LONDON GRID FOR LEARNING TRUST

England & Wales · Charity number 1090412

Details

Other names	LGFL
Status	Registered
Legal form	Charitable company
Company number	04205579
Registered	2002-02-04
Register	View on the Charity Commission register

Contact

Address	9th Floor 10 Exchange Square Primrose Street London EC2A 2BR
Phone	02084084455
Email	finance@lgfl.net
Website	www.lgfl.net

Activities

Objects: 1. TO ADVANCE EDUCATION, IN PARTICULAR, BY PROVIDING AND ASSISTING IN THE PROVISION OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (INCLUDING BROADBAND) FOR THE BENEFIT OF CHILDREN ATTENDING SCHOOLS; AND2. TO ADVANCE HEALTH BY ASSISTING IN THE PROVISION OF BROADBAND AND OTHER COMMUNICATIONS TECHNOLOGY TO ENCOURAGE THE BETTER INTEGRATION OF SERVICES BETWEEN LOCAL AUTHORITIES AND THE NATIONAL HEALTH SERVICE IN THE PROVISION OF ADULT SOCIAL AND OTHER CARE; AND3. TO ADVANCE COMMUNITY DEVELOPMENT BY ASSISTING LOCAL AUTHORITIES TO INTEGRATE SERVICES THROUGH BROADBAND AND OTHER COMMUNICATIONS TECHNOLOGY TO PROVIDE SERVICES MORE EFFICIENTLY AND AT LOWER COST TO THE RECIPIENTS OF SERVICES PARTICULARLY THE ELDERLY, VULNERABLE INDIVIDUALS AND THE DISABLED.

Activities: To Advance Education, in particular by providing and assisting in the provision of information and communications technology to London Schools, for the benefit of the children attending those schools.To help with the objectives the trust may procure and enter into contracts to provide services on behalf of other bodies, such as Academies, Government, Health Authorities and other Public Services.

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Classification

- **How:** Provides Services, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Children/young People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£26,545,000	£24,402,000	£5,549,000	43
2024-03-31	£25,619,000	£26,622,000	£2,533,000	43
2023-03-31	£25,680,000	£27,771,000	£3,532,000	42
2022-03-31	£35,599,000	£36,108,000	£2,985,000	41
2021-03-31	£44,389,000	£46,560,000	£1,855,000	37

Trustees

Name	Role	Appointed
PAUL ANTHONY ROBINSON	Chair	
Arturo Dell		2025-09-25
Fabio Negro		2023-04-06
GARY HIPPLE		
HELEN WARNER		2012-12-17
John Johnson		2025-09-25
SEAN GREEN		2016-07-01

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LONDON GRID FOR LEARNING TRUST

England & Wales - Charity number 1090412

Accounts

Docusign Envelope ID: D5E4D67E-DA86-486A-9493-604F69D1EFAF

Company registration number: 04205579
Charity number: 1090412

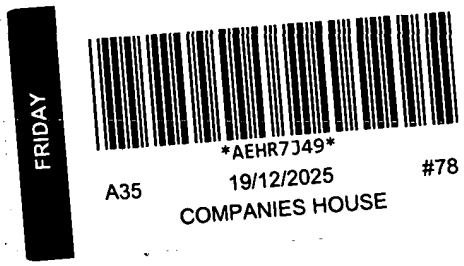
TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2025

LONDON GRID FOR LEARNING TRUST

(A company limited by guarantee)



MENZIES
BRIGHTER THINKING

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LONDON GRID FOR LEARNING TRUST
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LONDON GRID FOR LEARNING TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees	Mr P Robinson Mr G Hipple Ms H Warner Mr S Green Mr F Negro
Company registered number	04205579
Charity registered number	1090412
Registered office	9th Floor 10 Exchange Square Primrose Street London EC2A 2BR
Company secretary	Mr J Jackson
Chief executive officer	Mr J Jackson
Independent auditors	Menzies LLP Chartered Accountants Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP
Bankers	Lloyds Bank Plc 83 Clarence Street Kingston upon Thames Surrey KT1 1RE
Solicitors	Ashfords LLP 1 New Fetter Lane London EC4A 1AN

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LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

CHAIRMAN'S INTRODUCTION

The Dutch historian Rutger Bregman talks about needing "a new kind of ambition, not for status, or wealth, or fame, but for integrity, courage, and public service" and cites examples from the past where small groups of people true to this ambition such as the slave trade abolitionists or suffragettes have changed the world for the better. The London Grid for Learning Trust whilst sharing these ideals is highly conscious of its more modest place in the world and likely impact.

Nonetheless as a charity operating in a highly competitive commercial environment it is pleasing to report that either because of the regard for the services and products the Trust offers or because the values and beliefs it stands for chimes with those shared by its customers, it has during the last 12 months continued to grow and prosper both in terms of geographical reach and range of services provided.

Last year I wrote about getting some of the key foundations in place such as owning its own fibre network. This has now allowed the Trust to continue to transform from a commissioner of services which simply aggregated demand to purchase services from others to become a genuine Internet Service Provider and as such offer an even richer suite of services whilst maintaining a tight grip on costs and therefore prices. Gradually too the Trust is becoming a National Grid for Learning with more schools and Multi Academy Trusts from across the UK joining the LGfL family during 2024/25.

Whilst time and effort have continued to be devoted to the whole range of products that schools and pupils need the core focus of keeping children safe through the safeguarding and cyber security features of our network has remained at the forefront of the Trust's mission. At the same time the public value aspects of LGfL's work such as the Free School Meals Eligibility Checker and playing a central part in the coordination of school admissions have continued to define our work.

As always, the external environment remains challenging and the Trust is keenly conscious of the financial and other demands this places on our customers. Helping schools, to navigate these challenges will continue to be a priority for LGfL.

Finally, I would like to thank the school's community for their loyalty and support during the last year and to thank the Trust's staff for their professionalism, commitment and dedication to our endeavour.

Paul Robinson
Chairman, London Grid for Learning Trust

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CEO'S INTRODUCTION

I am delighted to report that LGfL is supporting a record number of schools and MATs across the country. LGfL won the prestigious British Education Supplier Association (BESA) award for best IT Support Organisation and was "highly commended" by BESA for the SafeSkills resource. LGfL has now been a winner, or a finalist, for over 60 industry awards since 2016. LGfL's financial position has strengthened despite the difficult economic climate. Revenue increased as LGfL continued to grow nationally. Profitability increased due to lower operating costs. LGfL's pension fund remained in significant surplus. LGfL's balance sheet remains robust with net assets over £5M and fixed and intangible assets totalling over £34M.

In a difficult economic climate, LGfL remains committed to saving schools money. This year LGfL delivered cashable and non-cashable savings estimated at around £8M per annum. The Free School Meals Eligibility Checker identified around £37 M of potential Pupil Premium funding claims with nearly £240 M raised since its launch in 2014. This revenue stream is particularly important as any successful claims are more than likely to be channelled into schools and families facing economic hardship in areas of social and economic deprivation. LGfL continues to expand across the country building a National Grid for Learning (NGfL). Crucial new customer acquisitions included schools in the North West, Midlands as well as the Home Counties, Multi Academy Trusts (MATs) and Local Authorities. Reassuringly, retention rates remain consistent with previous years and there was an increase in returning customers.

LGfL enhanced its secure cloud hosting and transit service (the SuperCloud). Investments included increasing capacity by around thirty percent. Capacity increases were complemented by increased resilience including the implementation of peering connections (PNI's) along with alternative carrier provision interconnects (NNI's). The enhanced SuperCloud has enabled schools and MATs to consume cloud services at unprecedented levels and over a thousand schools received free bandwidth upgrades this year to ensure they can keep pace with the rapid adoption of cloud services and high-quality streaming services.

As LGfL grows, diversifies its services and transition to a Service Provider there has been a necessary focus on maintaining sufficient capacity and capability to keep pace with changing needs. LGfL's internal transformation programme (Fit for the Future) has been pivotal to that. This year, LGfL has implemented advanced digital and analytical platforms to boost productivity and ensure effective stewardship over a complex and national infrastructure.

LGfL continued to pioneer in global education technology use and is responsible for product deployments that are amongst the largest of their kind in the world. This year LGfL has invested to improve the safeguarding services and products available to schools as well as enriching its cybersecurity offer which has led to a significant increase in the level of protection that is afforded to schools.

Finally, I am very grateful for the continued support and trust of all LGfL's stakeholders including schools, MATs, the Board, LGfL Officers and partners. That faith and passion enables LGfL to successfully continue its mission to advance education.

John Jackson
CEO LGfL - The National Grid for Learning

LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

LGfL'S OBJECTIVES

LGfL was founded in 2001 to advance education, in particular by providing and assisting in the provision of information and communications technology to London schools for the benefit of the children attending those schools.

In 2019/20, LGfL's shareholders approved a widening of LGfL's Objects, following prior approval by the Charities Commission. The additional objects being: -

- to advance health by assisting in the provision of broadband and other communications technology to allow integrated services between local authorities and health authorities in the provision of social and other care; and
- to advance community development by assisting local authorities to integrate services through broadband and other communications technology to provide services more efficiently and at lower cost to the recipients of services particularly the elderly, vulnerable individuals and the disabled.

LGfL's revised Objects enable it to provide services to a wide range of beneficiaries across the entire public sector including schools, Multi Academy Trusts, Councils, Health Services, the Police, Housing and Community Services.

PRIORITIES

LGfL delivers its Objects by focusing on: -

- Energising teaching and learning (including the provision of reliable broadband services)
- Saving schools money
- Keeping children safe
- Keeping schools secure
- Promoting wellbeing and
- Tackling inequality

All of these activities are underpinned by LGfL's fibre network, the National Grid for Learning and its services and products which are packaged together in the LGfL SuperCloud.

In setting out the activities of the charity The Trustees have had regard to the Charity Commission's guidance on Public Benefit.

ACTIVITIES

In furtherance of our Objects, LGfL: -

- Provides high speed and secure connectivity encompassing mobile and fixed telecommunications infrastructure as well as supporting internet access and transit to cloud service providers via public and private peering
- Delivers a range of educational and technically focused services spanning, cybersecurity, safeguarding, teaching and learning, admissions and curriculum content
- Commissions supporting services from a range of partners including commercial organisations, charities and a range of public bodies
- Cooperates and supports schools, academies and colleges of further education, other charities, voluntary bodies and statutory authorities, operating in furtherance of the Objects or similar charitable purposes and assisting them to exchange information and advice
- Procures and enters into contracts to provide services to, or on behalf of other bodies, establishes or acquires subsidiary undertakings, and establishes or takes part in joint procurements, ventures and undertakings
- Sets aside funds for special purposes with a view to meeting long-term commitments or requirements
- Creates and publishes free educational resources and advice to all schools, irrespective of whether they are connected to LGfL or not and

- Provides high-quality Continuous Professional Development (CPD) and resources for school staff, governors and partners that fosters the innovative use of cutting-edge technologies in the classroom and complements teaching & learning best practice.

STRATEGIC REPORT

This Strategic Report sets out LGfL's contribution to the advancement of Education over the course of the financial year. This includes key outcomes and performance indicators aligned with LGfL's priorities:-

- Energising teaching and learning (including the provision of reliable broadband)
- Saving schools money
- Keeping children safe
- Keeping schools secure
- Promoting wellbeing
- Tackling inequality

ENERGISING TEACHING AND LEARNING

Since its inception in 2001, the curriculum resources, as with the broader technology services portfolio, have been one of the key foundational blocks of the services offered to schools and, more than ever, the connection between content, teaching practice (Pedagogy) and technology has never been greater.

High speed, reliable connectivity to the internet and cloud service providers is now a critical foundation for the delivery of a modern, digitally enabled curriculum and management support service in schools. LGfL upgraded more that 200 schools for free as part of its commitment to ensure schools have capacity to meet their curriculum needs and harness the power of the cloud. As aggregate demand from schools rose, LGfL increased the capacity of its SuperCloud private cloud by over 30% and took steps to diversify its connectivity to deliver high availability of core services. Resilient connectivity is a requirement for all schools to consider. LGfL has developed its connectivity services to schools to enable diverse fibre connectivity and enable real time failover should the primary fibre connection be lost. In areas where fibre has limited, if any availability, LGfL has made use of satellite alternatives such as Starlink to enable continuity of service.

In light of the dizzying pace of technological change, it is vital that the curriculum portfolio continues to be adapted, expanded with a range of innovative content, policy guidelines and tools to support teaching and learning. Changing processes, policies and teaching methods to effectively harness digital devices and materials is a complex undertaking and potentially fraught with risk to schools, children and teachers. Indeed, it is common for sizable sums of money to be invested in the "adoption" of technology (e.g. by purchasing large numbers of devices) but there is no corresponding change programme to "absorb" the technology into processes, resource management and professional development. In this scenario, the technology adds cost but reduced, if any, value. Therefore, effectively integrating the latest digital technology into everyday teaching and learning requires careful and focused support to help evolve pedagogy, which LGfL's Curriculum Team is well placed to provide alongside a growing network of lead schools from the EdTech Hubs programme. (http://edtechhubs.LGfL.net/).

Throughout financial year 25, LGfL has partnered extensively with lead practitioners to ensure the use of technology is precise, purposeful, and achieves measurable impact for both teachers and learners. Key resources have been developed, including the PedTech http://pedtech.LGfL.net/ resource hub and the 'Making the Case: Why EdTech?' guides, which support the development of a holistic Digital Strategy. The LGfL Digital Transformation Tool self-assessment toolkit https://dtt.LGfL.net has become a key start point for an increasing number of schools to help secure effective EdTech adoption. This is complemented by an ever-evolving staff training programme that provides access to an extensive catalogue of case studies. These studies feature leading practitioners sharing feedback and practical advice on navigating the complex issue of Digital Strategy within their school or Multi-Academy Trust.

LGfL ongoing partnership with EdTech Uk continues to develop a national network of leading practitioners where school

leaders and teachers get together to share best practices (edtechhubs.LGfL.net) and disseminate that within a region. These sessions have been very well received, and they will remain a key part of LGfL's activity going forward. LGfL has delivered an extensive Continuous Professional Development (CPD) programme for schools, which are delivered across a range of subjects, and specialisms which aim to support schools on known challenges relating to everyday teaching and learning, mental health and well-being and efficient organisational use of digital technology. Many of these programmes are delivered in partnership with key suppliers and highly regarded experts in their field at no cost to schools which is another way in which LGfL saves money for schools.

Other Curriculum Team highlights this year have included:-

- LGfL and EdTechUk hosted the second EdTech Hubs Summit at Samsung KX in November 2024 with over 200 schools in attendance from across England
- A workload reduction pilot looking at how AI can play a role in helping primary, SEND and Secondary schools harness the power of AI to help manage workload and improve productivity.
- A prototype Online School Bank System was successfully piloted with lead schools. This platform helps children develop essential financial literacy and life skills by allowing them to manage their own bank accounts and make purchases using a dedicated school bank card within a safe, secure, school-based environment.
- At the BETT 2025 conference, LGfL and EdTechUk premiered a pioneering 'Live Lesson' concept. This demonstration included live pedagogical narration and the ability to display close-up video of individual pupils' work progress in real-time.

Consumption of the free curriculum products within the broadband and SuperCloud bundle remains high. The Busythings platform is continually evolving, now with AI integrated into online activities that allow young children to interview famous historical figures. Furthermore, new features in the Just2easy platform provide an effective alternative to numerous separate, duplicate subscription services for which many schools are still paying.

KEY OUTCOMES

Energising Teaching and Learning	
Estimated Daily Reach of LGfL Services to Children Teachers and Support Staff	1.8 Million
Peak Internet Transit	160 Gbps
Schools Receiving a Free Bandwidth Upgrade	189
Standard Connection Speed of Secondary Schools to the Internet	1 Gbps
Standard Connection Speed of Primary Schools to the Internet	100 - 500 Mbps
Average Connection Speed of Special Schools to Internet	100 - 300 Mbps
Percentage Availability of the LGfL SuperCloud	99.98 %

Estimated Number of Schools Using LGfL's Bundled Curriculum Products	1300
Training Events Undertaken	233
Delegates Booked	7391

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

SAVING SCHOOLS MONEY

Schools remain under financial strain with inflationary pressures, rising salary costs, new regulatory burdens (including the need to comply with technology standards) and high energy costs as well as supply chain pressures resulting from general economic uncertainty. LGfL remains focused on helping schools reduce these pressures and protect front line teaching and learning by providing products and services to schools and MATs that avoid incurring costs, deliver cashable savings, identify potential funding claims as well as offering very competitive pricing to schools. In FYE 25 LGfL held its broadband pricing for the 9th year in succession which is a remarkable achievement.

LGfL is able to Save Schools Money due to its purchasing scale encompassing thousands of schools. By leveraging its buying power and its status as a Central Purchasing Body , LGfL is able to provide schools with a value-added bundle of critical digital products and services for free. Free products include safeguarding, cybersecurity, curriculum content, bandwidth upgrades and network connectivity. The resultant savings to schools are estimated around £8M per annum. LGfL has made it straightforward for schools to identify and track their savings by using the online LGfL Savings Calculator which enables schools to check how much use is being made of LGfL's freely bundled services & products and target areas where further savings could be made. In addition to savings and cost avoidance, LGfL's Free School Meal (FSM) checking service identified over £37 M per annum of potential Pupil Premium Funding for schools and parents.

LGfL's purchase of 14,000 kilometres of fibre means that savings and cost avoidance are marbled in for years to come and schools have the potential to be upgraded up to 10 Gbps. Owning the fibre allows LGfL to shield schools from unpredictable price hikes that are impacting telecommunications prices in the UK. Nearly 200 schools received free upgrades in FYE 25 enabling children to consume high quality content streamed directly from cloud services providers.

KEY OUTCOMES

Saving Schools Money	
Estimated Licences & Services Freely Distributed to Schools	1.4 Million
Estimated Annual Savings / Additional Value to Schools Per Annum	£8 Million

KEEPING CHILDREN SAFE

Filtering the internet and monitoring devices for inappropriate use is a complex and rapidly evolving challenge. Over the course of the year, LGfL significantly enhanced its cloud filtering service (SchoolProtect) to provide effective protection, remediate risks and improve usability. Key advances included a major overhaul of the website categorisation engine to provide greater granularity and control over how websites are classified, whether they should be blocked or not and the introduction of countermeasures to remediate the risks of Artificial Intelligence. Upgrades were made which prevented undesirable consequences and potential access to inappropriate content resulting from CloudFlare's rollout of Encrypted Client Hello (ECH). A new dashboard driven internet usage reporting platform was deployed which enables schools and MATs to more easily identify potential inappropriate use of the internet and key trends which may be of concern. LGfL's filtering platform, SchoolProtect, is now processing billions of web access requests a day making LGfL's deployment is one of the largest of its kind in the world. Increased consumption of the filtering platform necessitated a significant increase in processing capacity in the LGfL SuperCloud. LGfL's work on protecting children through its filtering systems was recognised by the UK Safter Internet Centre (UKSIC) with LGfL being only one of a handful of organisations to receive Filtering Accreditation.

LGfL partnered with SENSO to bolster internet filtering with device-based filtering and alerting. This key partnership provides further protection for children by monitoring how the device is used including inappropriate use of video conferencing and language on the device. Importantly this product was bundled free of change to all schools who are LGfL customers which saved schools money and increased protection. From a standing start the device monitoring product has been successfully rolled out to over 1,000 schools making it one of the largest and most rapid deployments of its kind in the UK.

Building self-awareness and confidence amongst children to harness the potential of internet safely and appropriately remains a focus. LGfL has developed its own online system, SafeSkills, to support that vision. In this financial year,

SafeSkills has been used by over 800 schools with children answering over 500,000 questions. At the BETT Awards 2025 SafeSkills was highly commended in the Wellbeing and Safeguarding Resources category. In addition, LGfL held over 100 training courses, spanning 21 different courses with over 5,000 bookings being made. Crucially, LGfL extended its safeguarding support to governors. LGfL extended its safeguarding services and products to early years settings and parents including the development of an Online Safety Audit for Early Years and a parent Online Safety Resource.

LGfL continues to provide resources and subject matter expertise to schools and national agencies who are tackling extremism. This includes support to the Department for Education who published a resource for schools called Educate Against Hate which LGfL contributed to. LGfL continues to provide advice on risk assessment, policy and practical classroom approaches top tackle radicalisation and LGfL continues to deliver keynotes to Designated Safeguarding and Prevent Leads at conferences across England.

KEY OUTCOMES

Keeping Children Safe	
Estimated Web Requests Filtered Each Day	2.7 Billion
Approximate Daily Active Devices	870,000
Indicative Sites Blocked Each Day (David Young)	240 Million
Estimated Unique Websites Blocked	700 Million
Indicative Number of Questions Answered by Children Using Safe Skills	C. 500,000

KEEPING SCHOOLS SECURE

LGfL provides schools and MAT's with a multi layered defensive shield as part of its SuperCloud and fibre broadband bundle. This defence in depth shield includes filtered internet connections, multiple firewalls, Distributed Denial of Service (DDoS) protection, anti-virus, ransomware, secure backup, anti-phishing, mail scanning, encrypted file transfer, training and secure remote access. Several important changes were made to the routing and transit of schools' network traffic including the deployment of the National Cyber Security Centre's Protective DNS sanitising technology to reduce the risk of schools inadvertently accessing inappropriate content or sites.

This year, LGfL implemented Private Network Peering into its SuperCloud with global technology companies. Peering means schools traffic is not having to traverse the internet which results in a more secure and lower latency connection. LGfL further increased cyber resilience and protection of its SuperCloud by completing a migration to world class datacentres in Equinix. This move provided enhanced facilities and enabled LGfL to install additional protections and safety measures to maintain service. Extensive Business Continuity and Disaster Recovery (BCDR) testing was successfully undertaken as part of the move.

Importantly, LGfL has partnered with the National Cyber Security Centre (NCSC) and assisted schools in the closure of a number of publicly accessible vulnerabilities that were highlighted by the NCSC's Early Warning Service. Similarly, LGfL works closely with JANET, schools and MATs to remediate DDoS attacks to minimise disruption to schools as well as investigate alerts which may indicate that credentials have been compromised or there is a risk of significant data exfiltration

Centrally managed firewalls are a key part of the security shield that is deployed into schools. These perform a number of key tasks such as Network Address Translation as well as controlling inbound and outbound traffic flows between the school, LGfL's SuperCloud and the internet more generally. LGfL manages thousands of firewalls efficiently by using appropriate management and administrative tools. This year, the central management systems for firewalls, were upgraded and this system now allows more advanced reporting and oversight across the entire LGfL network as well as opening up the use of technologies such as satellite. LGfL extends the protection that it delivers for schools and MATs to end user devices. Industry leading antivirus is installed on hundreds of thousands of devices and servers protecting against advanced malware and ransomware attacks. LGfL also provides a malware removal tool to schools.

LGfL enhances its security protection beyond technology countermeasures to encompass user awareness, policy advice and best practice toolkits. This includes the provision of phishing simulation and training tools. In the last financial year tens of thousands of fake phishing emails were sent. Each phishing email reports on end user awareness of cyber threats and where there are gaps (i.e. the phishing was successful) provide training. LGfL tools for security assurance testing include vulnerability assessment scans and demand for this support increased over the course of the financial year. LGfL updated its advice and guidance to schools in line with the DfE's new Cyber Security Standards including LGfL's Elevate Cyber Security Toolkit which was extensively downloaded and training was delivered to interested schools and governors.

Together, LGfL's product and service offerings enable schools to keep pace with DfE Technology Standards and avoid considerable cost from trying to purchase and deploy highly complex security technology to meet their needs.

KEY OUTCOMES

Keeping Schools Secure	
Estimated Number of Emails Scanned for Virus, Malware and Phishing	300 Million
Approximated Devices Protected by LGfL Anti-Ransomware, Anti-Virus, Device Management and Anti-Malware	250,000
Indicative Percentage of LGfL Schools Making Use of LGfL's Vulnerability Assessment Tools	20 %
Approximate Devices Security Management Cloud	374,000
Estimated Volume of Data Securely Backed Up by	500 Tb

LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

PROMOTING WELLBEING

Schools and Multi Academy Trusts face increasing workloads and significant demands on their time which is placing the education system under strain. Teachers need support and LGfL has shared a wide range of freely available materials for promoting mental health and wellbeing including the award-winning resources developed with Child Bereavement UK which help schools support children, their families and the wider school community dealing with a family bereavement. The LGfL Child Bereavement toolkit (https://childbereavement.LGfL.org.uk) has been updated to feature support for SEND pupils with advice on how to support more complex needs in relation to bereavement, with further classroom resources in development as part of the ongoing partnership with LGfL . LGfL's ongoing support for the breadth and depth of pressures for underlines our commitment to ensuring all members of the school community are able to thrive and reach their potential.

