u>	<u>1,870</u>



# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 4 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2018/19 £ 000	2017/18 £ 000
Operating lease rentals	(9)	(8)
Depreciation	(78)	(94)
Amortisation of intangible fixed assets	-	(2)
Fees payable to auditor - audit	<u>(6)</u>	<u>(6)</u>

### 5 Charitable activities

	Total 2019 £ 000	Total 2018 £ 000
Direct costs - educational operations	1,284	1,267
Support costs - educational operations	<u>625</u>	<u>603</u>
	<u>1,909</u>	<u>1,870</u>

	Educational operations £ 000	Total 2019 £ 000	Total 2018 £ 000
<b>Analysis of support costs</b>			
Support staff costs	342	342	305
Depreciation	78	78	94
Amortisation of intangible assets	-	-	2
Technology costs	13	13	10
Premises costs	60	60	43
Other support costs	101	101	114
Governance costs	<u>31</u>	<u>31</u>	<u>35</u>
Total support costs	<u>625</u>	<u>625</u>	<u>603</u>

### 6 Staff

Staff costs

	2018/19 £ 000	2017/18 £ 000
<b>Staff costs during the year were:</b>		
Wages and salaries	1,207	1,173
Social security costs	96	108
Operating costs of defined benefit pension schemes	<u>165</u>	<u>145</u>
	<u>1,468</u>	<u>1,426</u>

# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 6 Staff (continued)

#### Staff numbers

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

	2018/19 No	2017/18 No
<b>Charitable Activities</b>		
Teachers	18	24
Administration and support	25	20
Management	5	5
	<u>48</u>	<u>49</u>

#### Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2019 No	2018 No
£60,001 - £70,000	4	1
£80,001 - £90,000	<u>1</u>	<u>1</u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £335,508 (2018: £266,797).

### 7 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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 role as trustees. The value of trustees' remuneration and other benefits was as follows:

Marie McConville (Principal and Trustee (Appointed 1 September 2018)):

Remuneration: £70,000 - £75,000 (2018 - £60,000 - £65,000)

Employer's pension contributions: £10,000 - £15,000 (2018 - £10,000 - £15,000)

Anthony Lawson (Staff Governor):

Remuneration: £25,000 - £30,000 (2018 - £25,000 - £30,000)

Employer's pension contributions: £0 - £5,000 (2018 - £0 - £5,000)

Sheelagh Janet Cloonan (Staff Governor):

Remuneration: £25,000 - £30,000 (2018 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2018 - £0 - £5,000)

Stephen Philip Daley (Principal and Trustee (resigned 31 August 2018)):

Remuneration: (2018 - £85,000 - £90,000)

Employer's pension contributions: (2018 - £10,000 - £15,000)

## Lighthouse Harmonize Education Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 7 Related party transactions - trustees' remuneration and expenses (continued)

During the year ended 31 August 2019, travel and subsistence expenses totalling £811 (2018 - £782) were reimbursed or paid directly to 5 trustees (2018 - 3).

Other related party transactions involving the trustees are set out in note 21.

#### 8 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,500,000 on any one claim and the cost for the year ended 31 August 2019 was £2,080 (2018 - £2,080).

The cost of this insurance is included in the total insurance cost.

#### 9 Intangible fixed assets

	Computer Software £ 000	Total £ 000
<b>Cost</b>		
At 1 September 2018	19	19
At 31 August 2019	19	19
<b>Amortisation</b>		
At 1 September 2018	19	19
At 31 August 2019	19	19
<b>Net book value</b>		
At 31 August 2019	-	-
At 31 August 2018	-	-

# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 10 Tangible fixed assets

	Leasehold land and buildings £ 000	Leasehold improvements £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Total £ 000
<b>Cost</b>					
At 1 September 2018	1,469	829	252	146	2,696
Additions	-	1	3	8	12
At 31 August 2019	1,469	830	255	154	2,708
<b>Depreciation</b>					
At 1 September 2018	113	82	138	137	470
Charge for the year	23	17	29	9	78
At 31 August 2019	136	99	167	146	548
<b>Net book value</b>					
At 31 August 2019	1,333	731	88	8	2,160
At 31 August 2018	1,356	747	114	9	2,226