TACKLING INEQUALITY

Digital inclusion remains a core focus for LGfL and encompasses financial support as well as the provision of targeted resources in areas of need such as supporting children with Special Educational Needs. LGfL sets aside support for supporting greater inclusion through the IncludED service. This team produces targeted content and resources to support schools' inclusive practice for all learners including new case studies featuring symbol used with the LGfL Widgit resource database. An updated Universal Design for Learning (UDL) CPD resource http://udl.LGfL.net has been launched, featuring a range of case studies that model effective inclusive practice in action. In addition, a new resource on effective symbol use across the curriculum maximises LGfL's investment in the Widgit Symbols database. http://symbols.LGfL.net. The IncludED team continues to present at key regional conferences on effective EdTech use for inclusion, partnering with local authorities and long-term partners such as CENMAC (Centre for Motor and Associated Communication Handicaps)

Much of LGfL's growth continues to be in areas that are poorly served by broadband where schools have previously been connected at low speeds. The introduction of high quality, symmetrical fibre services has enabled schools in rural and coastal areas to enjoy the same digital experience as more affluent areas where historically schools have had higher speeds. The EdTech Hubs Programme is supporting critical areas of deprivation, successfully reaching schools in coastal towns like Harwich, inner-city locations such as Liverpool, and highly populated districts like Tower Hamlets. This initiative delivers tangible levelling-up opportunities by developing vital digital skills among students and staff, and by helping schools leverage the support programme

One of LGfL's key services is the Free School Meals Eligibility Checking Service. Launched in 2014, this application has now identified £240 M in potential premium claims for schools and families in areas of social and economic deprivation. In FYE 25 more than £37M of additional funding was identified. The Free School Meal checker is available at no cost to LGfL connected schools and it is planned to rollout the service nationally in FYE 26 to all schools which could raise more than £100M a year as well as reducing the costs of this service to schools.

KEY OUTCOMES

Tackling inequality	
Pupil Premium Funding identified for Schools	£37,000,000
Pupil Premium Funding identified since the inception of the Pupil Eligibility Checker ' to 31 March 2025	£239,000,000

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

PAN LONDON SHARED SERVICES

LGfL continues to provide several pan London and regional services spanning local government, health and the police which enable efficient and cost-effective service delivery. Those services include the Pan London Admissions Service, the London Public Services Network, GovRoam and the Free School Meals Eligibility Checker.

Local Government Shared Services - Applications for School Places	
Approximate Percentage of Councils Registered for GovRoam Service	60%
Approximate Applications for Secondary School Places Processed	102,000
Approximate Applications for Reception School Places	98,000

THE TRANSFORMATION OF LGfL

LGfL was established as a commissioner of regional broadband to schools that was funded by government through the Harnessing Technology Grant (HTG). Today, LGfL is a Diversified Cloud Services Provider that is delivering services as well as commissioning at a record scale. The complex transformation from a government funded agency to a commercial, self-sustaining charity has necessitated fundamental and far-reaching changes to LGfL. These have taken place over several years but have been critical to its survival. LGfL's ability to adapt its business model to meet the needs of schools and customers is a contributory factor in achieving high levels of customer retention and staying relevant in a highly competitive market.

FIT FOR THE FUTURE

Much of the internal transformation activity relating to the change from Service Commissioner to Service Provider is being delivered via LGfL's Fit for the Future programme along with the considered expansion of the LGfL technical and service delivery teams such as the Safeguarding, Cybersecurity and Cloud Centres of Excellence.

A critical part of LGfL's long term success is the development and deployment of digital platforms to boost productivity and support an efficient and effective service to schools, MATs and Local Authorities. Critical investment includes the implementation of a modern Customer Relationship Management (CRM) system which underpins sales management, communication, service management along with a modern helpdesk , improved website and financial system. The deployment of technology cannot be done in isolation from processes and culture. Therefore, in parallel to the deployment of IT solutions, LGfL has continued to review its processes and re-engineer them as new digital platforms are introduced. The CRM system also has a range of integration tools enabling bi-directional updates of data between systems without the need to rekey information.

The advanced use of data and business intelligence tooling is a key cornerstone of LGfL. Having critical and appropriate information at the fingertips of all staff drives efficient and effective stewardship of operations, finance and our partner services. LGfL's ability to harness the power of data has been enhanced by the advanced use of analytical dashboards that provide realtime performance information. LGfL has developed its own monitoring systems to meet the specific needs of schools and MATs. This has proven invaluable in keeping unplanned outages to a minimum and for identifying trends of concerns that require intervention.

Modern financial systems provide support across LGfL to ensure that accurate data is available for forecasting, profit and loss, cash flow and balance sheet management. Several improvements have been introduced in the Finance Team with respect to technology and processes this year resulting in improved efficiency and oversight. For example, billing between LGfL and its largest supplier, VM02 has been simplified to avoid a large amount of technical accounting adjustments needing to be made each month. As planned, LGfL introduced new. Asset and Contract Management modules within the finance system that have enabled automation of key tasks such as depreciation and deferred income management.

As part of its Fit for the Future programme, LGfL has collaborated extensively with partners to improve oversight and service management as well as addressing concerns with the quality of information held on partner systems. Extensive work has been undertaken to integrate, where possible, IT systems to enable the seamless exchange of information between systems and workflow automation.

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WORKFORCE TRANSFORMATION

LGfL recognises the need for a modern and motivated workforce that has the skills and capacity to meet the changing and growing demands of a national provider. The pandemic has resulted in fundamental changes in workforce and accommodation needs with a general move to hybrid working. LGfL has embraced this change which has contributed to continuing high levels of employee retention. The expansion in services has led to planned headcount increases and changes in the composition of the workforce. This is complemented by the prudent and targeted use of contingent labour to meet peaks and troughs in demand as well as project demands. This is set to continue as LGfL continues to invest in building a strong and sustainable product and services portfolio to meet the needs of schools and MATs. As part of its workforce transformation has been a review of LGfL's Defined Benefit Scheme and LGfL will close its current scheme to new members and move to a Defined Contribution Scheme.

RISK MANAGEMENT

The management and mitigation of risk is a key focus for LGfL and ever more pressing in a climate of uncertainty. LGfL has embedded risk management and mitigation in all aspects of its work and key areas of concern are reported to the Board along with mitigating actions. The following sections provide an updated consideration of the major challenges and risks that LGfL faces. Financial risk is addressed in the finance section later in this report. The key risks that LGfL is currently managing are related to:-

- Mitigating cybersecurity threats
- Responding effectively to pandemics
- Brexit and trade relations
- Market threats
- Managing growth sustainably
- Managing inflationary pressures
- Ensuring a positive organisational climate.
- Keeping pace with technology and market change
- Ensuring supply chain resilience
- Implemented effective Disaster Recovery (DR) planning and simulation

MITIGATING CYBERSECURITY THREATS

Cybersecurity is a critical risk for all organisations. Recent high-profile attacks have caused significant financial loss and operational disruption to affected organisations as well as their customers. LGfL recognises that there is continuing activity and efforts to disrupt schools and other bodies through targeted activities including spamming, distributed denial of service attacks (DDoS), ransomware attacks, phishing, impersonation, credential theft, malware and viruses. LGfL has put in place a range of proactive remediations to protect its services along with schools and MATs. LGfL is accredited for Cyber Essentials Plus which is the highest level. Security risk management extends to LGfL's supply chain and its important to ensure that breaches and vulnerabilities are monitored and remediated appropriately. LGfL has made important changes to its key contracts including specific security compliance and reporting standards.

New services are now being offered to schools this year which will provide further help and support as set out in this report. This will include proactive alerting to schools when LGfL proactively recognises vulnerabilities. LGfL is also planning to invest substantially in both its school equipment and the SuperCloud to ensure they have the enhanced protection they require.

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RESPONDING EFFECTIVELY TO PANDEMICS

The worldwide COVID pandemic severely disrupted the global economy. Massive public borrowing and spending continues to negatively impact the economic outlook with underlying inflationary pressures driving up costs for all suppliers. LGfL has taken steps to increase resilience against a future COVID-19 event and related supply dysfunction by diversifying its partners and broadening the range of products available to meet' service needs and adopting a conscious strategic move away from supplier monopolies along with working to ensure greater self-sufficiency in key functions and services.

BREXIT AND GLOBAL TRADE RELATIONS

The continuing uncertainty with respect to the UK's trading arrangements with the rest of the world remains a concern with no obvious resolution in sight. The situation has further destabilised compared to the previous financial year due to the unpredictable trade policies of the US government. For the reasons set out earlier in this report, LGfL's supply chain is strengthening with our major supply partners already well advanced in terms of contingency planning. Nevertheless, there are likely to be continuing swings in currency exchange rates that will adversely affect prices and drive-up costs to schools. LGfL is mitigating this impact by purchasing at scale and ensuring that there is an effective procurement capacity at the heart of LGfL. In the next financial year, LGfL will seek to build up an appropriate level of stock of key equipment which will enable services to keep running in the event of major supply chain disruption.

MARKET THREATS

LGfL needs to ensure that it continually innovates its products and services to ensure they remain competitive and offer value for money. Low-cost alternative telecommunications supply such as Fibre to the Premise (fttp) and contended Gigabyte Passive Optical Network (GPON) are a key competitive risk to LGfL and a consideration for LGfL when it was reviewing whether to purchase fibre from Virgin Media. The market threat from lower cost connectivity is growing as a significant amount of government and private sector investment is going into building out alternative fibre networks and upgrading consumer networks which is challenging the duopoly of provision from Virgin Media and BT. Alt Nets are now benefitting from access to BT's ducts via Physical Infrastructure Access (PIA) agreements which enables them to avoid significant capital investment in civil works, such as trenching and tunnelling ; to route fibre cables. Use of PIA's means that Alt Nets can now deliver very cost-effective connectivity to customers, particularly in areas where there are potential large numbers of residential customers. Satellite connectivity is becoming a mainstream alternative connectivity option to schools with the emergence of platforms such as Starlink. These offer reasonable connection speeds and are particularly impactful in rural areas where the costs of expanding backhaul fibre to remote locations is particularly expensive.

LGfL's risk mitigation is to focus on providing a wider and relevant digital service offering to schools delivering increased value from its bundled products and services as opposed to competing in a race to the bottom on price. This year, LGfL has built further market differentiation by building a stronger Internet Service Provision (ISP) to schools and MATs that most of its competitors will struggle to replicate as they lack the scale of LGfL. Continuing product innovation remains a key risk mitigation. LGfL is therefore developing a broader portfolio of connectivity products beyond leased lines to encompass lower cost alternatives to leased lines including satellite and fibre to the premise as opposed to offering only one size fits all option. These include the safeguarding products and services described earlier.

LGfL continues to explore alternative telecommunications partners to evaluate whether they can support LGfL where VMo2's network is not available or there are technical reasons why an alternative provider makes sense. The introduction of new procurement regulations also offers opportunities to engage the market differently and this will be actively explored in the years ahead.

MANAGING INFLATIONARY PRESSURES

Inflation has been volatile and remains high. This has been due to a wide variety of events including higher energy costs, the war in the Ukraine along with US policy shifts. These external events have had negative impacts on the UK economy and all businesses generally driving up prices. LGfL's focus on efficiency, increased product optimisation, contract management as well as generating value for money from its supplier base are important mitigations to inflationary pressures as well as the addition of new products and services to increase the value of what LGfL offers schools at no additional cost. Wherever possible, LGfL seeks to avoid contracts where RPI increases are automatically assumed and takes steps to reduce potential cost pressures during contract renewal negotiations.

MANAGING GROWTH

LGfL is growing its customers and diversifying its products which is inevitably bringing organisational pressures including the urgent and continuing need to modernise LGfL as an organisation and remain both efficient and a high productivity organisation. As set out earlier in this Strategic Report, LGfL's Fit for the Future programme is critical to supporting and managing LGfL's growth by transforming processes, systems and workforce including the wider use of next generation digital platforms including CRM and efficient e-channels.

Growth in LGfL's coverage and widening of LGfL's direct services and products requires LGfL to recruit additional staff to meet identified needs in those areas including enabling functions such as finance, business development and sales alongside increased headcount in key areas such as safeguarding. LGfL has also mitigated the challenges of growth by making use of contingent labour and subject matter. experts, particularly for projects and new developments where demands are variable.

ENSURING A POSITIVE ORGANISATIONAL CLIMATE

High performance organisations have a positive and engaged workforce and LGfL continues to reap the benefit of a positive working culture with low levels of staff turnover. The move to a modern HQ has benefitted LGfL, including closer ties with schools, Councils and partner organisations and provided a world class operating facility for staff. This year the focus has been the continuing empowerment of individuals and teams to develop their services and coaching the organisation to improve their performance. Continuous improvement and learning is also applied to nuance and improve processes resulting in small steps to big change. The adoption of a flat organisational structure means there is a maximum of 4 levels including the CEO. Looking ahead, LGfL will continue to keep its organisational structure under review to ensure that it has sufficient capacity to meet demand and individual staff members have a sustainable portfolio of work. Over the last year, additional headcount has been added to teams at a sustainable le rate and growth will continue in the next financial year and beyond.

KEEPING PACE WITH MARKET & TECHNOLOGY CHANGE

LGfL is in a technology market where innovation and change are constant. As such it is vital to ensure that products and services remain current and relevant in a highly competitive area. There is a risk that disruptive and fast-moving changes in new technology and associated services could render services obsolescent or expensive which would create issues with customer retention. Work is already underway to ensure that LGfL can support these changes and deliver the interoperability and flexibility that schools need. In doing so, there will be ongoing challenges and a constant balancing act for LGfL and its delivery partners to manage between providing a secure network and the need for more flexibility in schools and MATs. Key priorities include improvements to products that support the increased use of cloud services and help schools mitigate the impacts on. learning from the global pandemic. LGfL will also invest to modernise other key platforms this year that will enhance its safeguarding credentials to schools.

Continuing strategic investments in safeguarding, infrastructure, cybersecurity and networks are planned to enable LGfL to continue operating at the forefront of innovation and practice in the education market. LGfL is carefully assessing the key platforms that will underpin the next generation of services to schools.

SUPPLY CHAIN RESILIENCE

With a substantial proportion of current services outsourced to external partners there remains the risk that one of these could fail, particularly in the current climate. In mitigation, LGfL undertakes regular review meetings with suppliers. Financial checks through Dunn & Bradstreet are conducted regularly and. are part of

the assessment process for major new contract awards. LGfL has also enhanced its visibility and oversight of outsourced services and has a much deeper understand of them.

To improve resilience in its supply chain, LGfL has expanded its commercial ecosystem. This has delivered a significant broadening of products and capabilities available to LGfL as well as reducing the exposure to one supplier. The expansion of LGfL's partnerships has proven invaluable in driving innovation into the services and subscriptions that LGfL offers. It also provides LGfL with alternative supply should partners fail to meet the standards that LGfL requires and competition for new business. The creation of a Digital Transformation Partner Network has been a particular success with close to 100 Small and Medium Sized Enterprises (SMEs) working closely with LGfL on supporting schools in London and beyond. Over

the course of the next financial year, LGfL will be taking continuing steps to ensure that effective governance and application if best practices are applied to the key contracts for VMo2 and Adept given the critical role they. have in shaping the perception and success of LGfL delivered services.

DISASTER RECOVERY PLANNING AND SIMULATION

There is significant and heightened risk of disruption to services caused by a range of underlying challenges including cyberthreats and global economic instability. Fundamental changes in global supply chains are also occurring as a result of increasing Merger and Acquisition activity in the UK Education Market which have the potential to create unintended consequences such as massive price increases. In response, LGfL has changed its platforms and services including a transition to world class datacentre facilities along with the development of its SuperCloud and associated peering relationships. As part of these key changes there has been a continuing focus on modelling future events and working through remediation strategies for these events. This modelling has included, for example, a total failure of a datacentre, the loss of internet connectivity, loss of key infrastructure components including core firewalls. The learning from these simulations has informed improvements and investments in the platforms and networks that LGfL relies on and. this has resulted in a noticeable reduction in outages and disruptive events.

FINANCIAL REVIEW

The Trustees deem that LGfL is a Going Concern based on the content on the financial statements. Key financial indicators are positive. Net assets have increased. Profitability has increased. Revenues have risen and operating expenditure has fallen. Whilst there has been a negative movement in Net Current Assets (NCA) this is the result of planned strategic investments and the financial position will improve over the medium term.

Key Financial Indicators	
Value of LGfL's Tangible and Intangible Assets	£ 34.7 Million
Net Assets	£ 5.5 Million
Pension Fund Surplus (Liability)	£ 4.7 Million
Surplus	£ 3.02 Million

INCOME

Income has risen from £25.61 M in the previous financial year to £26.45 M in the current financial year. This is due to continued national growth

LGfL does not receive any of its income from public fundraising so is not required to comply with any fundraising regulations. The major part of LGfL's income continues to be derived directly from schools and MATs for the provision of broadband connectivity and related services including internet filtering, e-mail hosting, e-mail filtering, anti-virus protection, web hosting, secure remote access and online educational resources and devices. Income from broadband connectivity has risen in line with forecast and continues to grow at a sustainable rate.

LGfL's strategy of providing value and financial savings to schools through bundling additional products into its core broadband service has been a key part of its success with increasing numbers of schools taking advantage of the freely available products to offset pressures in their budgets. As a result, LGfL continues to benefit from very high levels of customer retention for its broadband service. Growing confidence in LGfL is reflected by the fact that schools who had left LGfL are now returning which means that LGfL's share of the London market is increasing. Retention rates for customers are consistent with previous years. Based on historical performance, LGfL is forecast to continue with net growth underpinned by continued expansion in the Home Counties, North West and the Midlands based on a healthy pipeline of future sales leads and retention activity.

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BALANCE SHEET

LGfL's balance sheet is stronger than last year with net assets increasing. LGfL has total tangible and intangible assets close to £ 34.7 M in this financial year compared to £36.2 M in the previous financial year. Net Current Assets (NCA) has moved unfavourably but this is due to higher investment resulting from the purchase of Virgin Media fibre and other short term liabilities. There has been a substantial improvement in Total Net Assets from £2.533 M to £5.530 M. This is due to the capitalisation of IP addresses and the fact that LGfL is paying off its fibre loan faster than the asset is depreciating. LGfL's balance sheet will continue to strengthen as it pays off its fibre loan faster than the fibre asset is depreciating.

PENSION SCHEME

LGfL operates a Defined Benefit Scheme that is part of the Local Government Pension Scheme. This is a scheme based on career average earnings (CAE) and, in some cases, a combination of CAE and final salary. Pension performance remains volatile but positive. The pension fund is in surplus (£4.7M). In the next financial year there is a triennial review of the scheme alongside a government review of Defined Benefit Schemes. In accordance with Accounting Standards the Pension Surplus is not recognised in these financial statements

CASHFLOW & LIQUIDITY

LGfL has retained cash balances of £ 3.5 M at year end to meet business need. Throughout the year LGfL has strong liquidity and has sufficient liquid resources to meet its needs throughout the financial year without borrowing or use of overdraft facilities. LGfL's credit worthiness remains strong according to Dun and Bradstreet. Credit control remained strong with LGfL continuing to deliver historic low of levels of debtor underlying strong performance from the Credit Control Team.

PROFIT AND LOSS

LGfL has generated a surplus of £2.997 M which is primarily due to the capital purchase of fibre which resulted in rental charges being converted to assets on the balance sheet. LGfL's investment in fibre means that profitability has increased markedly as LGfL has converted rental expenses to long term assets. LGfL has increased revenues and has a healthy pipeline of sales.

MEDIUM TERM POSITION

LGfL's Medium Term forecasts indicate that LGfL will be in a stable and sustainable financial position for many years to come. As part of those forecasts, options for cutting costs and generating savings have been developed to enable LGfL to adapt to unforeseen circumstances. The improvements in LGfL's medium-term financial planning are enabling the Board to understand and test the impact of making key investment decisions and consider the trade-offs and consequences of decisions that lie ahead. A review of the pension scheme has taken place and it is planned to close the current Defined Benefit Scheme and replace it with a Defined Contribution Scheme in FYE 26. LGfL is confident that the cost of future infrastructure upgrades, although substantial, will fall. This is partly due to market innovation which is offering opportunities to rearchitect solutions to schools and MATs.

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GOING CONCERN

Considering the Financial Statements set out in the accounts, LGfL has adequate resources to meet all liabilities as they fall due and will continue in operational existence for the foreseeable future. Sufficient controls are in place to ensure appropriate financial stewardship. Therefore, LGfL has prepared its accounts and financial statements on the basis that the charity is a Going Concern. A number of initiatives will ensure that LGfL remains a Going Concern for the foreseeable future. They are:-

- LGfL has continued to increase its organisational capacity and capability to ensure that it keeps pace with the needs of schools, MATs and Local Authorities
- LGfL will continue to have a diversified investment portfolio which balances the needs to "Keep the Lights On", meet "Unavoidable Pressures" and "Invest in Growth and Retention".
- The purchase of licenced fibre from VMo2-has transformed a rental expense into a long-term asset on the balance sheet. This will boost profitability in future years as the liabilities diminish at a faster rate than the depreciation charges
- Contract negotiations concluded with LGfL's strategic partners continuing to deliver improved service performance. Improved information sharing and the advanced use of analytics is enabling efficient identification of performance concerns and swifter remedial actions to resolve them.
- LGfL is harnessing multi-year forecasting for cash flow, balance sheet and profit and loss management and constantly reviewing them in light of investments and economic change
- LGfL has embedded the use of core financial statements and forecasting into corporate governance including Board investment decisions.
- LGfL has a healthy sales pipeline and by harnessing data and LGfL's Customer Relationship Management (CRM) system it has been able to continue generating net growth
- LGfL will continue to achieve Best Value and reduced costs from suppliers through market testing, financial and targeted commercial interventions
- LGfL will continue to diversify the range of products that it provides to schools and therefore the sources of its income which has continued in the current financial year
- LGfL will continue focusing on containing the rate of customer attrition through a range of targeted initiatives including flexible pricing, personalised product design and product enrichment
- LGfL will maintain and enhance its investment and project management controls, including stopping initiatives that are not delivering benefit, sweating assets and investing wisely to deliver maximum value
- LGfL will continue expanding and diversifying LGfL's customer base in schools and across the public sector

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RESERVES

At the 31 March 2025, LGfL's net assets were £5.53 M. As previously reported in LGfL plans for a periodic depletion of reserves and unrestricted funds to enable the modernisation and upgrade of the schools' network periodically alongside continuing investment in product and services improvements to ensure LGfL is competitive in the market reserves. The actuarial assessment and pension liability was an improvement on the previous years with the value of the fund rising from £ 2.7 M to £4.7 M. Going forward, LGfL maintains unrestricted funds and reserves consistent with anticipated commitments in regard to maintaining continuity of service, cyclically refreshing its assets, and ensuring it can:-

- Fund its operational demands for at least 3 months
- Survive major and unforeseen economic shocks and developments
- Provide contingency for IT related initiatives
- Respond purposely to technology innovation and
- Have capacity to respond to new regulations.

The operating model of LGfL means that it needs to continually reinvest a significant proportion of its surpluses into IT infrastructure, platforms, products and services to ensure LGfL remains competitive and able to service the need of participating schools and other customers.

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STRUCTURE. GOVERNANCE AND MANAGEMENT

The London Grid organisation consists of the following legal entities: -

Name	Status
London Grid for Learning Trust	Private, limited by guarantee, no share capital, section 30 of the Companies Act Companies House no. 4205579. Members are London's 33 Local Councils Charity Number 1090412
London Grid Limited	Private Limited Company Companies House no. 05122783. Wholly owned by London Grid for Learning Trust. This has now been merged with LGfL following approval to widen the Objects granted by the Charities Commission and London Councils.
Let's Get Digital	Private Limited Company Companies House no. 11158329 Wholly owned by London Grid for Learning Trust Currently dormant.

APPOINTMENT OF TRUSTEES

All 33 London Local Authorities are members of the London Grid for Learning Trust Company and are responsible for appointing the Executive Board.

Trustees are nominated by the Council. Each Member that is a Council may nominate a person as a Director, who shall be appointed as a Nominated Director by a resolution of the Directors.

The Nominated Directors appoint one or more persons as Directors. Directors are chosen by reference to their relevant qualifications, skills, experience, knowledge, professional, commercial or community standing and, where possible, their contribution to making the board of Directors appropriately diverse.

No Directors are appointed unless their candidacy has been notified to the Members in sufficient detail and in sufficient time to enable any Member so minded commenting on the proposed appointment. in writing to LGfL prior to the appointment being made.

The company holds Annual General Meetings to appoint Directors and Auditors and receive and approve Directors' Report and Accounts.

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TRUSTEE INDUCTION

LGfL recognises that poor corporate governance, financial management and decision making have been the main cause of failure in other charities, and that Trustees have not been effective in these incidences. According to research, much of this ineffectiveness is due to inadequate induction and support offered to Trustees.

LGfL recognises that a new Trustee will make a much more substantial contribution if their induction is handled effectively, and they have the information and skills needed to undertake their duties effectively. LGfL recognises that it is vital that new Trustees have all the necessary information to make an effective contribution to LGfL's affairs including:

- Ensuring that new Trustees are fully conversant with the Articles and Activities of LGfL Provision of additional relevant material, including Board papers and the statement of accounts Providing Trustee financial training, which is provided by the Company Auditors and
- That Trustees are aware of their legal obligations under Charities Law, including areas such as Public Benefit and Responsibilities of Charity Trustees (CC3).

ORGANISATION

LGfL's Executive Board of five members meets 4-5 times a year to advise, review and direct strategy and investment plans as well as providing oversight of LGfL's performance. Exceptional Board meetings are called where required.

An Audit Committee meets to review the accounting and financial management practices of LGfL. The Audit Committee is responsible for reviewing the report from the External Auditors and for providing assurance to the Board.

LGfL is also accountable to its members through the active engagement of key stakeholders in the form of Local Authority Officers and school representatives.

In order to facilitate effective operations, the Chief Executive has delegated authority for all matters including finance, employment, technology services and commercial activity. As such, the operation and development of the company is the responsibility of the Chief Executive, who is accountable to the Board, and the Members.

The Chief Executive manages 8 permanent staff and the combined staffing establishment is 41.75 full time equivalents and 42 posts. LGfL makes appropriate and targeted use of contingent labour to meet peaks and troughs in demand as well as provide access to key skills to meet operational and strategic need.

In 2016/17 the Articles of LGL were refreshed to ensure they reflected best practice; contracting arrangements between LGfL and LGfL were captured in an intercompany agreement between LGfL and its trading subsidiary.

In 2019/20 permission was granted by LGfL's shareholders," following authorisation from the Charities Commission, to extend the Articles to cover new Objects relating to Well-being and Community Development. This change was ratified in 2020/21 following an extraordinary vote by its shareholders.

In 2022/23 a further-change of Objects was approved following advice from the Charities Commission.

REMUNERATION

The Board of Trustees is responsible for CEO remuneration and the employee salary-management and benefits framework. CEO remuneration is reviewed and set by the Human Resources subcommittee annually.

The remuneration of staff is the responsibility of the CEO. All staff are appointed under local Government terms and conditions. Pay grades for Trustee Officers are comparable with public-sector employees undertaking similar roles.

Performance is reviewed annually with the outcomes shaping whether there are any performance related payments, increments or no rise at all. Remuneration will continue to be scrutinised to ensure value for money and alignment with the market generally.

LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

RELATED PARTIES

LGfL has a trading subsidiary, London Grid Limited. LGfL Trust is the sole shareholder in London Grid Limited (LGL). LGL was set up to provide access to Trustnet services for the wider public sector, particularly Councils.

From the beginning of 2020/2021 and following the change in Articles of LGFLT the activities of LGL have been absorbed within LGFLT itself and the company LGL is currently dormant. LGfL has a dormant company called Let's Get Digital.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of the Charity: London Grid for Learning Trust Charity Registration Number: 1090412
London Grid for Learning, 9th Floor, 10 Exchange Square, Primrose Street, London, EC2A 2BR.

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. Trustees and officers serving during the year and since the year end were as follows:

- Paul Robinson - Chairman
- Gary Hipple – Elected Representative
- Fabio Negro - Elected Representative
- Helen Warner - Elected Representative
- Sean Green - Elected Representative

Company Secretary: John Jackson

Key Management Personnel

- John Jackson - Chief Executive Officer
- David Young - Filtering and Cloud Services Lead
- Mark Bentley - Safeguarding and Security Lead
- Michael Eva - Programme Manager
- Bob Usher - Content Manager-
- Kirsty Egan - Head of Transactional Finance
- John Bagley - London Grid Limited Manager
- Paul Smith - Service Delivery Manager
- James Ing - Strategic Project Lead

LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Other Relevant Organisations

Company	Address and Contact Details
Menzies: LGfL's Accounts and Audit Advisors	Menzies LLP, Second Floor, Magnolia House,18-32 London Road, Staines upon Thames, Surrey, TW18 4BP.
Agillex - LGfL's Legal Adviser and Data Protection Officer	Agillex Ltd, One New Street Wells, Somerset BA5 2LA.
Lloyds Commercial Banking - LGfL and LGL's Bankers	Lloyds Bank-PLC, 83 Clarence Street, Kingston upon Thames Surrey KT1 1RE
Ashfords - Specialist Legal Advice	Ashford's LLP 1 New Fetter Lane London EC4A 1AN
Gallagher – Insurance Services	13th Floor 103 Colmore Row Birmingham B3 3AG

EXEMPTIONS FROM DISCLOSURE.

None

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of London Grid for Learning Trust for the purposes of charity law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the charity and the income and expenditure of the company for that period. In preparing these financial statements, the directors are required to:-

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement Of Recommended Practice (SORP)
- Make judgements and 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 directors are responsible for keeping adequate accounting records that are sufficient to Show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms:

- That in so far as they are aware there is no relevant audit information of which the company's auditor is unaware
- Each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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AUDITOR

Menzies LLP are deemed to be re-appointed under section 487 [2] of the Companies Act 2006.

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Strategic Report the Company's Strategic Report Information required by Schedule 7 of the Large_ and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

The Trustees' Report (incorporating the Strategic Report) was approved by the Board of Trustees (which is also the Board of Directors) and signed on its behalf by:

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

Signed by:
Paul Robinson
70BE24E27C604AF...
Mr P Robinson
Company Chairman
Date: 18-Dec-2025

Docusign Envelope ID: D5E4D67E-DA86-486A-9493-604F69D1EFAF

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Opinion

We have audited the financial statements of London Grid for Learning Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

Use of our report

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

DocuSigned by:
Janice Matthews
634F24DE92A4471...

Janice Matthews FCA (Senior statutory auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP

Date: 18-Dec-2025

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LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	*Total funds 2024 £000*
Income from:					
Donations and legacies	4	-	-	-	*205*
Charitable activities	5	**26,246**	-	**26,246**	*25,347*
Investments		**299**	-	**299**	*67*
Total income		**26,545**	-	**26,545**	*25,619*
Expenditure on:					
Charitable activities	6	**24,402**	-	**24,402**	*26,622*
Total expenditure		**24,402**	-	**24,402**	*26,622*
Net movement in funds before other recognised gains/(losses)		**2,143**	-	**2,143**	*(1,003)*
Other recognised gains/(losses):					
Gains on revaluation of fixed assets		**988**	-	**988**	-
Actuarial (losses)/gains on defined benefit pension schemes	22	**(115)**	-	**(115)**	*4*
Net movement in funds		**3,016**	-	**3,016**	*(999)*
Reconciliation of funds:					
Total funds brought forward		**2,328**	**205**	**2,533**	*3,532*
Net movement in funds		**3,016**	-	**3,016**	*(999)*
Total funds carried forward		**5,344**	**205**	**5,549**	*2,533*

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

The notes on pages 31 to 50 form part of these financial statements.

Docusign Envelope ID: D5E4D67E-DA86-486A-9493-604F69D1EFAF

LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 04205579

BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £000		2024 £000
Fixed assets					
Intangible assets	11		**2,376**		*1,385*
Tangible assets	12		**32,399**		*34,763*
			34,775		*36,148*
Current assets					
Debtors	14	**3,606**		*3,634*	
Cash at bank and in hand		**3,491**		*4,648*	
		7,097		*8,282*	
Current liabilities					
Creditors: amounts falling due within one year	15	**(15,949)**		*(16,997)*	
Net current liabilities			**(8,852)**		*(8,715)*
Total assets less current liabilities			**25,923**		*27,433*
Creditors: amounts falling due after more than one year	16		**(20,374)**		*(24,900)*
Net assets excluding pension asset			**5,549**		*2,533*
Total net assets			**5,549**		*2,533*
Charity funds					
Restricted funds	17		**205**		*205*
Unrestricted funds	17		**5,344**		*2,328*
Total funds			**5,549**		*2,533*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
Paul Robinson
70BF24F27C604AF...
Mr P Robinson
Trustee

Signed by:
Gary Hipple
B6235206B4794E7...
Mr G Hipple
Trustee

Date: 18-Dec-2025

The notes on pages 31 to 50 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £000	*2024 £000*
Cash flows from operating activities			
Net cash provided by operating activities	19	**6,516**	*3,925*
Cash flows from investing activities			
Purchase of intangible assets		**(772)**	*(1,035)*
Purchase of tangible fixed assets		**(2,423)**	*(1,544)*
Net cash used in investing activities		**(3,195)**	**(2,579)**
Cash flows from financing activities			
Repayments of finance leases		**(4,478)**	*(1,184)*
Net cash used in financing activities		**(4,478)**	**(1,184)**
Change in cash and cash equivalents in the year		**(1,157)**	**162**
Cash and cash equivalents at the beginning of the year		**4,648**	*4,486*
Cash and cash equivalents at the end of the year	20	**3,491**	*4,648*

The notes on pages 31 to 50 form part of these financial statements

Docusign Envelope ID: D5E4D67E-DA86-486A-9493-604F69D1EFAF

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. General information

London Grid for Learning Trust (04205579) is a private charitable company limited by guarantee, incorporated in England and Wales. The address of the registered office is disclosed on page 1 and its principal activities described in the Strategic and Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

London Grid for Learning Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Directors are content with the position of the company, particularly given the difficult economic climate. The major periodic refresh of the systems and infrastructure is complete and there is a stable and expanding customer base for the core broadband service with Schools and local authorities. New revenue streams have been added which have further bolstered the company's financial position. The Directors anticipate the company to trade sustainably for the foreseeable future. There are also sufficient cash reserves. A medium term financial forecast has been introduced to support investment and financial decision making. The Directors accordingly consider that the company is a Going Concern for at least twelve months from the date of approval of these financial statements and the accounts are accordingly prepared on the Going Concern basis.

2.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income received from Local Authorities and schools for subscriptions and contributions to core activities is recognised in the period to which it relates. Income invoiced in respect of future periods is deferred to that period.

Income from the sale of goods is recognised when the goods are delivered to customers.

Other project income is recognised as receivable. Commissions receivable are recognised as invoiced.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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2. Accounting policies (continued)

2.5 Expenditure

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Termination expenditure is recognised a liability and an expense only when the entity is demonstrably committed either: (a) to terminate the employment of an employee or group of employees before the normal retirement date; or (b) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

2.6 Intangible assets and amortisation

Intangible assets costing £NIL 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. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses, except for IP Adresses which are restated at Market Value each year.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Content and software	-	Over 3 to 5 years straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line
Computer equipment	- Over 3 to 14 years straight line

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2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Liabilities and provisions

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 company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the 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 in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 June 2022.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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2. Accounting policies (continued)

2.13 Fund accounting (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. 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 company 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.

In the opinion of the Trustees the main estimate and assumption that may have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are in relation to the useful life of fixed assets, which are written off in accordance with the amortisation and depreciation policies set out in note 2.6 and 2.7.

The valuation of the pension scheme assets and liabilities is carried out by the scheme actuary based on various assumptions and estimates. Details are given in Note 22.

4. Income from donations and legacies

	Restricted funds 2025 £000	**Total funds 2025 £000**	*Total funds 2024 £000*
Grants	-	-	*205*
Total 2024	*205*	*205*	

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

5. Income from charitable activities

	Unrestricted funds 2025 £000	Total funds 2025 £000	*Total funds 2024 £000*
Main LGfL Income	22,590	**22,590**	*21,408*
LGfL Managed Services Income	572	**572**	*613*
LGL Income	3,076	**3,076**	*3,297*
Bridge the Divide	8	**8**	*29*
	26,246	**26,246**	*25,347*
Total 2024	*25,347*	*25,347*	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £000	Total 2025 £000	*Total 2024 £000*
Main LGfL Income	21,213	**21,213**	*23,303*
LGfL Managed Services Income	294	**294**	*265*
LGL Income	2,895	**2,895**	*3,040*
Bridge the Divide	-	**-**	*14*
	24,402	**24,402**	*26,622*
Total 2024	*26,622*	*26,622*	

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7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £000	Support costs 2025 £000	Total funds 2025 £000	*Total funds 2024 £000*
Main LGfL Income	16,949	4,264	**21,213**	*23,303*
LGfL Managed Services Income	181	113	**294**	*265*
LGL Income	2,325	570	**2,895**	*3,040*
Bridge The Divide	-	-	**-**	*14*
	19,455	4,947	**24,402**	*26,622*
Total 2024	*22,525*	*4,097*	*26,622*	

Analysis of support costs

	Main LGfL Income 2025 £000	LGfL Managed Services Income 2025 £000	LGL Income 2025 £000	Bridge the Divide 2025 £000	Total funds 2025 £000	*Total funds 2024 £000*
Staff costs	1,676	45	227	-	**1,948**	*1,880*
Promotions	208	4	22	-	**234**	*205*
Rent, Electricity and Rates	351	9	47	-	**407**	*492*
Other professional fees	323	9	44	-	**376**	*366*
Repairs and maintenance	24	1	3	-	**28**	*42*
Other office costs	204	5	28	-	**237**	*297*
Insurance	40	1	5	-	**46**	*48*
Other	187	5	25	-	**217**	*317*
Lease interest and finance charges	1,153	31	156	-	**1,340**	*357*
Governance costs	98	3	13	-	**114**	*93*
	4,264	113	570	-	**4,947**	*4,097*
Total 2024	*3,521*	*83*	*480*	*13*	*4,097*	

LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

During the year ended 31 March 2025, the company incurred the following Governance costs:

£98k (2024: £79k) included within the table above in respect of Main LGfL Income, £13k (2024: £12k) in respect of LGL Income and £3k (2024: £2k) in respect of LGfL Managed Services Income.

8. Auditors' remuneration

	2025 £000	*2024 £000*
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	**41**	*38*
Fees payable to the company's auditor and its associates in respect of:		
All non-audit services not included above	**15**	*11*

9. Staff costs

	2025 £000	*2024 £000*
Wages and salaries	**2,858**	*2,739*
Social security costs	**318**	*301*
Operating costs of defined benefit pension schemes	**460**	*476*
	3,636	*3,516*

Staff costs of £880k (2024: £724k) attributable to development work on the company's IT infrastructure have been capitalised and are included within fixed asset additions.

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

	2025 No.	*2024 No.*
Administrative staff	**43**	*43*

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

	2025 No.	*2024 No.*
In the band £60,001 - £70,000	**9**	*9*
In the band £70,001 - £80,000	**6**	*10*
In the band £80,001 - £90,000	**6**	*-*
In the band £90,001 - £100,000	**1**	*1*
In the band £140,001 - £150,000	**-**	*-*
In the band £160,001 - £170,000	**-**	*1*
In the band £170,001 - £180,000	**1**	*-*

Remuneration and benefits received by key management personnel was £1,064k (2024: £1,008k).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 March 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

11. Intangible assets

	Content & Software £000	IP Addresses £000	Total £000
Cost			
At 1 April 2024	**3,421**	**-**	**3,421**
Additions	**765**	**7**	**772**
Revaluations	**-**	**988**	**988**
At 31 March 2025	**4,186**	**995**	**5,181**
Amortisation			
At 1 April 2024	**2,037**	**-**	**2,037**
Charge for the year	**769**	**-**	**769**
At 31 March 2025	**2,805**	**-**	**2,805**
Net book value			
At 31 March 2025	**1,381**	**995**	**2,376**
At 31 March 2024	*1,384*	*-*	*1,384*

The net book value of assets held under finance leases are £Nil (2024: £13k).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

12. Tangible fixed assets

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 April 2024	**11**	**89**	**48,119**	**48,219**
Additions	**20**	**12**	**2,391**	**2,423**
At 31 March 2025	**31**	**101**	**50,510**	**50,642**
Depreciation				
At 1 April 2024	**6**	**20**	**13,431**	**13,457**
Charge for the year	**2**	**19**	**4,765**	**4,786**
At 31 March 2025	**8**	**39**	**18,196**	**18,243**
Net book value				
At 31 March 2025	**23**	**62**	**32,314**	**32,399**
At 31 March 2024	*6*	*69*	*34,688*	*34,763*

The net book value of assets held under finance leases are £26,632k (2024: £28,581k).

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13. Fixed asset investments

Principal subsidiaries

The charity owns 100% of the ordinary share capital of the following companies.

Names	Company number	Registered office or principal place of business	Principal activity	Holding
London Grid Limited	05122783	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	Dormant.	100%
Let's Get Digital Limited	11158329	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	The company has not yet begun trading.	100%

The financial results of the subsidiaries for the year were:

Names

All the fixed asset investments are held in the United Kingdom.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

14. Debtors

	2025 £000	2024 £000
Due after more than one year		
Prepayments and accrued income	**985**	*1,199*
	985	*1,199*
Due within one year		
Trade debtors	**663**	*433*
Other debtors	**305**	*628*
Prepayments and accrued income	**1,259**	*1,200*
Other debtors - VAT repayable	**394**	*174*
	3,606	*3,634*

15. Creditors: Amounts falling due within one year

	2025 £000	2024 £000
Trade creditors	**3,547**	*3,219*
Other taxation and social security	**75**	*75*
Obligations under finance lease and hire purchase contracts	**4,454**	*4,470*
Other creditors	**141**	*212*
Accruals and deferred income	**7,732**	*9,021*
	15,949	*16,997*

	2025 £000	2024 £000
Deferred income at 1 April 2024	**7,517**	*6,421*
Resources deferred during the year	**7,240**	*7,517*
Amounts released from previous periods	**(7,517)**	*(6,421)*
	7,240	*7,517*

Deferred income represents amounts invoiced in respect of broadband charges and other services which relate to future periods.

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16. Creditors: Amounts falling due after more than one year

	2025 £000	*2024 £000*
Net obligations under finance lease and hire purchase contracts	**20,124**	*24,586*
Accruals and deferred income	**250**	*314*
	20,374	*24,900*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2025 £000	*2024 £000*
Payable or repayable by instalments	**-**	*5,274*
	-	*5,274*

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2025 £000
Unrestricted funds						
Designated funds						
Pan London Admissions	**365**	**568**	**(196)**	**(433)**	**-**	**304**
General funds						
General Funds	**1,963**	**25,977**	**(24,206)**	**433**	**(115)**	**4,052**
Revaluation reserve	**-**	**-**	**-**	**-**	**988**	**988**
	1,963	**25,977**	**(24,206)**	**433**	**873**	**5,040**
Total Unrestricted funds	**2,328**	**26,545**	**(24,402)**	**-**	**873**	**5,344**
Restricted funds						
Mailforce	**205**	**-**	**-**	**-**	**-**	**205**
Total of funds	**2,533**	**26,545**	**(24,402)**	**-**	**873**	**5,549**

Designated Funds
The trustees have set aside surpluses generated from the Pan London Admissions activity for the enhancement of this service.

Restricted Funds
The purpose of the Mailforce Grant is to provide digital solutions for tackling inequality including the provision of devices to disadvantaged children.

Revaluation reserve
This represents unrealised gains arising on the revaluation of IP Addresses (Note 11).

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17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £000	*Income £000*	*Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*Balance at 31 March 2024 £000*
Unrestricted funds						
Designated funds						
Pan London Admissions	*180*	*565*	*(102)*	*(278)*	-	*365*
General funds						
General Funds	*3,352*	*24,849*	*(26,520)*	*278*	*4*	*1,963*
Total Unrestricted funds	*3,532*	*25,414*	*(26,622)*	-	*4*	*2,328*
Restricted funds						
Mailforce Grant	-	*205*	-	-	-	*205*
Total of funds	*3,532*	*25,619*	*(26,622)*	-	*4*	*2,533*

Docusign Envelope ID: D5E4D67E-DA86-486A-9493-604F69D1EFAF

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000
Tangible fixed assets	32,399	-	**32,399**
Intangible fixed assets	2,376	-	**2,376**
Debtors due after more than one year	985	-	**985**
Current assets	5,907	205	**6,112**
Creditors due within one year	(15,949)	-	**(15,949)**
Creditors due in more than one year	(20,374)	-	**(20,374)**
Total	5,344	205	**5,549**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £000	*Restricted funds 2024 £000*	*Total funds 2024 £000*
Tangible fixed assets	*34,763*	-	*34,763*
Intangible fixed assets	*1,385*	-	*1,385*
Debtors due after more than one year	*1,199*	-	*1,199*
Current assets	*6,878*	*205*	*7,083*
Creditors due within one year	*(16,997)*	-	*(16,997)*
Creditors due in more than one year	*(24,900)*	-	*(24,900)*
Total	*2,328*	*205*	*2,533*

LONDON GRID FOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £000	2024 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	2,143	(1,003)
Adjustments for:		
Depreciation charges	4,786	3,279
Amortisation charges	769	750
Loss on the sale of fixed assets	-	9
Decrease in debtors	28	136
Increase/(decrease) in creditors	(1,095)	750
Current pension service costs	462	473
Defined benefit pension scheme contributions paid	(444)	(402)
Net pension scheme interest/finance cost	(133)	(67)
Net cash provided by operating activities	6,516	3,925

20. Analysis of cash and cash equivalents

	2025 £000	2024 £000
Cash in hand	2,784	4,648
Notice deposits (less than 3 months)	707	-
Total cash and cash equivalents	3,491	4,648

21. Analysis of changes in net debt

	At 1 April 2024 £000	Cash flows £000	At 31 March 2025 £000
Cash at bank and in hand	4,648	(1,157)	3,491
Finance leases	(29,057)	4,479	(24,578)
	(24,409)	3,322	(21,087)

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22. Pension commitments

The company operates a defined benefit pension scheme.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2025 %	*At 31 March 2024 %*
Discount rate	**5.8**	*4.85*
Future salary increases	**3.25**	*3.25*
Future pension increases	**2.75**	*2.75*

The trust is an admitted body to the Royal Borough of Kingston upon Thames Pension Fund, a multi-employer pension fund in which there are many participating employers. The disclosures relate to the funded liabilities within the Royal Borough of Kingston upon Thames Pension Fund (the 'fund') which is part of the local government pension scheme. London Grid for Learning Trust ('LGFL') participates in the fund which provides defined benefits, based on members' final pensionable salary.

In accordance with Financial Reporting Standard 102 disclosure of certain information concerning assets, liabilities income and expenditure relating to pension schemes is required.

The Employer's regular contributions to the Fund for the accounting period to 31 March 2026 are estimated to be £444,000. In addition, Strain on Fund Contributions may be required.

The latest actuarial valuation of LGFL's liabilities took place as at 30 June 2022. The principal assumptions used by the independent qualified actuaries in updating the latest valuation of the fund for FRS102 purposes are detailed below.

LGFL employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 30 June 2022.