### 11 Debtors

	2019 £ 000	2018 £ 000
VAT recoverable	-	3
Prepayments	3	4
Accrued grant and other income	2	-
	5	7

### 12 Creditors: amounts falling due within one year

	2019 £ 000	2018 £ 000
Other taxation and social security	47	40
Accruals	6	6
	53	46



# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 13 Funds

	Balance at 1 September 2018 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2019 £ 000
<b>Restricted general funds</b>					
General Annual Grant	50	1,056	(1,067)	-	39
Other DfE/ESFA Grants	-	47	(47)	-	-
Local Authority Grants	-	642	(642)	-	-
Other income	-	3	(3)	-	-
	<u>50</u>	<u>1,748</u>	<u>(1,759)</u>	<u>-</u>	<u>39</u>
<b>Restricted pension funds</b>					
Pension reserve	<u>(159)</u>	<u>-</u>	<u>(72)</u>	<u>(189)</u>	<u>(420)</u>
<b>Total restricted general funds</b>	<u>109</u>	<u>(1,748)</u>	<u>1,831</u>	<u>189</u>	<u>381</u>
<b>Restricted fixed asset funds</b>					
Restricted fixed asset note	<u>2,226</u>	<u>12</u>	<u>(78)</u>	<u>-</u>	<u>2,160</u>
<b>Total funds</b>	<u>2,117</u>	<u>1,760</u>	<u>(1,909)</u>	<u>(189)</u>	<u>1,779</u>

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

	Balance at 1 September 2017 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
<b>Restricted general funds</b>					
General Annual Grant	40	1,067	(1,051)	(6)	50
Other DfE/ESFA Grants	-	60	(60)	-	-
Local Authority Grants	-	612	(612)	-	-
Other income	-	7	(7)	-	-
	<u>40</u>	<u>1,746</u>	<u>(1,730)</u>	<u>(6)</u>	<u>50</u>
<b>Restricted fixed asset funds</b>					
Restricted fixed asset note	<u>2,311</u>	<u>5</u>	<u>(96)</u>	<u>6</u>	<u>2,226</u>
<b>Restricted pension funds</b>					
Pension reserve	<u>(205)</u>	<u>-</u>	<u>136</u>	<u>(90)</u>	<u>(159)</u>
<b>Total funds</b>	<u>2,146</u>	<u>1,751</u>	<u>(1,690)</u>	<u>(90)</u>	<u>2,117</u>

## Lighthouse Harmonize Education Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 13 Funds (continued)

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

(i) 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 2019.

(ii) ESFA Lead in Grant and other ESFA grants. These have been received for specific purposes throughout the year and include pupil premium including summer school, 16-19 Bursary, and the lead in grant which was fully spent in the year.

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

(iv) ESFA Capital grants for the building renovation and infrastructure. Depreciation of assets capitalised is the be matched against the income in line with accounting policy.

#### 14 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	2,160	2,160
Current assets	92	-	92
Current liabilities	(53)	-	(53)
Pension scheme liability	(420)	-	(420)
Total net assets	<u>(381)</u>	<u>2,160</u>	<u>1,779</u>

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

	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	2,226	2,226
Current assets	96	-	96
Current liabilities	(46)	-	(46)
Pension scheme liability	(159)	-	(159)
Total net assets	<u>(109)</u>	<u>2,226</u>	<u>2,117</u>

# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 15 Commitments under operating leases

#### *Operating leases*

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £ 000	2018 £ 000
Amounts due within one year	9	7
Amounts due between one and five years	29	17
	<u>38</u>	<u>24</u>

### 16 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2019 £ 000	2018 £ 000
Net expenditure	(149)	(119)
Amortisation	-	2
Depreciation	78	94
Capital grants from DfE and other capital income	(12)	(5)
Defined benefit pension scheme cost less contributions payable	71	41
Defined benefit pension scheme finance cost	1	3
Decrease in debtors	2	9
Increase in creditors	7	7
Net cash (used in)/provided by Operating Activities	<u>(2)</u>	<u>32</u>

### 17 Cash flows from investing activities

	2018/19 £ 000	2017/18 £ 000
Purchase of tangible fixed assets	(12)	(11)
Capital funding received from sponsors and others	12	5
Net cash used in investing activities	<u>-</u>	<u>(6)</u>

### 18 Analysis of cash and cash equivalents

	2019 £ 000	2018 £ 000
Cash at bank and in hand	87	89
Total cash and cash equivalents	<u>87</u>	<u>89</u>

## **Lighthouse Harmonize Education Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)**

#### **19 Members' liability**

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

#### **20 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, which is managed by Merseyside Pension Fund. Both are multi-employer defined benefit schemes.