	At 31 March 2025 Years	*At 31 March 2024 Years*
Mortality rates (in years)		
- for a male aged 65 now	**23**	*23.1*
- at 65 for a male aged 45 now	**22.9**	*23.0*
- for a female aged 65 now	**24.4**	*24.5*
- at 65 for a female aged 45 now	**25.6**	*25.7*

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22. Pension commitments (continued)

The company's share of the asets in the scheme was;-

	At 31 March 2025 £000	*At 31 March 2024 £000*
Equities	**5,601**	*6,235*
Corporate bonds	**5,734**	*4,364*
Property	**1,734**	*1,247*
Cash and other liquid assets	**267**	*623*
Total fair value of assets	**13,336**	*12,469*

The actual return on scheme assets was £440k *(2024 - £516k)*.

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

	2025 £000	*2024 £000*
Current service cost	**462**	*476*
Interest income	**(615)**	*(516)*
Interest cost	**482**	*449*
Total amount recognised in the Statement of financial activities	**329**	*409*

Movements in the present value of the defined benefit obligation were as follows:

	2025 £000	*2024 £000*
Opening defined benefit obligation	**9,708**	**9,222**
Current service cost	**462**	*473*
Interest cost	**482**	*449*
Contribution by scheme participants	**208**	*192*
Actuarial gains	**(1,937)**	*(745)*
Benefits paid	**(200)**	*(191)*
Experience adjustment	**(93)**	*308*
Closing defined benefit obligation	**8,630**	*9,708*

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22. Pension commitments (continued)

Movements in the fair value of the company's share of scheme assets were as follows:

	2025 £000	*2024 £000*
Opening fair value of scheme assets	**12,469**	*10,657*
Expected return on assets	**615**	*516*
Actuarial (losses)/gains	**(200)**	*893*
Contributions by employer	**444**	*402*
Contributions by scheme participants	**208**	*192*
Benefits paid	**(200)**	*(191)*
Closing fair value of scheme assets	**13,336**	*12,469*

As at the 31 March 2025, the closing position of the defined benefit obligation was a surplus of £4,706k (2024: £2,761k). In line with FRS 102 treatment the surplus has not been recognised. Therefore the derecognised value of £1,945k (2024: £2,761k) is included within gains/losses above.

23. Operating lease commitments

At 31 March 2025 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £000	*2024 £000*
Not later than 1 year	**392**	*392*
Later than 1 year and not later than 5 years	**1,567**	*35*
Later than 5 years	**34**	*-*
	1,993	*427*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2025 £000	*2024 £000*
Operating lease rentals	**392**	*392*

LONDON GRID FOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

24. Finance lease commitments

At 31 March 2025 the company had commitments to make future minimum lease payments under non-cancellable finance leases as follows:

	2025 £000	*2024 £000*
Not later than 1 year	**4,454**	*4,470*
Later than 1 year and not later than 5 years	**20,124**	*19,312*
Later than 5 years	**-**	*5,274*
	24,578	*29,056*

On 18 December 2023, the Charity entered into a long-term service arrangement for Dark Fibre connectivity, providing the right to use specified optical fibre routes to deliver connectivity services.

Infrastructure costs are payable in monthly instalments of £469,823 over a 72-month period from the commencement of the agreement. Maintenance charges continue for the full 15-year term of the arrangement and are subject to annual indexation in line with the UK Retail Price Index from the third anniversary of the agreement.

The arrangement is governed by the supplier's Special Terms for Dark Fibre Services, which include provisions for early termination.

The arrangement has been classified as a finance lease under FRS 102, as substantially all risks and rewards incidental to ownership of the underlying assets have transferred to the Charity.

25. Related party transactions

Due to the nature of the Trust's operations procuring services on behalf of the Local Authorities and the composition of the Board of Directors drawn from the Local Authorities it is inevitable that transactions take place with organisations in which the directors have an interest. No specific transactions have been identified where a director has an involvement and which should be disclosed as a related party transaction.

Permission has been obtained from the Charity Commission in order to pay for the professional services of the Chairman (P Robinson). During the year £9,042 including expenses were paid for these services (2024: £8,165). No emoluments or expenses were paid to any other director during the current or preceding year.

The Trust has indemnity insurance and insurance to indemnify the directors and employees of the Trust costing £14k (2024 - £11k) for the period.

LONDON GRID FOR LEARNING TRUST

England & Wales - Charity number 1090412

Accounts

Docusign Envelope ID: E924FAF6-BD71-41C7-ACFE-C8724A508229

Company registration number: 04205579
Charity number: 1090412

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2024

LONDON GRID FOR LEARNING TRUST

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LONDON GRID FOR LEARNING TRUST
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LONDON GRID FOR LEARNING TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Mr P Robinson Mr G Hipple Ms J McSherry (resigned 12 July 2023) Mr N Mitchell (resigned 5 April 2023) Ms H Warner Mr S Green Mr F Negro (appointed 6 April 2023)
Company registered number	04205579
Charity registered number	1090412
Registered office	9th Floor 10 Exchange Square Primrose Street London EC2A 2BR
Company secretary	Mr J Jackson
Chief executive officer	Mr J Jackson
Independent auditors	Menzies LLP Chartered Accountants Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP
Bankers	Lloyds Bank Plc 83 Clarence Street Kingston upon Thames Surrey KT1 1RE
Solicitors	Ashfords LLP 1 New Fetter Lane London EC4A 1AN

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LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

CHAIRMAN'S STATEMENT

Last year I contrasted the turbulence and change within the external environment with the stability and steady progress of the Trust. On the surface at least little seems to have altered. Conflicts and international tensions have if anything deepened whilst, nationally, I believe we were all caught by surprise when an early general election was called which we now know heralded a change of government. By the same token internally LGfL has quietly gone about its business building its offer to schools, growing sustainably, and continuing to bear down on costs and prices.

As the CEO's Statement illustrates however some rather significant milestones have been achieved not least the acquisition by LGfL of its own fibre network from Virgin Media and the new partnership with Community Fibre as the Trust has sought to provide enhanced broadband resilience at a time when threats to connectivity have increased. Further partnership deals have been struck with a range of technology orientated providers large and small-to ensure the range of services offered to schools, councils and other clients continues to meet needs now and in the future. A major emphasis on cyber security, safeguarding and fundamental contract reviews have characterised the work of the Trust during the last 12 months the fruits and benefits of which will become more apparent in the years to come.

The broadband and associated services market continues to be highly competitive. The external risks especially from the malevolent forces that inhabit the internet and the uncertain implications inherent in the development of Artificial Intelligence will be with us for the foreseeable future. Nonetheless LGfL approaches that future in a much stronger position than it has in its entire history, and it is with some confidence that I commend this Annual Report to you.

Paul Robinson
Chairman, London Grid for Learning Trust

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

CEO STATEMENT

This financial year marked a fundamental change for LGfL following its acquisition of more than 14,000 kilometres of fibre from VMo2 alongside major investment in its Education SuperCloud for schools and Multi Academy Trusts (MATs). Taken together, these totemic developments capture the ambition and ongoing transformation of LGfL into a diversified Digital Services Provider underpinned by a fibre based National Grid for Learning and delivering amongst the largest and most challenging technical projects in UK education today.

The fundamental change in LGfL's operating model from Public Sector Service Commissioner to diversified Digital Services Provider has been critical and essential to meet the needs of its beneficiaries and has been a key part of LGfL's success in recent years.

By acquiring its own national fibre network LGfL can cost effectively meet the ever-increasing bandwidth, financial and security needs of schools and Multi Academy Trusts (MATs) for the next decade and beyond. In parallel, by investing in LGfL's own private and interconnected cloud platforms (the Education SuperCloud), LGfL can deliver tailored, secure and cost-effective services to the sector as a whole and, in future, potentially anywhere in the world through platforms such as Software Defined Wide Area Networks (SDWAN).

LGfL delivered a key milestone this year for its free school meals eligibility checker which has identified over £200M in potential premium claims since its inception in 2014. This funding is particularly helpful to schools in areas of social and economic deprivation and where resources are generally needed most.

At a time when school budgets are limited, LGfL continues to save schools millions of pounds each year by bundling key products such as anti-virus, device management, ransomware protection, secure file transfer, educational resources and bandwidth upgrades for free as part of the service to schools. LGfL's product bundling at such scale is only possible because of its buying power and willingness to take commercial risk in the market.

It is a remarkable achievement for LGfL and its beneficiaries that it has not increased its prices to schools since 2016 and LGfL continues to shield schools and front-line teaching and learning from volatile movements in prices and costs resulting from global economic shocks and pressures. I can think of no other supplier to the education market that has achieved this milestone.

This year, LGfL accelerated the rollout of its internet filtering platform, SchoolProtect, to meet the needs of schools and enable compliance with Keeping Children Safe in Education (KCSIE). LGfL's internet filtering platform is thought to be amongst the largest deployments of its kind globally processing an estimated 2.5 billion web requests per day for an estimated 800,000 devices. In parallel, LGfL delivered a supporting programme of training to schools and governors to support them implement KCSIE.

Significant infrastructure investment has been made in the LGfL SuperCloud which delivers a layer of security, safeguarding and educational services around LGfL's fibre network. Major investment in product developments and innovation enables LGfL to keep pace with technology innovation and changing use of the internet in schools.

LGfL has continued to grow nationally and has maintained industry leading retention rates despite a very competitive market. Indeed, LGfL now provides connectivity to more schools than the whole of Scotland, Northern Ireland or Wales. LGfL's growing role nationally has enabled the Trust to draw on its extensive knowledge of schools and provide important contributions to the development of DfE policy including safeguarding, tackling extremism and technical standards.

In an uncertain world a strong supply chain is essential and this year LGfL took steps to strengthen and diversity its supplier ecosystem. Critically, LGfL entered into a new strategic partnership with Community Fibre to deliver resilient connections into schools so they can meet the latest DfE Technical Standards and made significant changes to existing contracts to deliver improved value for money and performance for schools and MATs.

There were unprecedented technical and service challenges this year. This necessitated a purposeful programme to address them, particularly in our supply chain where there was significant structural and organisational change following mergers and acquisitions.

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The subsequent and relentless focus on technical and service standards drove significant investment and improvement action. As a result, I am pleased to report that LGfL has been successful in addressing areas for urgent action. Key outcomes have included the timely delivery of increased technical capacity to meet rising demand, greater platform and network resilience as well as improvements in service performance from our key partners. This focus on continuous learning and improvement within our products, services and supply chain will continue next year and forms part of the leadership DNA of LGfL.

LGfL continued to modernise and transform the organisation through the increasing and expanding use of digital platforms, process automation, business intelligence and systems integration enabling it to drive up productivity and contain inflationary and other cost pressures within the Trust.

The acquisition of a national fibre network transforms the long-term financial position of LGfL by transferring fibre rental expenses to long term assets in the balance sheet. With a strong balance sheet, excellent liquidity and a transformed educational SuperCloud, LGfL is now positioned for national expansion and growth. The impact of the fibre acquisition and increased efficiency of LGfL is projected to markedly improve LGfL's underlying strength from the next financial year.

This year, perhaps more than any other in recent memory, has delivered the foundations for the long-term success and the acceleration of LGfL as a National Grid for Learning.

These achievements would not be possible without the incredible work of dedicated LGfL Officers and the Trustees whose passion to advance Education is enabling LGfL to deliver a significant financial and educational contribution to schools and MATs at a time of national need.

Looking ahead, we can be very excited about the future, the continuing transformation of LGfL, the opportunities for driving innovation in the sector and the growing impact of the National Grid for Learning on teaching and learning nationally.

John Jackson
CEO LGfL - The National Grid for Learning

LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

LGfL'S OBJECTIVES

LGfL was founded in 2001 to advance education, in particular by providing and assisting in the provision of information and communications technology to London schools for the benefit of the children attending those schools.

In 2019/20, LGfL's shareholders approved a widening of LGfL's Objects, following prior approval by the Charities Commission. The additional objects being: -

- to advance health by assisting in the provision of broadband and other communications technology to allow integrated services between local authorities and health authorities in the provision of social and other care; and
- to advance community development by assisting local authorities to integrate services through broadband and other communications technology to provide services more efficiently and at lower cost to the recipients of services particularly the elderly, vulnerable individuals and the disabled.

LGfL's revised Objects enable it to provide services to a wide range of beneficiaries across the entire public sector including schools, Multi Academy Trusts, Councils, Health Services, the Police, Housing and Community Services.

PRIORITIES

LGfL delivers its Objects by focusing on: -

- Saving schools money
- Keeping children safe and schools secure
- Energising teaching and learning
- Tackling inequality and
- Promoting wellbeing.

All of these activities being underpinned by its fibre network, the National Grid for Learning.

In setting out the activities of the charity The Trustees have had regard to the Charity Commission's guidance on Public Benefit.

ACTIVITIES

In furtherance of our Objects, LGfL: -

- Provides high speed and secure connectivity encompassing mobile and fixed telecommunications infrastructure as well as supporting internet access and cloud services
- Delivers a range of educational and technically focused services spanning cybersecurity, safeguarding, teaching and learning, admissions and curriculum content
- Commissions supporting services from a range of partners including commercial organisations, charities and a range of public bodies
- Cooperates and supports schools, academies and colleges of further education, other charities, voluntary bodies and statutory authorities; operating in furtherance of the Objects or similar charitable purposes and assisting them to exchange information and advice
- Procures and enters into contracts to provide services to, or on behalf of other bodies, establishes or acquires subsidiary undertakings, and establishes or takes part in joint procurements, ventures and undertakings
- Sets aside funds for special purposes with a view to meeting long-term commitments or requirements
- Creates and publishes free educational resources and advice to all schools, irrespective of whether they are connected to LGfL or not and
- Provides high-quality Continuous Professional Development (CPD) and resources for school staff governors and partners that fosters the innovative use of cutting-edge technologies in the classroom and complements teaching & learning best practice.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

This year has witnessed a number of fundamental changes for LGfL. Many of these are critical and enabling foundations for its long-term success including its continuing transition to a diversified Digital Services Provider.

At the heart of LGfL's vision for schools is a world class network and the construction of a National Grid for Learning (NGfL). Built almost exclusively on symmetrical, uncontended fibre, LGfL delivers almost infinite capacity so that exciting and engaging learning opportunities are available for children – both now and into the future.

LGfL's national scale means that it secures very competitive pricing from its supply chain enabling LGfL to deliver value for money and considerable cost savings to all its beneficiaries, particularly schools and Multi Academy Trusts (MATs).

Critical developments that support the delivery of a National Grid for Learning included the acquisition of 14,000 kilometres of fibre from VMo2 which has enabled LGfL to own, for the first time in its history, a national network and potentially deliver almost unlimited bandwidth to schools and Multi Academy Trusts (MATs) at an affordable price.

LGfL has a strong and increasingly diversified supply chain. This year, strategic partnerships with Wavenet and VMo2 have been reviewed, new and revised contracts put in place with several key partners which will deliver improvements in service, performance and increased value for money for our beneficiaries.

New partnerships have been forged with other telecommunications providers to enable LGfL to source alternative connectivity and meet the DfE's requirements for diverse and resilient connectivity.

As schools and MATs become ever more dependent on the Cloud for digital services LGfL has increased the capacity and resilience of its private cloud services to schools (SuperCloud) to ensure it can meet the changing needs and demands of schools , Multi Academy Trusts and Local Authorities. Next year LGfL will further integrate its SuperCloud with a range of national and international digital service providers through the development of its Internet Service Provision (ISP).

LGfL has continued to increase its reach across England taking on new schools and Multi Academy Trusts in the Home Counties, the Midlands and the Northwest thereby cementing its position as a national provider of services to schools and building a National Grid for Learning. Alongside growth, LGfL continues to enjoy very high levels of retention with remarkably few customers leaving LGfL for alternative supply in a very competitive market.

Continued met growth means that LGfL remains one of the largest providers of connectivity to schools in the UK. The day-to-day impact of LGfL within schools and Multi Academy Trusts continues to grow alongside its growing national presence supported increasing levels of consumption of LGfL's bundled products including cybersecurity and safeguarding products amongst its incumbent customer base.

LGfL's network and associated services support millions of children, teachers and public sector workers everyday putting the company at the heart of efforts to advance education both in the UK and beyond.

Successful collaborations remain a cornerstone of LGfL's DNA with over 100 companies enrolled as Digital Transformation Partners to support schools with their technology needs and ensure that wherever possible the best use is made of LGfL resources and connectivity alongside major UK partners including the National Cyber Security Centre.

LGfL has continued to pioneer and promote the successful use of technology in schools to deliver positive educational outcomes. Highlights this year included the National EdTech Hubs programme where LGfL supported and funded monthly regional events that brought together educational thought leaders and best practices.

A continuing focus in the EdTech programme has remained the successful integration of Pedagogy and digital resources (PedTech) and the use of Artificial Intelligence. This work has generated a substantial number of case studies that are publicly available on our website and social media channels.

LGfL continues to provide a number of pan London and regional services spanning local government, health and the police which enable efficient and cost-effective service delivery. Those services include the Pan London Admissions Service, the London Public Services Network (including gateways to Health) and the Free School Meals Eligibility Checker.

LGfL's long term success has necessitated an ongoing transformation of the organisation underpinned by a continuous modernisation of IT systems, continuing process redesign and automation as well as cultivating a modern, flexible workforce as part of a Fit for the Future programme.

LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

LGfL's operating model is evolving with a focus on the development of Intellectual Property (IP) and a continuing transition from Public Sector Service Commissioner to diversified Digital Services Provider. This underlying change in LGfL's operating model will enable tailored and low-cost service delivery to schools.

In an uncertain world, LGfL's ability to identify and manage risk is critical. Thoughtful risk mitigation has been a significant factor to LGfL's continuing success informing key developments such as the acquisition of its national fibre network and national technology leadership during COVID where LGfL provided over 200,000 new and refurbished devices to schools at a time of national emergency.

KEY PERFORMANCE MEASURES

The breadth and depth of LGfL's work is summarised in the table below:-

Outcome	By March 31 2024
Financial Indicators	
Approximate Value of LGfL's Tangible and Intangible Assets	**£36.148 Million**
Net Assets	**£2.533 Million**
Pension Fund Liability	**£0**
Savings and Value for Money	
Estimated Licences & Services Freely Distributed to Schools	**1.2 Million**
Estimated Saving / Additional Value to Schools Per Annum	**£7 Million**
Development of National Grid for Learning	
Estimated Daily Reach of LGfL Services to Children, Teachers and Support Staff	**1.7 million**
Peak Internet Transit	**146 Gbps**
Schools Upgraded for Free as Part of Pledge 2020	**2,498**
Schools Receiving a Free Bandwidth Upgrade (FYE 24)	**174**
Total Free Bandwidth Delivered to Schools as part of the Bandwidth Bonanza (FYE 24)	**38.01 Gbps**
Standard Connection Speed of Secondary Schools to the Internet (FYE 24)	**1 Gbps**
Standard Connection Speed of Primary Schools to the Internet (FYE 24)	**100 – 500 Mbps**
Average Connection Speed of Special Schools to Internet (FYE 24)	**100 – 300 Mbps**
Percentage Availability of the LGfL Core Network	**99.993%**
Keeping Children Safe in Education	
Estimated Web Requests Filtered Each Day	**2.5 Billion**
Approximate Daily Active Devices	**800,000**
Indicative Pages Blocked Each Day	**250,000**
Questions Answered by Children Using Safeskills	**605,000**
Tackling Inequality - Free School Meals	
Pupil Premium Funding identified for Schools	**£32,381,970**
Pupil Premium Funding identified since the inception of the Pupil Eligibility Checker (inception to 31 March 2024)	**£203,658,960**
Energising Teaching and Learning - Continuous Professional Development (CPD)	
Training Events	**232**
Delegates Booked	**13,385**
Local Government Shared Services - Applications for School Places	
Applications for Secondary School Places Processed	**106,461**
Applications for Reception School Places	**105,018**
Total Number of Applications Processed for School Places (all phases) (17,961 for nursery, junior and 14-19)	**229,440**

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

LGfL – THE NATIONAL GRID FOR LEARNING

LGfL was established to deliver broadband within the London region as part of government policy to ensure internet connectivity offered great performance and value for money.

12 Regional Broadband Consortia's (RBC's) were set-up across England to realise that vision. LGfL delivered national policy by letting contracts (i.e. commissioning services) to telecommunications and infrastructure companies who undertook the lion's share of the work on behalf of LGfL.

Today, LGfL is accelerating its transformation from regional broadband Service Commissioner to national Digital Services Provider. Due to continuing growth LGfL is moving ever closer to a position where the majority of customers are based outside of London underlining LGfL's position as a National Grid for Learning with an estimated 1.7 million potential users of its network every day accessing resources via over 800,000 plus devices.

LGfL's National Grid for Learning is engineered for high reliability and speed. Over 99% of LGfL's customers are connected using symmetrical leased line fibre with data secured end to end through a national IPVPN service and dedicated MPLS cloud. By design, network contention is minimised which results in LGfL providing a consistent level of performance, even during peak hours of the day.

Network performance is monitored rigorously for packet loss, latency, round trip delay and circuit flapping. High-capacity leased lines deliver children an immersive experience on-line and enables schools to stream High Definition (HD) and 4K content at massive scale into the classroom. LGfL's network engineering also means that schools can consume security patches and software updates from their providers without interrupting classroom activities through new developments such as network peering.

The LGfL IPVPN delivers additional security for schools by encrypting all traffic and directing it through LGfL's SuperCloud which ensures that the inbound and outbound internet traffic is monitored by viruses, hacking activity and data exfiltration. LGfL's control of traffic also supports the work of JANET and National Cyber Security Centre (NCSC) allowing LGfL to respond proactively to alerts generated from school and MAT use of the infrastructure.

LGfL has centralised firewall management systems within its SuperCloud that enable oversight of inbound and outbound traffic as well as delivering intelligence as to which ports are being used for what service and application. This level of knowledge regarding the configuration and use of school firewalls enables LGfL to manage network traffic and take steps, where necessary, to protect schools proactively as well as identify vulnerabilities that could be exploited.

In 2018 LGfL anticipated the move to Cloud Computing by schools and the consequent need for much greater capacity and network security. To address these changing needs, LGfL established a programme to transform broadband speeds to schools called Pledge 2020. The subsequent rollout of updated connectivity and platforms commenced in April 2019 and the programme was completed by December 2020.

Over the course of Pledge 2020, 2498 schools were upgraded and the average bandwidth to schools more than doubled. In many cases, schools received upgrades that resulted in speeds rising as much as 500%. LGfL has continued to invest in the future of schools' connectivity under a new initiative called the Bandwidth Bonanza. Under this initiative LGfL is delivering further increases in connectivity speeds at no additional costs to schools. Schools benefitted from the programme over the course of the year. These bandwidth upgrades mean that LGfL schools remain at the forefront of broadband and digital services provision.

The purchase of the VMo2 fibre network provides a long term platform to continuously increase the bandwidth that is available for schools at marginal or no cost. As a result, LGfL will be proactively upgrading thousands of schools to meet growth and the changing landscape of Education.

The acceleration of schools to cloud based systems and services means that individual schools have potentially hundreds, if not thousands of users, who are now dependent on their internet connection to deliver a positive learning experience and manage the school efficiently. LGfL has recognised the critical nature of connectivity and continuing investments have been made year to ensure the reliable operation of LGfL's network including delivering increases in network resilience, capacity as well as delivering resilient lines into schools, often at no additional cost.

LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

LGfL ACQUISITION OF A NATIONAL FIBRE NETWORK

As we move into the future, LGfL recognises the need to continually innovate and provide greater flexibility to schools in terms of connectivity. A more diverse range of connectivity products and services are being offered to schools and Multi Academy Trusts that harness Software Defined Networking (SDN) as well as satellite provision.

This year, LGfL fundamentally changed strategic direction by investing more than £30M to acquire its own fibre network as opposed to renting fibre from Vmo2. The fibre acquisition was the first of its kind for a charity and required approval by an Act of Parliament.

Owning its own fibre means that LGfL can now deliver virtually unlimited speeds to the majority of LGfL connected schools. This investment is both timely and essential. The demand for bandwidth is continuing to rise as schools embrace cloud technology, particularly for their Management Information Systems, and consume high quality video streams in the classroom to support teaching and learning. The purchase of LGfL's fibre network means that the majority of LGfL connected schools have access to speeds of up to 10 Gbps and LGfL will continue to upgrade thousands of connections to higher speeds for free, or marginal cost, as part of its bandwidth bonanza.

In addition, owning the fibre enables LGfL to set the market price to schools. This is good news for schools as the charitable focus for LGfL will be to deliver financial stability, as opposed to annual price increases, for LGfL schools that are provisioned with LGfL owned fibre.

MANAGING THE NATIONAL GRID FOR LEARNING

The scale and complexity of LGfL's National Grid for Learning requires sophisticated monitoring and oversight.

This year, the management and control of LGfL's National Grid for Learning has been enhanced following the integration of LGfL networking equipment best in class network monitoring platforms. These systems deliver real time performance metrics via a range of dashboards, alarms and graphs encompassing latency, round trip delay and packet loss enabling efficient and timely remediation of faults as well as key consumption metrics such as network traffic loads, traffic destination and utilisation.

The capabilities of LGfL's monitoring systems have been enhanced this year with deeper and wider integration into non network services including filtering, load balancing, disk storage and power management. This is an essential development as the increasingly complex architecture of cloud based systems often means that identifying faults and performance bottlenecks requires a deep forensic understanding of Local Area Networks (LAN), Wide Area Networks (WAN), datacentre centre performance (e.g. loading) as well as application level monitoring.

Managing the insights provided by LGfL's monitoring systems enables LGfL to deliver a proactive and positive service by proactively identifying, for example, which sites are reaching their maximum allowed bandwidth or are experiencing excessive packet loss which will negatively impact the learning experience of children.

LGfL SUPERCLOUD

LGfL's connectivity is designed and built to route all schools via its private SuperCloud which hosts a range of massively scaled platforms, extending to over 1.7 million users, that deliver low cost and educational focused solutions to thousands of schools.

The routing of school's network traffic via LGfL's SuperCloud enables LGfL to wrap multiple layers of Cyber Security around its high-speed fibre connectivity into an out of its network including Distributed Denial of Service (DDoS) protection.

LGfL's SuperCloud encompasses filtering, internet usage reporting, managed firewalls, hosted email services (StaffMail), secure mail relays, email scanning (MailProtect), remote access (Freedom2Roam) and identity management.

LGfL also manages some of the largest deployments of Software as a Service (SaaS) solutions to schools in the world for Sophos, Malwarebytes, CISCO Meraki and Adobe Creative Cloud. Typical SaaS deployments for LGfL run into hundreds of thousands of devices.

As part of its development of a SuperCloud for schools, continuing upgrades have been made to the LGfL datacentres that host the services. These investments have ensured that services within the LGfL SuperCloud are designed for high reliability and throughput.

Over the course of the current financial year SuperCloud capacity was almost doubled to meet the needs of schools. New load balancing technology has been added to manage traffic flows to ensure they can be processed by SchoolProtect and LGfL can respond efficiently to peaks and troughs in demand across its range of digital services.

Next year, LGfL is planning a migration of all its datacentres to world class facilities within Equinix which is part of a wider strategy of creating foundations for long term success.

LGfL's DEVELOPMENT AS AN EDUCATIONAL INTERNET SERVICE PROVIDER (ISP)

Alongside the development of its SuperCloud, LGfL is building and optimising its Internet Service Provision to schools to improve throughput, increase resilience and reduce latency to its SuperCloud.

Over the coming financial year, LGfL will implement London Internet Exchange (LINX) peering for schools and will seek to integrate directly with Microsoft, Google, and major Content Delivery Networks (CDN).

Peering is important for schools and LGfL because it means that internet traffic does not need to transit across the public internet. Instead, school traffic destined for Microsoft and Google Cloud Services, for example, is routed directly to the appropriate destination by LGfL's SuperCloud. This shortens the network routes for schools which increases performance and is more secure as less network traffic is visible to the public facing internet.

Caching services will also be introduced within LGfL's SuperCloud. Caching is a further performance enhancement for LGfL. With caching, software updates can be made available accessible within LGfL's SuperCloud. Due to the shorter network route between the schools and the caching service this is better than pulling downloads from a peering connection and significantly better than the public internet. Efficient and speedy downloads of updates will allow schools to consume these updates without affecting the performance of their access to cloud and internet services generally.

SAVING SCHOOLS MONEY

The economic outlook remains challenging within the UK and globally. Interest rates are volatile and higher than they were pre Covid. Energy costs continue to be amongst the highest ever. Shipping costs have been impacted by global conflicts including war in the middle east. These economic stresses have led to unpredictable costs and inflationary pressures impacting companies in the UK and globally which have translated into increased costs and charges to consumers.

LGfL, as a not-for-profit Charitable Trust, plays a key role to play in shielding schools and other customers from these market and financial pressures/ Central to this is LGfL's ability to leverage its aggregated buying power on behalf of thousands of schools as well as drawing upon its experience in procurement and contract management. Key successes that have positively impacted schools include:-

- LGfL has not increased broadband prices since 2016. The Board remains committed to holding prices over the next financial year as well
- LGfL bundles a number of key products, at no additional cost, with its broadband connection to add further value. Bundled items include ransomware protection, anti-virus, DDoS, cloud backup as well as classroom resources. If these products were bought in isolation by individual schools, even larger MATs, they would cost a lot more money. Over the course of this financial year, LGfL distributed an estimated 1.265 million licences freely to schools worth approximately £7.116 M per annum which is money that can be invested back in front line teaching and learning.
- LGfL encourages schools to consume the bundled products and make financial savings through by promoting the savings through its online Savings Calculator (https://savings.lgfl.net) which enables headteachers and IT professionals to assess usage and to ensure that opportunities are not missed to save money. The product has been further enhanced this year to include more information and make it easier for schools and MATs to benchmark their prices against alternative providers to LGfL
- LGfL spot purchases large volumes of products for sale directly to schools. Buying at scale means that LGfL's selling price is generally much lower than comparable market rates. During COVID, for example, LGfL introduced pricing for Chromebooks which was approximately 30-40% better than the standard market price and which ultimately led to over 200,000 new and refurbished laptops being delivered to schools during the pandemic

- LGfL delivers free or low-cost bandwidth upgrades to schools as part of its **Broadband Bonanza** that would ordinarily cost thousands of pounds. This year around 174 upgrades have been delivered free, or very low cost, to schools. Following the purchase of VMo2 fibre this year, it is anticipated that there will be a significant acceleration of upgrades in terms of number and scale with LGfL including free transition to multi gbps services in future

- LGfL hosts training and CPD opportunities that are free for schools. Such actions allow schools to keep pace with technology needs (e.g. increased bandwidth consumption) at no additional cost. This financial year witnessed a significant expansion of LGfL's work to embrace Governors who became a vital part of the safeguarding support for schools with the introduction of Keeping Children Safe in Education

- LGfL's scale means that it is generally able to negotiate contract terms that are much more favourable than standard contracts offer which offers an important, albeit largely invisible benefit to schools.

KEEPING SCHOOLS SECURE

Globally, security threats are on the rise and the risks are now greater than ever for schools and Multi Academy Trusts. In the last 12 months, for example, a number of schools and Multi Academy Trusts have been the unfortunate victims of widely publicised ransomware attacks which have proven costly and very disruptive to the education of children.

A new and worrying development is the increasing use of Artificial Intelligence (AI) to identify and attack vulnerabilities and this has potentially far-reaching consequences for any school, MAT and Service Provider such as LGfL.

LGfL has always architected its connectivity to deliver a secure and trusted connection to schools. Over time, LGfL has integrated multiple additional levels of security, generally at no additional cost, into its connection to schools as part of its SuperCloud. As a result, LGfL has a unique, multi layered, defensive shield that protects children called CyberCloud.

LGfL's CyberCloud includes filtered internet access, anti-virus, ransomware countermeasures, encrypted cloud backup, firewalls, DDOS protection, secure email services as well as monitoring via a Security Operations Centre (SOC).

A key focus for LGfL is also to empower schools and MATs so they can manage and remediate risk themselves which is an essential user centric layer of the overall defensive shield that a school requires.

LGfL's support to schools and MATs includes best practice policy and security advice to schools including delivery of the official National Cyber Security Centre (NCSC) training for schools, plus best practice toolkits, seminars and newsletters.

Elevate (https://elevate.lgfl.net) is one of those key cybersecurity toolkits. This is a collection of key resources that schools can use to elevate their cybersecurity including a Cybersecurity Policy, an Incident Response Plan and Asset/risk Registers. As such, Elevate can be used as a foundation for schools that want to attain Cyber Essentials Certification.

A vital dimension of managing security is to empower schools and MATs to understand their risks and put in place effective remediation proactively. As part of its product bundle for broadband, LGfL enables schools to self-assess their security posture. Key initiatives to support schools include:-

- the **Security Scorecard** platform which performs a multi-dimensional assessment of key security and vulnerability indicators which are collated to provide an aggregate score. The higher the score, the more secure the school is. Schools are also provided with a visualisation of those risks. Hundreds of schools ran the Security Scorecard platform over the course of the year helping them to identify weaknesses and vulnerabilities and take appropriate action

- **Free Vulnerability Scans** for schools enabling the proactive identification of weaknesses and potential vectors of attack into the schools. A significant number of potential vulnerabilities were identified in the course of the financial year that schools remediated with LGfL's help.

LGfL has, in parallel, invested to increase its organisational capacity and technical capabilities to support schools and partners This includes LGfL becoming an accredited Managed Service Partner (MSP) for platforms including Sophos and Malwarebytes. Today, LGfL oversees the security of hundreds of thousands of devices across the National Grid for Learning.

Remediating Cybersecurity risks requires multi agency collaboration. LGfL routinely partners with key agencies such as the National Cyber Security Centre (NCSC) to promote best practices respond effectively when proactive alarms are raised so that schools and MATs can take prompt action where they are required to do so. In recent years LGfL has collaborated to produce important and ground breaking research such as a national audit of Cybersecurity readiness in schools and MATs.

KEEPING CHILDREN SAFE

2023 was a key year for schools with the refresh of new government guidelines (Keeping Children Safe in Education (KCSIE)). KCSIE has fundamentally changed how schools manage their safeguarding arrangements and prevent inappropriate use of the internet. In its wider role, LGfL responded to the following consultations:

- **Safeguarding in the Early Years Foundation Stage** statutory framework. In particular, LGfL identified that there was no mention in the statutory guidance on online safeguarding, despite the near-universal access to digital media in the early years

- **Review into Relationships, Sex and Health Education**. This is a key area of the curriculum for safeguarding generally, and online safety.

Much of the safeguarding guidance relies on technology solutions to deliver the desired outcomes in a cost effective and sustainable way. Consequently, online safety, and appropriate use of the internet, remains a critical focus for LGfL with an estimated user base of approximately 1.7 million children, teachers and support staff) harnessing LGfL's network to access the internet safely every day.

Filtering at LGfL's scale is an enormous challenge with an estimated 800,000 devices making 2.5 billion web requests every day, of which approximately 250,000 pages are blocked. Aside from the sheer scale and volume of web traffic being processed, internet filtering is an increasingly complex technical undertaking as content and cloud providers are making it harder and harder to filter the internet by introducing technical countermeasures to lock out systems that categorise websites.

LGfL has continued with significant investment in the modernisation of its filtering service including a complete overhaul of the underlying infrastructure in order to increase capacity and to enable new features including SSL filtering, by default, should schools have this requirement.

Other new features include improved integration with cloud platforms such as Google to ensure granular, per-user filtering to help keep children safe but avoid over blocking. A new filtering platform, called SchoolProtect, was built and launched in the previous financial year and will be fully rolled out by the summer of 2024.

The pandemic changed where children learn with a sharp uptake in internet-based learning in homes and community settings. However, this brought additional risks with children accessing content outside the immediate control of schools and then day to day observation of teachers. This safeguarding risk drove innovation and LGfL created, at no cost to schools, a free filtering service for children working from home (HomeProtect). This service has been retained due to continuing and growing demand from schools.

Alongside its technical products and services LGfL offers a wider centre of safeguarding excellence including, grooming for sexual or child criminal exploitation, tackling extremism and neglect. A training portfolio and collection of resources provides CPD and materials for the classroom, for specialists and generalist staff to support these key themes.

Increasingly, LGfL is the destination for schools' main Designated Safeguarding Leads to receive their training, updates and advice, including on the latest legislation and statutory guidance. Important content developments this year have included:-

- **Safer Internet Day** witnessed the launch of a new video and board game for schools which was demonstrated at the Bett Show (sid.lgfl.net.)

- A refresh of the saferesources.lgfl.net portal which delivers a large volume of useful policies and reference material that can be easily downloaded by schools and governors

A free online product called SafeSkills (safeskillsinfo.lgfl.net) continues to be popular as it enables schools to test their knowledge and awareness of security and safety matters. Over the course of this financial year 605,000 questions have now been answered by 7107 children.

TACKLING EXTREMISM

LGfL works extensively on countering extremism and online radicalisation. This includes the production of key resources developed in partnership with the Department for Education (DfE) Prevent Team and the Counter Terrorism Police. (goingtoofar.lgfl.org.uk). Consequently, Our collaborations with the DfE Prevent team and Counter Terrorism Policing has enabled LGfL to shape best practice for schools across England. This year LGfL has:-

- Contributed to a **DfE roundtable** to help them support schools which become the focal point of community tensions, both locally and online
- Developed **curriculum resources to safeguard young people from extremism**, for primaries and secondaries
- Empowered staff across the UK through **virtual CPD training on online radicalisation**
- Supported schools **on policy and practice** through the development of self-assessment tools and templates
- Presented at **education conferences to shape best practice in complying with the Prevent Duty**
- Developed resources for schools, youth centres and community groups to **promote parental engagement and awareness around online safety**

NEGLECT

This is a relatively new area of safeguarding focus for LGfL and an important one. Neglect continues to be one of the most prevalent types of harm that children experience and that schools identify. Along with the suite of free training sessions we already offer schools about neglect, off the back of the ongoing economic pressures being faced in the UK, we have now developed and deliver a course on the relationship between poverty and neglect. This has been very popular and generated positive feedback.

This year LGfL has developed a resource for schools to use to upskill school staff on writing reports and records relating to neglect. This has been very well received. Alongside this, LGfL has developed 2 new spotlight case studies on affluent neglect. These resources are used for staff CPD and were developed as a result of feedback from schools and MATs that there was a lack of support in this area.

ENERGISING TEACHING AND LEARNING

Since its inception in 2001, curriculum services and resources, as with the technology services portfolio, have been at the heart of LGfL's offer to schools, MATs and Local Authorities.

In order to enable the effective use of technology in supporting high quality curriculum delivery, the curriculum portfolio has been adapted, expanded and a range of innovative content developed. In particular, changing processes, policies and teaching methods to effectively harness digital devices and materials is a complex undertaking and potentially fraught with risk to schools, children and teachers.

Therefore, effectively integrating the latest digital technology into everyday teaching and learning requires careful and focused support to help evolve pedagogy which LGfL's Curriculum Team is well placed to provide alongside a growing network of lead schools from the EdTech Hubs programme. (pedtech.lgfl.net)

Over the course of this financial year, LGfL has continued to collaborate extensively with lead practitioners and experts in their field to develop resources to enable the development of a holistic Digital Strategy including a self-assessment toolkit, training and access to an extensive catalogue of case studies where leading practitioners provide feedback and advice on how they have approached Digital Strategy within their school or Multi Academy Trust.

LGfL has partnered with the Education Foundation to develop a national network of leading practitioners (EdTech Hubs) where school leaders and teachers get together to share best practices (edtechhubs.lgfl.net) and disseminate that within a region. These sessions have been very well received and they will remain a key part of LGfL's activity going forward.

As part of the EdTech hubs programme, LGfL has produced an exciting range of case studies regarding the schools use of technology. This includes a Digital Strategy toolkit which can be viewed at https://dtt.lgfl.net

LGfL has delivered an extensive Continuous Professional Development (CPD) programme for schools, which are delivered across a range of subjects, and specialisms which aim to support schools on known challenges relating to everyday teaching and learning, mental health and well-being and efficient organisational use of digital technology. Many of these programmes are delivered in partnership with key suppliers and highly regarded experts in their field at no cost to schools which is another way in which LGfL saves money for schools.

Other Curriculum Team highlights this year have included:-

- LGfL and EdTech UK hosted inaugural Edtech Hubs Summit at Samsung KX in November 2023 with hundreds of schools in attendance
- LEO Academy Trust launched their PedTech Impact report on the role of EdTech to support high quality everyday Teaching & Learning. In parallel, LGfL published a video support portal which features all the key senior leaders and teachers involved in the report
- At the BETT 2024 conference, LGfL presented alongside Dr Fiona Aubrey Smith and LEO Academy Trust CEO regarding the PedTech Impact report.

LGfL also produced a range of exciting new resources for schools and MATs:-

- LGfL's 'M Room' resource features at Imperial War Museum as part of an espionage exhibition
- The launch of new bereavement resources for SEND pupils in partnership with Child Bereavement UK.
- The production of unique royal resources in partnership with the Royal Collection Trust for schools relating to the Coronation
- The Robotics pilot in partnership with Shape Robotics culminated in a celebration event at Samsung Kings Cross in March 2024 resulting in the establishing a new Centre of Excellence in Robotics at St Joseph's primary school in Islington

Free curriculum product consumption within the broadband bundle remains high and a change in the reporting for Busythings suggests it is potentially even more popular in schools than previously thought. Access arrangements have changed to both Busythings and Just 2 Easy (J2E) to make it easier for young learners to use their Google or Microsoft log in's which has also helped the adoption of the platforms.

PROMOTING WELLBEING

LGfL has shared a wide range of freely available materials for promoting mental health and wellbeing including the award-winning resources developed with Child Bereavement UK which help schools support children, their families and the wider school community dealing with a family bereavement. The LGfL Child Bereavement toolkit (https://childbereavement.lgfl.org.uk) has been of significant value to schools who have to manage bereavement related issues every week. The toolkit has been enhanced this year following feedback from stakeholders.

TACKLING INEQUALITY

LGfL sets aside support for supporting greater inclusion through the IncludED service. This team produces targeted content and resources to support schools inclusive practice for all learners including new case studies featuring symbol used with the LGfL Widgit resource database. Universal Design for Learning principles have been adopted at the foundation of LGfL's inclusive approach with a dedicated UDL portal which have been made freely available to all schools

The economic crisis continues to place families in difficulty, which can result in health and wellbeing concerns for children. Ensuring that children are fed properly and schools are resourced to support the needs of their community remains a priority.

LGfL provides support to schools and families through its online Free School Meals (FSM) Checker. In 2014, LGfL built a platform that enables families to check whether they are eligible to claim free school meals. If they are, the child's school receives additional funding (Pupil Premium) to help and support the child through their education.

In subsequent years, LGfL refined the platform to enable schools, to check the eligibility status and make the claim on behalf of parents. The checker has been an outstanding success, and, in recent years, the checker has been promoted by Marcus Rashford's Food Poverty Action Group which has helped to increase awareness and engagement with the service.

Over the course of the current year the FSM Checker has identified nearly £32.38M of potential Pupil Premium Funding and since its inception in 2014 over £203.7M. As such, the FSM Checker has had a profound and positive impact on children and schools across the LGfL community. The eligibility checker is now used in over 100 Local Authorities and by thousands of schools.

Much of LGfL's growth has been in areas that are poorly served by broadband where schools have previously been connected at low speeds. The introduction of high quality, symmetrical fibre services has enabled schools in rural areas to enjoy the same digital experience as urban areas where historically schools had higher speeds.

PAN LONDON ADMISSIONS SERVICE

LGfL works in partnership with Local Authorities to coordinate school places across London. This is a critical task, involving hundreds of thousands of annual applications across the capital each year. By collaborating together and delivering these services centrally, local authorities save money by avoiding duplication and delivering services efficiently through shared IT systems.

2023/24 was the twentieth year of operation of the Pan-London Admissions Coordinated Service for the 33 London Local Authorities and 5 adjoining authorities, which successfully handled over 229,000 applications in the last admissions round.

Underpinning this service are two central IT systems provided by LGfL:-

- the **Pan London Coordinated Admissions Register** processes parental applications for school places. Using this centralised system, Local Authorities aim to give every child a single offer of a school place on National Offer Day, which previously was not the case when local systems were run by individual Authorities and
- the **Pan London Coordinated eAdmissions Website** which was introduced in 2019/20 and during the pandemic improved and streamlined the processing of admissions and delivered a significant channel shift with a major decline in the number of telephone and general enquiries to the support teams as parents were able to successfully apply without having the need to call for help or advice. The significant reduction in telephone calls underlines the importance of improved website design and well thought out customer journeys.

A number of functionality improvements were made to both platforms this year as part of an ongoing programme of continuous improvement.

LONDON PUBLIC SERVICE NETWORK

London Grid Limited (LGL) provides connectivity for councils and a range of public bodies across London and nationally. Most London Borough's continue to depend on LGfL for access to the internet and the Health National Network.

Just over half of London now uses the Govroam Wi-Fi service which enables remote workers to access IT systems and platforms securely using local wireless networks.

This year LGL maintained a focus on ensuring the resilience of public services by scheduling a series of scheduled Disaster Recovery Tests to ensure that, in the event of a network failure, services would be automatically rerouted to their second connection. This programme remains an ongoing priority for LGfL.

Following a review of power consumption and future capacity needs, LGfL is implementing a change in its datacentre strategy to lower its carbon footprint, increase capacity and enable the delivery of a new generation of cloud enabled networks to support the needs of schools and public bodies.

This refresh of core technologies will also provide LGfL with the platforms to improve the range of options that it can provide to schools and Multi Academy Trusts at affordable prices.

BUSINESS MODEL TRANSFORMATION

LGfL was established as a commissioner of regional broadband to schools that was funded by government through the former Harnessing Technology Grant (HTG). Today, LGfL is a diversified and national Digital Services Provider.

The transformation from a government funded agency to a commercial, self-sustaining business has necessitated fundamental and far-reaching changes which have taken place over several years.

LGfL's ability to adapt its business model in a flexible and nimble way to meet the needs of schools and customers is a contributory factor in achieving high levels of customer retention and staying relevant in a highly competitive market.

FIT FOR THE FUTURE

Much of the internal transformation from Service Commissioner to Service Provider is being addressed through LGfL's Fit for the Future programme and the expansion of the LGfL technical and service delivery teams such as the Safeguarding and Cybersecurity Centres of Excellence that LGfL is developing.

A key investment for LGfL has been the implementation of a modern Customer Relationship Management (CRM) system which supports sales management, communication, service management and a range of other customer interactions. There have also been also improvements to the website with a focus on making it easier to navigate the site and making LGfL more visible in search enquiries. This year has witnessed a continuing focus on process automation, on line service delivery and systems integration.

Building on progress last year, LGfL has continued to review its processes and re-engineer them for the CRM system to provide greater support for Sales Order Processing and Sales Pipeline Management. The CRM system also has a range of integration tools enabling bi-directional updates of data between systems without the need to rekey information. This means that LGfL's customer data is much richer and this supports informed engagement with schools and MATs.

Modern financial systems provide support across LGfL to ensure that accurate data is available for forecasting, profit and loss, cash flow and balance sheet management. A number of improvements have been introduced in the Finance Team with respect to technology and processes this year resulting in improved efficiency and oversight. For example, billing between LGfL and its largest supplier, VMO2 has been simplified to avoid a large amount of technical accounting adjustments needing to be made each month. As planned, LGfL introduced new Asset and Contract Management modules within the finance system that have enabled automation of key tasks such as depreciation and deferred income management.

As part of its Fit for the Future programme, LGfL has collaborated extensively with partners to improve oversight and service management as well as addressing concerns with the quality of information held on partner systems. A major step forward has been made in the use of business intelligence, analytics and data visualisation platforms. These developments are supporting the effective stewardship and management of LGfL's customers and supply chain partners.

WORKFORCE TRANSFORMATION

LGfL recognises the need for a modern and motivated workforce that has the skills and capacity to meet the changing and growing demands of a national provider.

The pandemic has resulted in fundamental changes in workforce and accommodation needs with a general move to hybrid working. LGfL has embraced this change which has contributed to continuing high levels of employee retention.

The expansion in services has led to planned headcount increases in cybersecurity, safeguarding and technology support. This is set to continue as LGfL continues to invest in building a strong and sustainable services portfolio to meet the needs of schools and MATs.