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

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

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

#### **The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

#### **Valuation of the Teachers' Pension Scheme**

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.



## Lighthouse Harmonize Education Trust

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 20 Pension and similar obligations (continued)

##### Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the period amounted to £97,892 (2018: £69,871).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £46,000 (2018 - £46,000), of which employer's contributions totalled £33,000 (2018 - £33,000) and employees' contributions totalled £13,000 (2018 - £13,000).

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

##### Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.60	3.60
Rate of increase for pensions in payment/inflation	2.10	2.10
Discount rate for scheme liabilities	1.80	2.80
Inflation assumptions (CPI)	<u>2.20</u>	<u>2.20</u>

# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 20 Pension and similar obligations (continued)

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

	2019	2018
<b>Retiring today</b>		
Males retiring today	22.20	22.00
Females retiring today	25.00	24.80
<b>Retiring in 20 years</b>		
Males retiring in 20 years	25.20	25.00
Females retiring in 20 years	27.90	27.80

### Sensitivity analysis

	2019 £000
Discount rate +0.1%	-23.00
Discount rate -0.1%	24.00
Mortality assumption – 1 year increase	18.00
Mortality assumption – 1 year decrease	-18.00
CPI rate +0.1%	23.00
CPI rate -0.1%	-23.00

The academy trust's share of the assets in the scheme were:

	2019 £ 000	2018 £ 000
Equities	335	302
Government bonds	67	20
Other bonds	36	69
Property	59	53
Cash and other liquid assets	21	18
Other	138	120
<b>Total market value of assets</b>	<b>656</b>	<b>582</b>

The actual return on scheme assets was £29,000 (2018 - £30,000).

# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 20 Pension and similar obligations (continued)

#### Amounts recognised in the statement of financial activities

	2019 £ 000	2018 £ 000
Current service cost	(64)	(73)
Interest income	17	13
Interest cost	(21)	(16)
Admin expenses	(1)	(1)
Total amount recognised in the SOFA	<u>(69)</u>	<u>(77)</u>

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

	2019 £ 000	2018 £ 000
At start of period	741	712
Current service cost	64	73
Interest cost	21	16
Employee contributions	13	13
Actuarial (gain)/loss	201	(73)
Past service cost	36	-
At 31 August	<u>1,076</u>	<u>741</u>

#### Changes in the fair value of academy's share of scheme assets:

	2019 £ 000	2018 £ 000
At start of period	582	507
Interest income	17	13
Actuarial gain/(loss)	12	17
Employer contributions	33	33
Employee contributions	13	13
Effect of non-routine settlements	(1)	(1)
At 31 August	<u>656</u>	<u>582</u>

### 21 Related party transactions

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 7.

# Lighthouse Harmonize Education Trust

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 22 Statement of Financial Activities for the Year Ended 31 August 2018

	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2017/18 Total £ 000
<b>Income and endowments from:</b>			
Donations and capital grants	-	5	5
<i>Charitable activities:</i>			
Funding for the Academy trust's educational operations	1,746	-	1,746
<b>Total</b>	<u>1,746</u>	<u>5</u>	<u>1,751</u>
<b>Expenditure on:</b>			
<i>Charitable activities:</i>			
Academy trust educational operations	<u>1,774</u>	<u>96</u>	<u>1,870</u>
Net expenditure	(28)	(91)	(119)
Transfers between funds	(6)	6	-
<b>Other recognised gains and losses</b>			
Actuarial gains on defined benefit pension schemes	<u>90</u>	<u>-</u>	<u>90</u>
Net movement in funds/(deficit)	56	(85)	(29)
Total funds/(deficit) brought forward at 1 September 2017	<u>(165)</u>	<u>2,311</u>	<u>2,146</u>
Total funds/(deficit) carried forward at 31 August 2018	<u>(109)</u>	<u>2,226</u>	<u>2,117</u>