With the continuing economic pressures on staff, there is likely to be a need for LGfL to consider what further measures may be appropriate to support staff's wellbeing in the next financial year.

As part of its workforce transformation has been a review of LGfL's Defined Benefit Scheme and it is expected that LGfL will close its current scheme to new members and move to a Defined Contribution Scheme, in line with most companies, in future.

SUPPLY CHAIN TRANSFORMATION

The pandemic underlined the need for all organisations to ensure that robust supply chains were in place to ensure reliable service delivery in an uncertain world. This is a continuing requirement given recent global disruptions resulting from the continuing war in Ukraine, high energy prices, exchange rate volatility and much higher rates of inflation.

One of LGfL's key strengths in recent years has been the broadening of its supply chain base to introduce world class companies such as Adobe which have opened up new possibilities to supply schools with exciting and impactful products such as Creative Cloud.

LGfL has nurtured the Digital Transformation Partnership (DTP). This is a network of Small to Medium Sized Enterprises (SMEs) who receive regular updates and newsletters from LGfL. This network also provides an invaluable support network for schools.

This DTP network has continued to be a success story with over 100 companies now part of that framework. LGfL will further invest and develop this channel over the course of the next financial year and will continue to build skills and knowledge into that community.

LGfL retains a relentless focus on ensuring its contracts and partnerships deliver value for money and meet the expectations of its customers. This requires effective oversight and management of partners and suppliers. Key governance changes have been introduced this year to drive improvements in reliability, operations, finance and innovation.

Contracts with our key strategic partners have been reviewed and updated this year. Key changes have included securing improved value for money, improved contract terms and conditions along with improvements in governance and stewardship which enable supplier performance to be closely managed. Stewardship of LGfL's supplier ecosystem has been further enhanced by the development of the business intelligence tools and capabilities referenced earlier as part of the Fit for the Future programme.

As in previous years, when contracts reach renewal or extension milestones, a significant focus is given to improving terms, addressing areas of poor performance and containing costs. Contract Reviews are therefore enabling LGfL to control costs and ensure positive alignment between suppliers and LGfL's Objects and priorities.

A diversified and transformed supply chain has also delivered greater resilience and choice for LGfL and its customers which has been a fundamental building block in delivering long term value to schools and also Local Authorities with new partnerships such as Community Fibre.

This year, LGfL awarded a contract to Community Fibre to deliver connectivity to schools in London alongside other Alternative Network Providers (ALTNETS) to provide schools with lower cost connectivity, particularly in areas where traditional providers have a limited presence. Satellite connectivity has proven invaluable and cost effective in hard-to-reach coastal towns and rural areas.

COMMITMENT TO OPEN STANDARDS AND INTEROPERABILITY

LGfL has fostered and accelerated the use of cloud platforms and internet-based service delivery. The success of these programmes means that LGfL is at the forefront of EdTech developments globally.

The future success of cloud services, and their widespread adoption in schools and the public sector, will depend on process and data orchestration services that enable efficient and effective delivery of education to any location in the world. A world where data flows securely and freely across a vast nexus of partners and contributors.

LGfL is committed to harnessing interoperability and is focused on accelerating it, alongside open standards in its supply chain and wider digital ecosystem including its immediate supply chain. This will enable ground-breaking innovation in future years that will transform education and deliver positive outcomes to schools.

The use of open-source code has been invaluable this year in building a new generation of network monitoring services that have enabled LGfL to reduce outages and identify performance concerns on its national network that previously were very difficult to find.

LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

RISK MANAGEMENT

The management and mitigation of risk is a key priority for LGfL and ever more pressing in a climate of uncertainty. LGfL has embedded risk management and mitigation in all aspects of its work and key areas of concern are reported to the Board along with mitigating actions.

The following sections provide an updated consideration of the major challenges and risks that LGfL faces currently. Financial risk is addressed in the finance section later in this report. The key risks that LGfL is currently managing are related to:-

- Responding effectively to pandemics
- Brexit and trade relations
- Market threats
- Managing growth sustainably
- Managing inflationary pressures
- Ensuring a positive organisational climate
- Keeping pace with technology and market change
- Mitigating cyberthreats
- Ensuring supply chain resilience
- Disaster Recovery (DR) planning and simulation

RESPONDING EFFECTIVELY TO PANDEMICS

The worldwide COVID pandemic severely disrupted the global economy. Massive public borrowing and spending continues to negatively impact the economic outlook with underlying inflationary pressures driving up costs for all suppliers and companies.

LGfL has taken steps to increase resilience against COVID-19's continuing and related supply dysfunction by diversifying its partners and broadening the range of products available to meet service needs and adopting a conscious strategic move away from supplier monopolies along with greater self sufficiency.

BREXIT AND TRADE RELATIONS

The continuing uncertainty with respect to the UK's trading arrangements with the rest of the world remains a concern with no obvious resolution in sight. For the reasons set out earlier in this report, LGfL's supply chain is strong with our major supply partners already well advanced in terms of contingency planning. Nevertheless, there are likely to be continuing swings in currency exchange rates that will adversely affect prices and drive-up costs to schools.

LGfL is mitigating this impact by purchasing at scale and ensuring that there is an effective procurement capacity at the heart of LGfL.

MARKET THREATS

LGfL needs to ensure that it evolves its network and technology solutions to ensure they remain competitive and offer value for money.

Low-cost alternative telecommunications supply such as fttp and contended Gigabyte Passive Optical Network (GPON) are a key competitive risk to LGfL.

This market threat is growing as a significant amount of government and private sector investment is going into building out alternative fibre networks. This includes the rise of Fibre to the Premise (fttp) and contended GPON services as a cost-effective means of accessing the internet for smaller schools compared to symmetrical leased lines.

The telecommunications market is also rapidly changing. BT and VMo2 remain the largest providers in the UK. However, there is also an emerging community of Alternative Network Providers (Alt Nets) that are growing from the ground up.

Alt Nets are benefitting from access to BT's ducts via Physical Infrastructure Access (PIA) agreements which enables providers to avoid significant capital investment in civil works, such as trenching, to route cables. Alt Nets are able to deliver very cost-effective connectivity to customers, particularly in areas where there are potential large numbers of residential customers.

Satellite connectivity is becoming a mainstream alternative connectivity option to schools with the emergence of platforms such as Starlink which offer reasonable connection speeds and are particularly impactful in rural areas where the costs of expanding backhaul fibre to remote locations is particularly expensive.

LGfL's risk mitigation is to focus on providing a wider and relevant digital service offering to schools delivering increased value beyond headline speed. LGfL's connectivity broader connectivity and digital services offer enables schools to save money and highly differentiates LGfL from its competition. This year, LGfL has built further market differentiation by building a stronger Internet Service Provision (ISP) to schools and MATs that most of its competitors will struggle to replicate

Continuing product innovation remains a key risk mitigation too. LGfL is therefore developing a broader portfolio of connectivity products beyond leased lines to encompass lower cost alternatives to leased lines including satellite and fibre to the premise as opposed to offering only one size fits all option.

LGfL also continues to explore alternative telecommunications partners to evaluate whether they can support LGfL where VMo2's network is not available or there are technical reasons why an alternative provider makes sense.

MANAGING INFLATIONARY PRESSURES

Inflation has been volatile and much higher than previous years. This has had negative impacts on the UK economy and all businesses generally driving up prices to consumers.

LGfL's focus on efficiency, increased product optimisation, contract management as well as generating value for money from its supplier base are important mitigations to inflationary pressures as well as the addition of new products and services to increase the value of what LGfL offers schools at no additional cost.

MANAGING GROWTH

LGfL is growing its customers and diversifying its products which is inevitably bringing organisational pressures including the urgent and continuing need to modernise LGfL as an organisation and remain both efficient and a high productivity organisation.

As set out earlier in the report, LGfL's Fit for the Future programme is critical to supporting and managing LGfL's growth by modernising processes, systems and workforce including the wider use of next generation digital platforms including CRM and overhauling the company website.

Growth in LGfL's coverage and widening of LGfL's direct services and products requires LGfL to recruit additional staff to meet identified needs in those areas including enabling functions such as finance, business development and sales alongside increased headcount in key areas such as safeguarding.

LGfL has also mitigated the challenges of growth by making use of contingent labour and subject matter experts , particularly for projects and new developments where demands are variable.

ENSURING A POSITIVE ORGANISATIONAL CLIMATE

The process and wider changes being introduced by LGfL to support growth include significant changes in working practices and contracts which have been refreshed and updated for all employees. The move to a modern HQ has benefitted LGfL, including closer ties with schools, Councils and partner organisations. LGfL continues to reap the benefit of a positive working culture with low levels of staff turnover.

LGfL has not required a fundamental reorganisation to grow and has worked in partnership with VMo2 and Wavenet to deliver more effectively and efficiently as well as tackle the root causes of problems and failure demand.

This year the focus has been the continuing empowerment of individuals and teams to develop their services and coaching the organisation to improve their performance. The adoption of a flat organisational structure means there is a maximum of 4 levels including the CEO.

Looking ahead, LGfL is keeping its organisational structure under review to ensure that it has sufficient capacity to meet demand and individual staff members have a sustainable portfolio of work. Over the last year, additional headcount has been added to teams at a sustainable rate and growth will continue in the next financial year and beyond.

KEEPING PACE WITH MARKET & TECHNOLOGY CHANGE

LGfL is in a technology market where innovation and change are constant. As such it is vital to ensure that products and services remain current and relevant in a highly competitive area.

There is a risk that disruptive and fast-moving changes in new technology and associated services could render services obsolescent or expensive. Work is already underway to ensure that LGfL can support these changes and deliver the interoperability and flexibility that schools now expect. In doing so, there will be ongoing challenges and a constant balancing act for LGfL and its delivery partners to manage between providing a secure network and the need for more flexibility.

Key priorities include improvements to products that support the increased use of cloud services and help schools mitigate the impacts on learning from the global pandemic. LGfL will also invest to modernise other key platforms this year that will enhance its safeguarding credentials to schools.

Further strategic investments in safeguarding, infrastructure, cybersecurity and networks are planned to enable LGfL to continue operating at the forefront of innovation and practice in the education market.

LGfL is carefully assessing the key platforms that will underpin the next generation of services to schools and this will require significant change management and investment.

MITIGATING CYBERTHREATS

LGfL recognises that there is continuing activity and efforts to disrupt schools and other bodies through targeted activities including spamming, distributed denial of service attacks (DDoS), ransomware attacks, malware and viruses.

LGfL continues to invest to improve its capacity to mitigate such threats through product improvements including the addition of new protections.

As previously stated, prudent and effective investments have been made in technologies such as firewalls and alerting systems to mitigate the risk of such breaches. In recognition of the increased threat to information and systems, LGfL also undertook independent testing of its network security; this cyclical assurance will continue.

A continuing positive development has been the enhanced DDoS protection enabled by the recent and significant upgrades to the firewalls that LGfL has deployed in the edge (i.e. the school sites) and the core network (i.e. LGfL's datacentres) locations of its network.

LGfL has also focused on security process improvements and has achieved Cyber Essentials Plus accreditation.

Security also extends to LGfL's supply chain and its important to ensure that problems result from poor practices within it. LGfL has made important changes to its contract including specific security compliance and reporting standards which are reported upon.

ENSURING SUPPLY CHAIN RESILIENCE

With a substantial proportion of current service provision administered through contracts with supply partners, there remains the risk that one of these could fail, particularly in the current climate.

In mitigation, LGfL undertakes regular review meetings with suppliers. Financial checks through Dunn & Bradstreet are conducted regularly and are part of the assessment process for major new contract awards.

To improve resilience in its supply chain, LGfL has expanded its commercial ecosystem. This has delivered a significant broadening of products and capabilities available to LGfL as well as reducing the exposure to one supplier. The expansion of LGfL's partnerships has proven invaluable in driving innovation into the services and subscriptions that LGfL offers. It also provides LGfL with alternative supply should partners fail to meet the standards that LGfL requires and competition for new business.

The creation of a Digital Transformation Partner Network has been a particular success with close to 100 Small and Medium Sized Enterprises (SMEs) working closely with LGfL on supporting schools in London and beyond.

Adept plc (now part of Wavenet) and VMo2 are critical partners for the delivery of services to schools. LGfL has developed robust improvement plans with clear actions to ensure continuous improvement.

Over the course of the next financial year, LGfL will be taking continuing steps to ensure that effective governance and best practices are applied to the key contracts for VMo2 and Adept given the critical role they have in shaping the perception and success of LGfL delivered services.

DISASTER RECOVERY PLANNING AND SIMULATION

There is significant and heightened risk of disruption to services caused by a range of underlying challenges including cyberthreats and global economic instability.

Fundamental changes in supply chains are also occurring as a result of increasing Merger and Acquisition activity in the UK Education Market which can have unintended consequences.

In light of this, LGfL has placed a significant focus this year on modelling future events and working through remediation strategies for these events. This has included, for example, a total failure of a datacentre or the loss of internet connectivity.

The results of these simulations has informed improvements and investments in the platforms and networks that LGfL relies on and this has resulted in a noticeable reduction in outages and disruptive events.

FINANCIAL REVIEW

The Trustees deem that LGfL is a Going Concern.

The results for the year and LGfL's financial position at the end of the year are shown in the attached financial statements.

LGfL's financial position compares favourably with its key competitors whose financial position is generally less positive and where there is a heavy reliance on borrowing and debt financing. Whilst there have been some negative movements in some indicators such as Net Current Assets (NCA) these are the result of planned strategic investments and activities which are judged as short term and manageable impacts.

INCOME

LGfL does not receive any of its income (£25.347M) from public fundraising so is not required to comply with any fundraising regulations.

The major part of LGfL's income continues to be derived directly from schools and MATs for the provision of broadband connectivity and related services including internet filtering, e-mail hosting, e-mail filtering, anti-virus protection, web hosting, secure remote access and online educational resources and devices. Income from broadband connectivity has risen in line with forecast and continues to grow at a sustainable rate. Income from BridgeTheDivide has fallen as forecast as LGfL wound down its involvement in hardware and device management with the end of the pandemic.

LGfL's strategy of providing value and financial savings to schools through bundling additional products and services into its core broadband service has been a key part of its success with increasing numbers of schools taking advantage of the freely available products to offset pressures in their budgets.

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As a result, LGfL continues to benefit from very high levels of customer retention for its broadband service. Growing confidence in LGfL is reflected by the fact that schools who had left LGfL are now returning which means that LGfL's share of the London market is increasing. Retention rates for customers are in excess of 99% with the majority of customers having been with LGfL for over 20 years.

Based on historical performance, LGfL is forecast to continue with net growth underpinned by continued expansion in the Home Counties and the Midlands based on a healthy pipeline of future sales leads and retention activity.

BALANCE SHEET

The most significant change in LGfL this year is the transformation of its balance sheet. Following the acquisition of fibre, LGfL has total tangible and intangible assets close to £36.148 M in this financial year compared to £8.642 M in the previous financial year.

Net Current Assets (NCA) is lower but this is due to higher investment, and associated short term liabilities, encompassing including Meraki licences, the purchase of the fixed fibre network and increased levels of deferred income up from £6.241M in the previous financial year to £6.889M in the current financial year due to growth.

LGfL operates a Defined Benefit Scheme that is part of the Local Government Pension Scheme. This is a scheme based on career average earnings (CAE)) and, in some cases, a combination of CAE and final salary. Pension contributions to the Balance Sheet remain volatile but positive. The pension fund is in surplus for the second year in a row and not a liability affecting net assets. The overall value of the scheme rose from £1.435M last year to £2.761M this year primarily due to increased yields from bonds.

LGfL has retained significant cash balances of £4.648M at year end to meet business need and has strong liquidity to meet its cash flow needs throughout the financial year without borrowing or use of overdraft facilities.

Net assets have reduced in this year principally because of the short-term liability impacts of the fibre asset purchase, However, net assets will increase for years to come as the financial liabilities associated with the acquisition fall much faster than the rate of depreciation Long term leasing liabilities for equipment and platforms have fallen in line with forecast and will end in financial year 2025.

CASH FLOW

In the current year, LGfL has continued to retain strong liquidity and cash balances reflecting historic performance.

LGfL's credit worthiness remains strong. Credit control remained strong with LGfL continuing to deliver historic low of levels of debtor (£3.634M) underlying strong performance from the Credit Control Team.

PROFIT AND LOSS

LGfL's investment in fibre means that profitability increases as LGfL has converted rental expenses to long term assets. As a result, LGfL is forecast to return to profitability in the next financial year.

MEDIUM TERM POSITION

LGfL's Medium Term forecasts indicate that LGfL will be in a stable and sustainable financial position for many years to come. As part of those forecasts, options for cutting costs and generating savings have been developed to enable LGfL to adapt to unforeseen circumstances.

The improvements in LGfL's medium-term financial planning are enabling the Board to understand and test the impact of making key investment decisions and consider the trade-offs and consequences of key decisions that lie ahead in delivering its strategy.

A review of the pension scheme has taken place and it is planned to close the current Defined Benefit Scheme and replace it with a Defined Contribution Scheme in FYE 26.

LGfL is also confident that the cost of future infrastructure upgrades, although substantial, will fall. Over the last three refresh cycles, the costs of replacements are generally falling and therefore the cyclical and scale of structural financial demands on LGfL are declining.

GOING CONCERN

Taking into account the Financial Statements set out in the accounts, LGfL has adequate resources to meet all liabilities as they fall due and will continue in operational existence for the foreseeable future and sufficient controls in place to ensure financial stewardship. Therefore, LGfL has prepared its accounts and financial statements on the basis that the charity is a Going Concern.

LGfL recognises the urgency and necessity of remaining focused on its financial bottom line and a number of key initiatives will continue to support LGfL remain a Going Concern. As such:-

(I) The purchase of the fibre network from VMo2 has transformed a rental expense into a long-term asset on the balance sheet which will boost profitability in future years as the liabilities diminish at a faster rate than the depreciation charges

(II) Contract negotiations concluded with LGfL's strategic partners are delivering improved service performance and value for money

(III) LGfL's leasing liabilities for assets, other than fibre connectivity, will continue to fall with no further or additional borrowing being forecast in the Medium Term

(IV) LGfL is harnessing multi-year forecasting for cash flow, balance sheet and profit and loss management and constantly reviewing them in the light of changes

(V) LGfL has embedded the use of core financial statements and forecasting into corporate governance including investment decisions

(VI) LGfL has a healthy sales pipeline and by harnessing data and LGfL's Customer Relationship Management system it has been able to continue generating net growth

(VII) LGfL will continue to achieve Best Value and reduced costs from suppliers through market testing, financial and targeted commercial interventions

(VIII) LGfL will continue to diversify the range of products that it provides to schools and therefore the sources of its income which has continued in the current financial year

(IX) LGfL will continue focusing on containing the rate of customer attrition through a range of targeted initiatives including flexible pricing, personalised product design and product enrichment

(X) LGfL will maintain effective investment and project management controls, including stopping initiatives that were not delivering benefit, sweating assets and improving long-term planning

(XI) LGfL will continue expanding and diversifying LGfL's customer base in schools and across the public sector

(XII) LGfL will continue improving financial controls within LGfL through review and improvement of processes and

(XIII) LGfL will continue, as part of its Investment Strategy, to have a diversified and portfolio management approach to balance the needs of Keeping the Lights On, responding to regulatory requirements and Investing in Growth and Retention.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

RESERVES

At the 31 March 2024, LGfL's net assets were £ 2.533 M.

As previously reported in LGfL plans for a periodic depletion of reserves and unrestricted funds to enable the modernisation and upgrade of the schools' network periodically alongside continuing investment in product and services improvements to ensure LGfL is competitive in the market it serves. The actuarial assessment and pension liability was an improvement on the previous years with the value of the fund rising from £1.456 M to £2.761 M.

Going forward, LGfL maintains unrestricted funds and reserves consistent with anticipated commitments in regard to maintaining continuity of service, cyclically refreshing its assets, and ensuring it can:-

(i) Fund its operations for at least 3 months

(ii) Survive major and unforeseen economic shocks and developments

(iii) Provide support to education in the event of a material change in government funding policy in respect to schools' broadband

(iv) Provide contingency for IT related initiatives

(v) Respond purposely to technology innovation and

(vi) Have capacity to respond to new regulations.

The operating model of LGfL means that it needs to continually reinvest a significant proportion of its surpluses into IT infrastructure to ensure the network is kept up to date and able to service the need of participating schools and other customers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The London Grid organisation consists of the following legal entities: -

Name	Status
London Grid for Learning Trust	Private, limited by guarantee, no share capital, section 30 of the Companies Act Companies House no. 4205579. Members are London's 33 Local Councils Charity Number 1090412
London Grid Limited	Private Limited Company Companies House no. 05122783. Wholly owned by London Grid for Learning Trust. This has now been merged with LGfL following approval to widen the Objects granted by the Charities Commission and London Councils.
Let's Get Digital	Private Limited Company Companies House no. 11158329 Wholly owned by London Grid for Learning Trust Currently dormant.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

APPOINTMENT OF TRUSTEES

All 33 London Local Authorities are members of the London Grid for Learning Trust Company and are responsible for appointing the Executive Board.

Trustees are nominated by the Council. Each Member that is a Council may nominate a person as a Director, who shall be appointed as a Nominated Director by a resolution of the Directors.

The Nominated Directors appoint one or more persons as Directors. Directors are chosen by reference to their relevant qualifications, skills, experience, knowledge, professional, commercial or community standing and, where possible, their contribution to making the board of Directors appropriately diverse.

No Directors are appointed unless their candidacy has been notified to the Members in sufficient detail and in sufficient time to enable any Member so minded commenting on the proposed appointment in writing to LGfL prior to the appointment being made.

The company has held Annual General Meetings annually since its inception, to appoint Directors and Auditors and receive and approve Directors' Report and Accounts.

TRUSTEE INDUCTION

LGfL recognises that poor corporate governance and decision making have been the main cause of failure in other charities, and that Trustees have not been effective in these incidences. According to research, much of this ineffectiveness is due to inadequate induction and support offered to Trustees.

LGfL recognises that a new Trustee will make a much more substantial contribution if their induction is handled effectively, and they have the information and skills needed to undertake their duties effectively.

LGfL recognises that it is vital that new Trustees have all the necessary information to make an effective contribution to LGfL's affairs including:

- Ensuring that new Trustees are fully conversant with the Articles and Activities of LGfL
- Provision of additional relevant material, including Board papers and the statement of accounts
- Providing Trustee financial training, which is provided by the Company Auditors and
- That Trustees are aware of their legal obligations under Charities Law, including areas such as Public Benefit and Responsibilities of Charity Trustees (CC3).

ORGANISATION

LGfL's Executive Board of five members meets around 5 times a year to advise, review and direct strategy and investment plans, and to provide oversight of LGfL's performance.

An Audit Committee meets to review the accounting and financial management practices of LGfL. The Audit Committee is responsible for reviewing the report from the External Auditors and for providing assurance to the Board.

LGfL is also accountable to its members through the active engagement of key stakeholders in the form of Local Authority Officers and school representatives who meet regularly with LGfL officers.

In order to facilitate effective operations, the Chief Executive has delegated authority for all matters including finance, employment, technology services and commercial activity. As such, the operation and development of the company is the responsibility of the Chief Executive, who is accountable to the Board, and the Members.

The Chief Executive manages 9 permanent staff. The combined staffing establishment is 41.16 full time equivalents and 43 posts. LGfL makes appropriate use of contingent labour to meet peaks and troughs in demand as well as provide access to key skills to meet operational and strategic need.

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In 2016/17, the Articles of LGL were refreshed to ensure they reflected best practice; contracting arrangements between LGfL and LGfL were captured in an intercompany agreement between LGfL and its trading subsidiary.

In 2019/20 permission was granted by LGfL's shareholders, following authorisation from the Charities Commission, to extend the Articles to cover new Objects relating to Well-being and Community Development. This change was ratified in 2020/21 following an extraordinary vote by its shareholders.

In 2022/23 a further change of Objects was approved following advice from the Charities Commission.

REMUNERATION

The Board of Trustees is responsible for CEO remuneration and the employee salary-management and benefits framework. CEO remuneration is reviewed and set by the Human Resources subcommittee annually.

The remuneration of staff is the responsibility of the CEO. All staff are appointed under local-government terms and conditions. Pay grades for Trustee Officers are comparable with public-sector employees undertaking similar roles.

Performance is reviewed annually with the outcomes shaping whether there are any performance related payments, increments or no rise at all. Remuneration will continue to be scrutinised to ensure value for money and alignment with the market generally.

RELATED PARTIES

LGfL has a trading subsidiary, London Grid Limited. LGfL Trust is the sole shareholder in London Grid Limited (LGL). LGL was set up to provide access to Trustnet services for the wider public sector, particularly Councils.

From the beginning of 2020/2021 and following the change in Articles of LGFLT the activities of LGL have been absorbed within LGFLT itself and the company LGL is currently dormant.

LGfL has a dormant company called Let's Get Digital.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of the Charity: London Grid for Learning Trust

Charity Registration Number: **1090412**

London Grid for Learning, 9th Floor, 10 Exchange Square, Primrose Street, London, EC2A 2BR.

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. Trustees and officers serving during the year and since the year end were as follows:

Paul Robinson – Chairman
Gary Hipple – Elected Representative
Fabio Negro – Elected Representative
Helen Warner – Elected Representative
Sean Green – Elected Representative

Company Secretary: John Jackson

LONDON GRID FOR LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Key Management Personnel

John Jackson – Chief Executive Officer
David Young – Filtering and Cloud Services Lead
Mark Bentley – Safeguarding and Security Lead
Michael Eva – Programme Manager
Bob Usher – Content Manager
Kirsty Egan – Head of Transactional Finance
John Bagley – London Grid Limited Manager
Paul Smith – Service Delivery Manager
James Ing - Strategic Project Lead

Other Relevant Organisations

Company	Address and Contact Details
Menzies – LGfL's Accounts and Audit Advisors	Menzies LLP, Second Floor, Magna House,18-32 London Road, Staines upon Thames, Surrey, TW18 4BP
Agillex – LGfL's Legal Adviser and Data Protection Officer	Agillex Ltd, One New Street, Wells, Somerset BA5 2LA.
Lloyds Commercial Banking – LGfL and LGL's bankers	Lloyds Bank PLC, 83 Clarence Street, Kingston upon Thames, Surrey KT1 1RE
Ashfords – Specialist legal advice	Ashfords LLP, 1 New Fetter Lane, London EC4A 1AN
Hytec – Security and professional advice	Hytec Information Security, Cairns House, 10 Station Road, Teddington, TW11 9AA

EXEMPTIONS FROM DISCLOSURE

None

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of London Grid for Learning Trust for the purposes of charity law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 charity and the income and expenditure of the company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement Of Recommended Practice (SORP)
- Make judgements and 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

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They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms:

- That in so far as they are aware there is no relevant audit information of which the company's auditor is unaware
- Each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Menzies LLP are deemed to be re-appointed under section 487 [2] of the Companies Act 2006.

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Strategic Report the Company's Strategic Report Information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

The Trustees' Report (incorporating the Strategic Report) was approved by the Board of Trustees (which is also the Board of Directors) and signed on its behalf by:

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

Signed by:
Paul Robinson
70BF24F27C604AF...

Mr P Robinson
Company Chairman
Date: 20-Dec-2024

DocuSigned by:
John Jackson
D6C19478759C499...

Mr J Jackson
Company Secretary

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Opinion

We have audited the financial statements of London Grid for Learning Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011, Companies Act 2006, Employment Rights Act 1996, Keeping Children Safe in Education, Tax Legislation and the Data Protection Act 2018. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

- We understood how the Company is complying with those legal and regulatory frameworks by making inquiries tomanagement, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.

- The engagement partner assessed whether the engagement team collectively had the appropriate competence andcapabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify anyissues in this area.

- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:- posting of fraudulent journals, the authorisation, processing, and payment of fraudulent expenses, fictitious employees and manipulation of revenue recognition.

- Audit procedures performed by the engagement team included
  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Challenging assumptions and judgments made by management in its significant accounting estimates;
  - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
  - Reviewing expenditure payments; and
  - Reviewing the timing of income recognition.

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Use of our report

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

DocuSigned by:
Janice Matthews
634F24DE92A4471...

Janice Matthews FCA (Senior statutory auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP

Date: 23-Dec-2024

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LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	*Total funds 2023 £000*
Income from:					
Donations and legacies	4	-	205	205	-
Charitable activities	5	25,347	-	25,347	*25,680*
Investments		67	-	67	-
Total income		25,414	205	25,619	*25,680*
Expenditure on:					
Charitable activities	6	26,622	-	26,622	*27,785*
Total expenditure		26,622	-	26,622	*27,785*
Net movement in funds before other recognised gains/(losses)		(1,208)	205	(1,003)	*(2,105)*
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes	22	4	-	4	*2,639*
Net movement in funds		(1,204)	205	(999)	*534*
Reconciliation of funds:					
Total funds brought forward		3,532	-	3,532	*2,998*
Net movement in funds		(1,204)	205	(999)	*534*
Total funds carried forward		2,328	205	2,533	*3,532*

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

The notes on pages 36 to 54 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 04205579

BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £000		2023 £000
Fixed assets					
Intangible assets	11		**1,385**		*1,099*
Tangible assets	12		**34,763**		*7,543*
			36,148		*8,642*
Current assets					
Debtors	14	**3,634**		*3,770*	
Cash at bank and in hand		**4,648**		*4,486*	
		8,282		*8,256*	
Creditors: amounts falling due within one year	15	**(16,997)**		*(12,763)*	
Net current liabilities			**(8,715)**		*(4,507)*
Total assets less current liabilities			**27,433**		*4,135*
Creditors: amounts falling due after more than one year	16		**(24,900)**		*(603)*
Net assets excluding pension asset			**2,533**		*3,532*
Total net assets			**2,533**		*3,532*
Charity funds					
Restricted funds	17		**205**		-
Unrestricted funds	17		**2,328**		*3,532*
Total funds			**2,533**		*3,532*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
Paul Robinson
70BF24F27C604AF...

Mr P Robinson
Trustee

Signed by:
B6235206B4794E7...

Mr G Hipple
Trustee

Date: 20-Dec-2024

The notes on pages 36 to 54 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £000	*2023 £000*
Cash flows from operating activities			
Net cash provided by operating activities	19	**3,925**	*2,777*
Cash flows from investing activities			
Purchase of intangible assets	11	**(1,035)**	*(820)*
Purchase of tangible fixed assets	12	**(1,544)**	*(1,701)*
Net cash used in investing activities		**(2,579)**	**(2,521)**
Cash flows from financing activities			
Repayments of finance leases	15,16	**(1,184)**	*(1,518)*
Net cash used in financing activities		**(1,184)**	**(1,518)**
Change in cash and cash equivalents in the year		**162**	**(1,262)**
Cash and cash equivalents at the beginning of the year		**4,486**	*5,748*
Cash and cash equivalents at the end of the year	20	**4,648**	*4,486*

The notes on pages 36 to 54 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. General information

London Grid for Learning Trust (04205579) is a private charitable company limited by guarantee, incorporated in England and Wales. The address of the registered office is disclosed on page 1 and its principal activities described in the Strategic and Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

London Grid for Learning Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Directors are content with the position of the company, particularly given the difficult economic climate. The major periodic refresh of the systems and infrastructure is complete and there is a stable and expanding customer base for the core broadband service with Schools and local authorities. New revenue streams have been added which have further bolstered the company's financial position. The Directors anticipate the company to trade sustainably for the foreseeable future. There are also sufficient cash reserves. A medium term financial forecast has been introduced to support investment and financial decision making. The Directors accordingly consider that the company is a Going Concern for at least twelve months from the date of approval of these financial statements and the accounts are accordingly prepared on the Going Concern basis.

2.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income received from Local Authorities and schools for subscriptions and contributions to core activities is recognised in the period to which it relates. Income invoiced in respect of future periods is deferred to that period.

Income from the sale of goods is recognised when the goods are delivered to customers.

Other project income is recognised as receivable. Commissions receivable are recognised as invoiced.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2. Accounting policies (continued)

2.5 Expenditure

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Termination expenditure is recognised a liability and an expense only when the entity is demonstrably committed either: (a) to terminate the employment of an employee or group of employees before the normal retirement date; or (b) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

2.6 Intangible assets and amortisation

Intangible assets costing £NIL 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. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Content and software	-	Over 3 to 5 years straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Fixtures and fittings	- 33.3% straight line
Office equipment	- 33.3% straight line
Computer equipment	- Over 3 to 14 years straight line

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2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Liabilities and provisions

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 company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the 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 in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 June 2022..

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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2. Accounting policies (continued)

2.13 Fund accounting (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. 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 company 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.

In the opinion of the Trustees the main estimate and assumption that may have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are in relation to the useful life of fixed assets, which are written off in accordance with the amortisation and depreciation policies set out in note 2.6 and 2.7.

The valuation of the pension scheme assets and liabilities is carried out by the scheme actuary based on various assumptions and estimates. Details are given in Note 23.

4. Income from donations and legacies

	Restricted funds 2024 £000	Total funds 2024 £000	*Total funds 2023 £000*
Grants	205	**205**	-

LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Income from charitable activities

	Unrestricted funds 2024 £000	Total funds 2024 £000	*Total funds 2023 £000*
Main LGfL Income	21,408	**21,408**	*20,739*
LGfL Managed Services Income	613	**613**	*565*
LGL Income	3,297	**3,297**	*3,656*
Bridge the Divide	29	**29**	*720*
	25,347	**25,347**	*25,680*
Total 2023	*25,680*	*25,680*	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £000	Total 2024 £000	*Total 2023 £000*
Main LGfL Income	23,303	**23,303**	*22,895*
LGfL Managed Services Income	265	**265**	*434*
LGL Income	3,040	**3,040**	*3,555*
Bridge the Divide	14	**14**	*901*
	26,622	**26,622**	*27,785*
Total 2023	*27,785*	*27,785*	

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7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000	*Total funds 2023 £000*
Main LGfL Income	19,782	3,521	**23,303**	*22,895*
LGfL Managed Services Income	182	83	**265**	*434*
LGL Income	2,560	480	**3,040**	*3,555*
Bridge The Divide	1	13	**14**	*901*
	22,525	4,097	**26,622**	*27,785*
Total 2023	*23,700*	*4,085*	*27,785*	

Analysis of support costs

	Main LGfL Income 2024 £000	LGfL Managed Services Income 2024 £000	LGL Income 2024 £000	Bridge the Divide 2024 £000	Total funds 2024 £000	*Total funds 2023 £000*
Net pension scheme finance costs/(income)	-	-	-	-	-	*63*
Staff costs	1,590	41	242	7	**1,880**	*2,282*
Promotions	173	5	26	1	**205**	*253*
Rent, Electricity and Rates	416	11	63	2	**492**	*478*
Other professional fees	310	8	47	1	**366**	*371*
Repairs and maintenance	36	1	5	-	**42**	*28*
Other office costs	251	7	38	1	**297**	*411*
Insurance	41	1	6	-	**48**	*63*
Other	625	7	41	1	**674**	*80*
Governance costs	79	2	12	-	**93**	*56*
	3,521	83	480	13	**4,097**	*4,085*
Total 2023	*3,260*	*150*	*564*	*111*	*4,085*	

LONDON GRID FOR LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

During the year ended 31 March 2024, the company incurred the following Governance costs:

£79k (2023: £45k) included within the table above in respect of Main LGfL Income, £12k (2023: £8k) in respect of LGL Income, £Nil (2023: £2k) in respect of Bridge The Divide Income and £2k (2023: £1k) in respect of LGfL Managed Services Income.

8. Auditors' remuneration

	2024	*2023*
	£000	*£000*
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	**38**	*32*
Fees payable to the company's auditor and its associates in respect of:		
All non-audit services not included above	**11**	*12*

9. Staff costs

	2024	*2023*
	£000	*£000*
Wages and salaries	**2,739**	*2,524*
Social security costs	**301**	*290*
Operating costs of defined benefit pension schemes	**476**	*870*
	3,516	*3,684*

Staff costs of £724k attributable to development work on the company's IT infrastructure have been capitalised and are included within fixed asset additions.

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

	2024	*2023*
	No.	*No.*
Administrative staff	**43**	*42*

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

	2024 No.	*2023 No.*
In the band £60,001 - £70,000	**9**	*8*
In the band £70,001 - £80,000	**10**	*6*
In the band £80,001 - £90,000	**-**	*1*
In the band £90,001 - £100,000	**1**	*1*
In the band £140,001 - £150,000	**-**	*-*
In the bank £160,001 - £170,000	**1**	*1*

Remuneration and benefits received by key management personnel was £1,008k (2023: £966k).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 March 2024, no Trustee expenses have been incurred *(2023 - £NIL)*.

11. Intangible assets

	Content & Software £000
Cost	
At 1 April 2023	**5,580**
Additions	**1,035**
Disposals	**(3,195)**
At 31 March 2024	**3,421**
Amortisation	
At 1 April 2023	**4,481**
Charge for the year	**750**
On disposals	**(3,195)**
At 31 March 2024	**2,036**
Net book value	
At 31 March 2024	**1,385**
At 31 March 2023	*1,099*

The net book value of assets held under finance leases are £13k (2023: £65k).

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12. Tangible fixed assets

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 April 2023	**63**	**84**	**33,767**	**33,914**
Additions	**-**	**30**	**30,478**	**30,508**
Disposals	**(51)**	**(25)**	**(16,126)**	**(16,202)**
At 31 March 2024	**12**	**89**	**48,119**	**48,220**
Depreciation				
At 1 April 2023	**59**	**45**	**26,267**	**26,371**
Charge for the year	**2**	**15**	**3,262**	**3,279**
On disposals	**(55)**	**(40)**	**(16,098)**	**(16,193)**
At 31 March 2024	**6**	**20**	**13,431**	**13,457**
Net book value				
At 31 March 2024	**6**	**69**	**34,688**	**34,763**
At 31 March 2023	*4*	*39*	*7,500*	*7,543*

The net book value of assets held under finance leases are £28,518k (2023: £2,050k).

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13. Fixed asset investments

Principal subsidiaries

The charity owns 100% of the ordinary share capital of the following companies.

Names	Company number	Registered office or principal place of business	Principal activity	Holding
London Grid Limited	05122783	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	Dormant.	100%
Let's Get Digital Limited	11158329	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	The company has not yet begun trading.	100%

The financial results of the subsidiaries for the year were:

Names

All the fixed asset investments are held in the United Kingdom.

LONDON GRID FOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Debtors

	2024 £000	2023 £000
Due after more than one year		
Prepayments and accrued income	**1,199**	*1,376*
	1,199	*1,376*
Due within one year		
Trade debtors	**433**	*350*
Other debtors	**628**	*-*
Prepayments and accrued income	**1,200**	*1,433*
Other debtors	**174**	*611*
	3,634	*3,770*

15. Creditors: Amounts falling due within one year

	2024 £000	2023 £000
Trade creditors	**3,219**	*3,886*
Other taxation and social security	**75**	*71*
Obligations under finance lease and hire purchase contracts	**4,470**	*1,267*
Other creditors	**212**	*39*
Accruals and deferred income	**9,021**	*7,500*
	16,997	*12,763*

	2024 £000	2023 £000
Deferred income at 1 April 2023	**6,421**	*5,929*
Resources deferred during the year	**7,517**	*6,421*
Amounts released from previous periods	**(6,421)**	*(5,929)*
	7,517	*6,421*

Deferred income represents amounts invoiced in respect of broadband charges and other services which relate to future periods.

16. Creditors: Amounts falling due after more than one year

	2024 £000	2023 £000
Net obligations under finance lease and hire purchase contracts	**24,586**	*10*
Accruals and deferred income	**314**	*593*

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Creditors: Amounts falling due after more than one year (continued)

	2024 £000	*2023 £000*
	24,900	*603*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2024 £000	*2023 £000*
Payable or repayable by instalments	**5,274**	-
	5,274	-

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2024 £000
Unrestricted funds						
Designated funds						
Pan London Admissions	**180**	**565**	**(102)**	**(278)**	**-**	**365**
General funds						
General Funds	**3,352**	**24,849**	**(26,520)**	**278**	**4**	**1,963**
Total Unrestricted funds	**3,532**	**25,414**	**(26,622)**	**-**	**4**	**2,328**
Restricted funds						
Mailforce Grant	**-**	**205**	**-**	**-**	**-**	**205**

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17. Statement of funds (continued)

Designated Funds
The trustees have set aside surpluses generated from the Pan London Admissions activity for the enhancement of this service.

Restricted Funds
The purpose of the Mailforce Grant is to provide digital solutions for tackling inequality including the provision of devices to disadvantaged children.

Total of funds	**3,532**	**25,619**	**(26,622)**	**-**	**4**	**2,533**

LONDON GRID FOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £000	*Income £000*	*Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*Balance at 31 March 2023 £000*
Unrestricted funds						
Designated funds						
Pan London Admissions	*334*	*565*	*(300)*	*(419)*	*-*	*180*
General funds						
General Funds	*4,696*	*25,115*	*(26,893)*	*434*	*-*	*3,352*
Pension reserve	*(2,032)*	*-*	*(592)*	*(15)*	*2,639*	*-*
	2,664	*25,115*	*(27,485)*	*419*	*2,639*	*3,352*
Total Unrestricted funds	*2,998*	*25,680*	*(27,785)*	*-*	*2,639*	*3,532*

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £000	**Restricted funds 2024 £000**	**Total funds 2024 £000**
Tangible fixed assets	34,763	-	**34,763**
Intangible fixed assets	1,385	-	**1,385**
Debtors due after more than one year	1,199	-	**1,199**
Current assets	6,878	205	**7,083**
Creditors due within one year	(16,997)	-	**(16,997)**
Creditors due in more than one year	(24,900)	-	**(24,900)**
Total	2,328	205	**2,533**

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £000	*Total funds 2023 £000*
Tangible fixed assets	*7,543*	*7,543*
Intangible fixed assets	*1,099*	*1,099*
Debtors due after more than one year	*1,376*	*1,376*
Current assets	*6,880*	*6,880*
Creditors due within one year	*(12,763)*	*(12,763)*
Creditors due in more than one year	*(603)*	*(603)*
Total	*3,532*	*3,532*

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £000	*2023 £000*
Net expenditure for the period (as per Statement of Financial Activities)	**(1,003)**	*(2,105)*
Adjustments for:		
Depreciation charges	**3,279**	*3,210*
Amortisation charges	**750**	*843*
Loss on the sale of fixed assets	**9**	*-*
Decrease in stocks	**-**	*321*
Decrease/(increase) in debtors	**136**	*(598)*
Increase in creditors	**750**	*514*
Current pension service costs	**473**	*870*
Defined benefit pension scheme contributions paid	**(402)**	*(341)*
Net pension scheme interest/finance cost	**(67)**	*63*
Net cash provided by operating activities	**3,925**	*2,777*

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20. Analysis of cash and cash equivalents

	2024 £000	*2023 £000*
Cash in hand	**4,648**	*4,486*
Total cash and cash equivalents	**4,648**	*4,486*

21. Analysis of changes in net debt

	At 1 April 2023 £000	Cash flows £000	New finance leases £000	At 31 March 2024 £000
Cash at bank and in hand	**4,486**	**162**	**-**	**4,648**
Finance leases	**(1,277)**	**1,184**	**(28,964)**	**(29,057)**
	3,209	**1,346**	**(28,964)**	**(24,409)**

22. Pension commitments

The company operates a defined benefit pension scheme.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2024 %	*At 31 March 2023 %*
Discount rate	**4.85**	*4.75*
Future salary increases	**3.25**	*3.45*
Future pension increases	**2.75**	*2.95*

LONDON GRID FOR LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

22. Pension commitments (continued)

The trust is an admitted body to the Royal Borough of Kingston upon Thames Pension Fund, a multi-employer pension fund in which there are many participating employers. The disclosures relate to the funded liabilities within the Royal Borough of Kingston upon Thames Pension Fund (the 'fund') which is part of the local government pension scheme. London Grid for Learning Trust ('LGFL') participates in the fund which provides defined benefits, based on members' final pensionable salary.

In accordance with Financial Reporting Standard 102 disclosure of certain information concerning assets, liabilities income and expenditure relating to pension schemes is required.

The Employer's regular contributions to the Fund for the accounting period to 31 March 2024 are estimated to be £359,000. In addition, Strain on Fund Contributions may be required.

The latest actuarial valuation of LGFL's liabilities took place as at 30 June 2022. The principal assumptions used by the independent qualified actuaries in updating the latest valuation of the fund for FRS102 purposes are detailed below.

LGFL employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 30 June 2022.

	At 31 March 2024 Years	*At 31 March 2023 Years*
Mortality rates (in years)		
- for a male aged 65 now	**23.1**	*23.2*
- at 65 for a male aged 45 now	**23.0**	*23.2*
- for a female aged 65 now	**24.5**	*24.6*
- at 65 for a female aged 45 now	**25.7**	*25.9*

The company's share of the asets in the scheme was;-

	At 31 March 2024 £000	*At 31 March 2023 £000*
Equities	**6,235**	*6,181*
Corporate bonds	**4,364**	*3,197*
Property	**1,247**	*959*
Cash and other liquid assets	**623**	*320*
Total fair value of assets	**12,469**	*10,657*

The actual return on scheme assets was £516k *(2023 - £299k)*.

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22. Pension commitments (continued)

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

	2024 £000	2023 £000
Current service cost	476	693
Interest income	(516)	(299)
Interest cost	449	362
Total amount recognised in the Statement of financial activities	409	756

Movements in the present value of the defined benefit obligation were as follows:

	2024 £000	2023 £000
Opening defined benefit obligation	9,222	12,745
Current service cost	473	870
Interest cost	449	362
Contribution by scheme participants	192	175
Actuarial gains	(745)	(5,682)
Benefits paid	(191)	(156)
Experience adjustment	308	908
Closing defined benefit obligation	9,708	9,222

Movements in the fair value of the company's share of scheme assets were as follows:

	2024 £000	2023 £000
Opening fair value of scheme assets	10,657	10,698
Expected return on assets	516	299
Actuarial gains/(losses)	893	(559)
Contributions by employer	402	341
Contributions by scheme participants	192	175
Benefits paid	(191)	(156)
Experience adjustment	-	(141)
Closing fair value of scheme assets	12,469	10,657

As at the 31 March 2024, the closing position of the defined benefit obligation was a surplus of £2,761k (2023: £1,435k). In line with FRS 102 treatment the surplus has not been recognised. Therefore the derecognised value of £2,761k is included within gains/losses above.

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23. Operating lease commitments

At 31 March 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £000	2023 £000
Not later than 1 year	392	392
Later than 1 year and not later than 5 years	35	427
	427	819

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2024 £000	2023 £000
Operating lease rentals	392	392

24. Finance lease commitments

At 31 March 2024 the company had commitments to make future minimum lease payments under non-cancellable finance leases as follows:

	2024 £000	2023 £000
Not later than 1 year	4,470	1,267
Later than 1 year and not later than 5 years	19,312	10
Later than 5 years	5,274	-
	29,056	1,277

25. Related party transactions

Due to the nature of the Trust's operations procuring services on behalf of the Local Authorities and the composition of the Board of Directors drawn from the Local Authorities it is inevitable that transactions take place with organisations in which the directors have an interest. No specific transactions have been identified where a director has an involvement and which should be disclosed as a related party transaction.

Permission has been obtained from the Charity Commission in order to pay for the professional services of the Chairman (P Robinson). During the year £8,165 including expenses were paid for these services (2023: £8,162). No emoluments or expenses were paid to any other director during the current or preceding year.

The Trust has indemnity insurance and insurance to indemnify the directors and employees of the Trust costing £11k (2023 - £11k) for the period.

LONDON GRID FOR LEARNING TRUST

England & Wales - Charity number 1090412

Accounts

DocuSign Envelope ID: DDE9404C-2C62-4FB4-B338-1A11D91CCE40

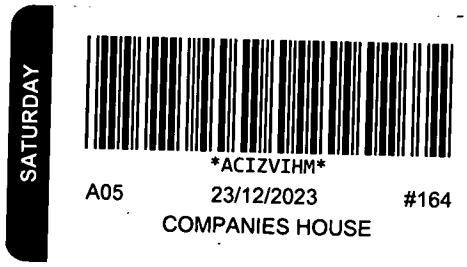
Company registration number: 04205579
Charity number: 1090412

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

LONDON GRID FOR LEARNING TRUST



MENZIES
BRIGHTER THINKING

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LONDON GRID FOR LEARNING TRUST

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LONDON GRID FOR LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Mr P Robinson Mr G Hipple Ms J McSherry Mr N Mitchell Ms H Warner Mr S Green
Company registered number	04205579
Charity registered number	1090412
Registered office	9th Floor 10 Exchange Square Primrose Street London EC2A 2BR
Company secretary	Mr J Jackson
Chief executive officer	Mr J Jackson
Independent auditors	Menzies LLP Chartered Accountants Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP
Bankers	Lloyds Bank Plc 83 Clarence Street Kingston upon Thames Surrey KT1 1RE
Solicitors	Ashfords LLP 1 New Fetter Lane London EC4A 1AN

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LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

CHAIRMAN'S STATEMENT 2022 - 2023

Looking back over the year one is struck by the enormity of the change all of us have witnessed. The nation's longest serving monarch, Queen Elizabeth II passed away and was succeeded by her son, King Charles III. There were no less than 3 Prime Ministers one of whom became the country's shortest serving. Predictions about climate change appeared to be vindicated by the increasingly extreme weather experienced across the globe and the opportunities and threats posed by AI were articulated more loudly. Tensions and conflicts in every corner of the world erupted.

In comparison, the Trust though busy has seemed an epitome of calm and continuity. The CEO's Statement articulates some of the successes and highlights of 2022-23 but the general picture is one of consolidation and sustainable growth.

With schools still recovering from the shock of Covid the Trust has focussed on strengthening its offer to the education sector, working on delivery and planning with our partners to build greater resilience into the system. The impact of inflation following on from disruption in technology supply chains has also needed to be navigated. As a charity the shielding of schools and children from the worst affects of these perils was a key mission for the Trust. Resisting increasing broadband prices unlike much of the rest of the sector is a notable achievement.

The turbulence that appears to have engulfed the world may turn out to be a mirage when seen through a historical lens. I am confident however, that the groundwork undertaken by LGfL during the last 12 months will prove to be real providing a lasting foundation on which we build an even stronger and more resilient set of services for schools and councils.

Paul Robinson
Chairman, London Grid for Learning Trust

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CEO STATEMENT 2022 - 2023

It was an award-winning year like no other. LGfL won the ERA Outstanding Achievement Award in Education, along with four other awards, for the leadership shown during COVID19. LGfL won two prestigious BETT Awards including the award for the Wellbeing, Digital Wellness & Safeguarding Resource for Going Too Far and the IT Support Organisation of the year.

LGfL continued to expand and cement its credentials as a national provider of digital and connectivity services to schools. LGfL now has more schools harnessing its network than at any time in its history including an estimated 1.8 million children and teachers. LGfL's uncontended and secure fibre network continues to evolve at pace to reflect the move to cloud computing. LGfL's average network speeds rose once again with 778 schools receiving a free bandwidth boost as part of an initiative called the Broadband Bonanza.

Collaboration and partnership working continued at pace. LGfL successfully partnered with the National Cyber Security Centre to audit schools IT security which highlighted the security challenges facing schools. Close to 900 schools participated in the survey which makes it the largest of its kind, ever undertaken in schools.

LGfL launched free national safeguarding and curriculum resources including SafeSkills which aims to improve cyber self-awareness among children as well as a pack of resources that enable schools to comply with the safeguarding demands of an Ofsted inspection.

Given the financial pressures facing schools, I am proud that LGfL has not increased its broadband prices since 2016 and we are committed to no prices hikes in the coming financial year which is helping to shield schools from the broader economic shocks that are impacting the UK Economy. A core priority for LGfL remains saving schools more money through cashable savings, cost avoidance or bringing in additional funds that exceed the cost of the broadband connections delivered to schools. As in previous years, LGfL has delivered on this commitment. The total funding identified by LGfL's free school meals eligibility checker since 2014 is now over £185 M with nearly £50 M identified this year. LGfL enhanced cybersecurity, safeguarding and classroom practice by delivering an estimated 1.2 million free licences to schools saving schools more than £6M per annum.

It's been a wonderful and award-winning year for LGfL and the education community we are proud to serve. I'd like to thank the Trustees, schools, MATs, Digital Transformation Partners and the LGfL Team for their tremendous support and efforts over the last year. Together, we are delivering the platform to support digital adoption in education.

John Jackson
CEO, London Grid for Learning Trust

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

LGfL'S OBJECTIVES

LGfL was founded in 2001 to advance education, in particular by providing and assisting in the provision of information and communications technology to London schools for the benefit of the children attending those schools.

In 2019/20, our shareholders approved a widening of LGfL's Objects, following approval by the Charities Commission: -

- to advance health by assisting in the provision of broadband and other communications technology to allow integrated services between local authorities and health authorities in the provision of social and other care; and

- to advance community development by assisting local authorities to integrate services through broadband and other communications technology to provide services more efficiently and at lower cost to the recipients of services particularly the elderly, vulnerable individuals and the disabled.

LGfL's revised Objects enable it to provide services to a wide range of beneficiaries including schools, Multi Academy Trusts, Councils, Health Services, the Police, Housing and Community Services.

PRIORITIES

LGfL delivers its Objects by focusing on: -

- Saving schools money
- Energising teaching and learning
- Keeping children safe
- Tackling inequality and
- Promoting wellbeing.

ACTIVITIES

In furtherance of our Objects, LGfL: -

- Provides high speed and secure connectivity encompassing mobile and fixed telecommunications links;

- Delivers a range of educationally focused digital services spanning cybersecurity, safeguarding, teaching and curriculum services as well as cloud services;

- Commissions services from partners;

- Cooperates and supports schools, academies and colleges of further education, other charities, voluntary bodies and statutory authorities; operating in furtherance of the Objects or similar charitable purposes and assisting them to exchange information and advice;

- Procures and enters into contracts to provide services to, or on behalf of other bodies, establishes or acquires subsidiary undertakings, and establishes or takes part in joint procurements, ventures and undertakings;

- Sets aside funds for special purposes with a view to meeting long-term commitments or requirements;

- Shares safeguarding and cybersecurity best practices in terms of online safety as well as working with stakeholders to train and equip school staff with the technologies and human expertise that best keep children safe and schools secure; and

- Provides high-quality Continuous Professional Development (CPD) for school staff that fosters the innovative use of cutting-edge technologies in the classroom and complements teaching & learning best practice.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC REPORT

This year, LGfL won or was shortlisted for a number of industry awards in recognition of LGfL's response to COVID and the progress made to improve services to schools and Education more generally. Those awards include:

- Outstanding Achievement Award in Education (ERA Award Winner)
- Supplier of the Year (ERA Award Winner)
- Free Educational Resources LGfL with Child Bereavement UK (ERA Award Winner)
- Primary Resource or Equipment – ICT in partnership with Ohbot Ltd (ERA Awards – Highly Commended)
- Technical or IT Support Service of the Year (BETT Award Winner)
- Wellbeing, Digital Wellness & Safeguarding Resources with the Department for Education (BETT Award Winner)
- Company of the Year (BETT Award – Shortlisted)
- IT Support and Service Provider of the Year (BETT – Shortlisted)
- Safety and Security Company of the Year (Education Today – Winner)

LGfL has continued to increase its reach across England taking on new schools and Multi Academy Trusts in the Home Counties, the Midlands and the Northwest thereby cementing its position as a national provider of services to schools. The Co-op Multi Academy Trust was a key acquisition in the previous financial year and that partnership has grown substantially. As well as growing, LGfL continues to enjoy very high levels of retention with very few customers leaving. Continued growth means that LGfL is one of the largest providers of connectivity to schools in the UK.

The impact of LGfL within schools and Multi Academy Trusts continues to grow with increasing levels of consumption of LGfL's bundled products.

LGfL's network and associated services support millions of children, teachers and public sector workers everyday putting the company at the heart of efforts to advance education both in the UK and beyond.

Successful partnerships and collaborations remain a cornerstone of LGfL's DNA with over 100 companies now enrolled as Digital Transformation Partners to support schools with their technology needs and ensure that wherever possible the best use is made of LGfL resources and connectivity.

Partnerships with Child Bereavement UK and collaboration with LEO Academy Trust have been recognised in the market as award winning best practice. A substantial number of case studies have been developed that are publicly available on our website and social media channels.

At the heart of LGfL's technology provision is a world class network. Built almost exclusively on symmetrical, uncontended fibre, LGfL delivers almost infinite capacity so that exciting and engaging learning opportunities are available for children – both now and into the future. LGfL's scale means that it secures very competitive pricing from its supply chain enabling LGfL to deliver value for money and considerable cost savings to all its beneficiaries, particularly schools and Multi Academy Trusts.

LGfL provides a number of pan London and regional services alongside a wider public sector spanning local government, health and the police which enable efficient and cost-effective service delivery. Those services include the Pan London Admissions Service, the London Public Services Network (including gateways to Health) and the Free School Meals Eligibility Checker.

LGfL's long term success has necessitated a transformation of the organisation underpinned by a modernisation of IT systems, continuing process redesign and automation as well as cultivating a modern, flexible workforce.

LGfL's business model is evolving with a focus on the development of Intellectual Property and a continuing transition from Service Commissioner to Service Provider. This change in business model will enable tailored and low-cost service delivery to schools rather than being restricted to being a reseller of standard products and services.

In an uncertain world, LGfL's ability to identify and manage risk is critical. Indeed, thoughtful mitigation has been a significant contributory factor to its success along with an ability to take measured risks when the situation demanded it, as was the case during the global pandemic.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

KEY PERFORMANCE MEASURES

The breadth and depth of LGfL's work is summarised in the table below:-

Outcome	By March 31 2023
World Class Connectivity	
Estimated Daily Reach of LGfL Services to Children, Teachers and Support Staff	**1.8 million**
Schools Upgraded as Part of Pledge 2020	**2,498**
Schools Receiving a Free Bandwidth Upgrade (FYE 23)	**778**
Total Free Bandwidth Delivered to Schools as part of the Bandwidth Bonanza (FYE 23)	**86,400 Mbps**
Standard Connection Speed of Secondary Schools to the Internet (FYE 23)	**1 Gbps**
Standard Connection Speed of Primary Schools to the Internet (FYE 23)	**100 – 500 Mbps**
Average Connection Speed of Special Schools to Internet (FYE 23)	**100 – 300 Mbps**
Resilience	
Percentage Availability of the LGfLCore Network	**100%**
Bridge The Divide	
New Laptops Delivered to Schools (since commencement of **#BridgeTheDivide**)	**160,000**
Estimated Number of Laptops Enabled for Recycling	**30,000 - 40,000**
Free School Meals	
Pupil Premium Funding identified for Schools	**£49,755,585**
Pupil Premium Funding identified since the inception of the Pupil Eligibility Checker (inception to 31 March 2023)	**£185,245,065**
Continuous Professional Development (CPD)	
Training Events	**245**
Delegates Attending	**6,488**
Applications for School Places	
Applications for Secondary School Places Processed	**109,637**
Applications for Reception School Places	**107,697**
Total Number of Applications Processed for School Places (all phases) (17,177 for nursery, junior and 14-19)	**236,306**
Smartbuy - Value for Money	
Estimated Licences & Services Freely Distributed to Schools	**1.2 M**
Estimated Saving / Additional Value to Schools Per Annum	**Over £6 M**

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

SAVING SCHOOLS MONEY

The economic outlook remains volatile and challenging within the UK and globally. Interest rates are rising, and energy costs continue to be amongst the highest ever. This has led to unpredictable costs and inflationary pressures impacting companies in the UK and globally.

LGfL, as a not-for-profit Charitable Trust, has a key role to play in shielding schools and other customers from financial pressures by leveraging its aggregated buying power on behalf of thousands of schools. In doing so, schools' benefit from the economies of scale that each procurement brings.

LGfL delivers financial benefits to schools in several ways:-

- LGfL has elected not to increase broadband prices since 2016. The Board remains committed to holding prices over the next financial year;
- LGfL bundles a number of key products with its broadband connection to add value to its subscription service. Bundled items include ransomware protection, anti-virus, DDoS, cloud backup as well as classroom resources. If these products were bought in isolation by individual schools, even MATs, they would cost a lot more money. Over the course of this financial year, LGfL distributed an estimated 1.2 million licences freely to schools worth approximately £6M per annum.
- LGfL encourages schools to consume the bundled products and make savings through its online Savings Calculator (https://savings.lgfl.net) which enables Headteachers to assess usage of freely available products and ensure opportunities to save money are not missed.
- LGfL spot purchases large volumes of products for sale directly to schools. Buying at scale means that LGfL's selling price is generally much lower than comparable market rates. BridgeTheDivide is an example of how LGfL procured a large number of laptops at highly discounted prices and was then able to resell them to schools at a much lower price than would have been possible through other channels.
- LGfL delivers free or low cost bandwidth upgrades to schools as part of its Broadband Bonanza that would ordinarily cost thousands of pounds. This year around 778 upgrades have been delivered free, or at very low cost, to schools;
- LGfL hosts training and CPD opportunities that are free for schools. Such actions allow schools to keep pace with technology needs (e.g. increased bandwidth consumption) at no additional cost.

ARMOUR PLATED CONNECTIVITY FOR SCHOOLS

LGfL was established to deliver broadband within the London region. Today, the Trust is moving closer to a position where the majority of customers are outside of London underlining LGfL's position as a national provider of connectivity.

LGfL's network has been engineered for high reliability and speed. Over 99% of LGfL's customers are connected using symmetrical leased line fibre with data secured end to end through a national IPVPN service. Network performance is monitored rigorously for packet loss, latency, round trip delay and circuit flapping.

High-capacity leased lines deliver children an immersive experience on-line and enables schools to stream High Definition (HD) and 4K content at massive scale into the classroom.

The IPVPN delivers additional security for schools by encrypting all traffic and directing it through LGfL's core network which ensures that the inbound and outbound internet traffic is monitored by viruses, hacking activity and data exfiltration.

LGfL has firewall management systems that enable oversight of inbound and outbound traffic as well as delivering intelligence as to which ports are being used. This enables LGfL to manage network traffic and take steps, where necessary, to protect schools proactively.

In 2018 LGfL anticipated the move to Cloud Computing by schools and the consequent need for much greater capacity and network security. To address these changing needs, LGfL established a programme to transform broadband speeds to schools called Pledge 2020.

The subsequent rollout of updated connectivity and platforms commenced in April 2019 and the programme was completed by December 2020. Over the course of Pledge 2020, nearly 2500 schools were upgraded and the average bandwidth to schools more than doubled. In many cases, schools received upgrades that resulted in speeds rising as much as 500%.

LGfL has continued to invest in the future of schools' connectivity under a new initiative called the Bandwidth Bonanza. Under this initiative LGfL is delivering further increases in connectivity speeds at no additional costs to schools. 778 schools have benefitted from the programme over the course of this year. These upgrades mean that LGfL schools remain at the forefront of broadband and digital services provision.

LGfL recognises the need to innovate and provide greater flexibility to schools. New solutions are being offered, for the first time to schools, harnessing Software Defined Networking as well as satellite provision.

RESILIENCE AND KEEPING THE LIGHTS ON

Investments have been made over the course of the financial year to ensure the continued reliable operation of LGfL's platforms to increase resilience, capacity and reliability.

A key change was the rollout of an enhanced networking configuration which has enabled internet bound traffic to reroute across multiple links in the event there is a failure in the National Network.

Continuing upgrades have been made to the LGfL datacentres. These investments have ensured that services are designed for high reliability and availability. New load balancing technology has been added to manage traffic flows in anticipation of bringing SchoolProtect online.

The oversight of the network, and its performance, has been enhanced through the integration of LGfL networking equipment best in class monitoring platforms which now deliver real time performance metrics including latency, round trip delay and packet loss. Managing the insights provided by these next generation systems enables LGfL to deliver a proactive and positive service to the thousands of customers it serves nationally.

Oversight and governance of LGfL's network has been enhanced by the introduction of extended network and device monitoring which send automated alarms and notifications when there are potential incidents, equipment failures or capacity challenges.

BRIDGE THE DIVIDE – EQUIPPING CHILDREN AND SCHOOLS WITH LAPTOPS

As teaching and learning moves online both children and teachers need access to low cost, affordable devices. This is a universal requirement, but particularly pressing in areas with high levels of social and economic deprivation where families may not have access to the internet.

LGfL established a programme during the COVID-19 pandemic called #BridgeTheDivide which included a national procurement of laptops on behalf of all schools along with accompanying configuration and distribution services.

Through the aggregation of its buying power, LGfL was able to source computers at very competitive prices and pass those savings on to schools. This immediately led to a reduction in the costs of devices in the market and schools were able to bulk purchase for children at levels that would otherwise have been impossible for them individually.

#BridgeTheDivide has been well received by schools and there are a number of case studies from schools. MATs and Local Authorities commented on the positive impact the programme had on children and their progress during the pandemic. This included some of the most deprived areas in the UK including Waltham Forest and Tower Hamlets. The latter working with LGfL on not only distributing equipment but also on embedding technology into the curriculum (see https://edtechth.lgfl.net)

LGfL has continued to provide low-cost devices to schools and licences to recycle devices during this financial year. By March 2023, LGfL estimates that #BridgeTheDivide has delivered over 200,000 new and recycled devices to schools. However, this is the last year of #BridgeTheDivide and the programme will be wound down in the next financial year as LGfL refocuses its resources and efforts into the continuing improvement of its existing platforms.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

CYBERSECURITY

Globally, increasing tensions and hostile acts between countries, are fuelling a challenging climate and adding to the range of Threat Actors that already existed.

Cybersecurity threats and risks are on the rise; a number of schools and Multi Academy Trusts have been victims of ransomware attacks which have proven costly and very disruptive.

LGfL has integrated multiple layers of security into its connection to schools. As a result, LGfL has a unique, multi layered, defensive shield that protects children. LGfL's defences include filtered internet access, anti-virus, ransomware countermeasures, cloud backup, firewalls, DDOS protection, secure email services as well as monitoring via a Security Operations Centre (SOC). This multi layered defensive system is called CyberCloud.

LGfL provides best practice policy and security advice to schools including delivery of the official National Cyber Security Centre (NCSC) training for schools, plus best practice toolkits, seminars and newsletters.

Elevate (https://elevate.lgfl.net) is a collection of key resources that schools can use to elevate their cybersecurity including a Cybersecurity Policy, an Incident Response Plan and Asset/Risk Registers. As such, Elevate can be used as a foundation for schools that want to attain Cyber Essentials Certification.

In 2022, LGfL added the Security Scorecard platform into its portfolio of services at no cost either to an LGfL school or any other school nationally. This platform performs a multi-dimensional assessment of key indicators which then are collated to provide an aggregate score. The higher the score, the more secure the school is. Alongside the score, schools are also given a visualisation of those risks as well as a report. Hundreds of schools ran the Security Scorecard platform over the course of the year helping them to identify weaknesses and vulnerabilities.

LGfL has invested to increase its capacity and technical capabilities to support schools and partners alongside the technology countermeasures and content initiatives identified above. This includes LGfL becoming an accredited Managed Service Partner (MSP) for platforms including Sophos and Malwarebytes. Today, LGfL oversees the security of hundreds of thousands of devices in its managed service portals.

LGfL enlarged its Cybersecurity Team in 2023 and is widening its role to support schools proactively recognise security threats and take action sooner to address them. Further staff will be recruited in the next financial year.

Remediating Cybersecurity risks requires multi agency collaboration. LGfL partners with key agencies including the National Cyber Security Centre to promote best practices and an audit of schools' security risks has been undertaken this year to refresh and update the first study undertaken in 2019.

Nearly 900 schools participated in an IT Security Audit delivered in partnership with the National Cybersecurity Centre. The response is almost double the last audit and the results are freely available on LGfL's website at https://lgfl.net/security/securityaudit

SAFEGUARDING CHILDREN

Online safety remains a critical focus for LGfL with over 1.8 million children, teachers and support staff having access to the internet every day. Internet filtering is a complex undertaking as content providers seek to prevent filtering and lock out systems that categorise the content. Filtering at LGfL's scale is an enormous challenge with over 30,000 decisions taken every minute on whether content is appropriate to view.

LGfL has invested further in the modernisation of its filtering service including a complete overhaul of the underlying infrastructure in order to increase capacity and to enable new features including SSL filtering, by default, should schools have this requirement.

Other new features include improved integration with cloud platforms such as Google to ensure granular, per-user filtering to help keep children safe but avoid overblocking. A new filtering platform, called SchoolProtect, was built and launched in 2023.

The pandemic changed where children learn with a sharp uptake in internet-based learning in homes and community settings. This drove innovation and change and, as a result, LGfL created, at no cost to schools, a free filtering service for children working from home (HomeProtect). This service has been retained due to continuing and growing demand from schools. The technical offering was combined with expert guidance and training to ensure safe remote learning, plus advice for parents on how to best protect their children online.

LGfL works extensively on countering extremism and online radicalisation. This includes the production of key resources developed in partnership with the Department for Education (DfE) Prevent Team and the Counter Terrorism Police. (goingtoofar.lgfl.org.uk).

LGfL offers a wider centre of safeguarding excellence including , for example, grooming for sexual or child criminal exploitation. A wider training portfolio and collection of resources provides CPD and materials for the classroom, for specialists and generalist staff alike. Increasingly, LGfL is the destination for schools' main Designated Safeguarding Leads to get their training, updates and advice, including on the latest legislation and statutory guidance, where LGfL is in a unique position to advice from its work on national policy bodies.

A new, and free product was launched called SafeSkills (safeskillsinfo.lgfl.net) which is an online tool that enables schools to test their pupils knowledge and awareness of security and safety matters. Over the course of this financial year hundreds of thousands of questions have now been answered by children.

PROMOTING WELLBEING

LGfL has developed a wide range of freely available materials for promoting mental health and wellbeing including the award winning resources developed with Child Bereavement UK to help schools supporting children dealing with a family bereavement. This online resource https://bereavement.lgfl.org.uk/ has been of significant value to schools.

LGfL recognises the pressures that schools are under and consequently Wellbeing was a key strand of the LGfL conference with keynote presentations and breakout sessions.

CURRICULUM AND TEACHER DEVELOPMENT

Since its inception in 2001, the curriculum resources, as with the technology portfolio, have been at the heart of the LGfL service to schools.

In order to enable the effective use of technology in supporting high quality curriculum delivery, the curriculum portfolio has been adapted, expanded and a range of innovative content developed. In particular, changing processes, policies and teaching methods to effectively harness digital devices and materials is a complex undertaking and potentially fraught with risk to schools, children and teachers. Therefore, the effective integration of the latest digital technology into everyday teaching and learning requires careful and focused support to help evolve pedagogy which LGfL's Curriculum Team are well placed to provide alongside a growing network of lead schools. (pedtech.lgfl.net)

Over the course of this financial year, LGfL has collaborated extensively with lead practitioners and experts in their field to develop resources to enable the development of a holistic Digital Strategy including a self-assessment toolkit, training and access to an extensive catalogue of case studies where leading practitioners provide feedback and advice on how they have approached the complex issue of Digital Strategy within their school or Multi Academy Trust.

LGfL has partnered with the Education Foundation to develop a national network of leading practitioners (EdTech Hubs where school leaders and teachers get together to share best practices (edtechhubs.lgfl.net) and disseminate that within a region. These sessions have been very well received and they will remain a key part of LGfL's activity in the next financial year.

LGfL, in collaboration with curriculum leaders, has produced an exciting range of case studies regarding the school's use of technology including a Digital Strategy toolkit.

LGfL has delivered an extensive Continuous Professional Development (CPD) programme for schools, which are delivered across a range of subjects, specialisms as well as products. Many of these programmes are delivered in partnership with key suppliers and well-known training providers at no cost to schools which is another way in which LGfL saves money for schools.

Free curriculum product consumption continues to rise. A change in the reporting for BusTthings suggests it is potentially even more popular in schools than previously thought.

On July 1st, 2022, LGfL hosted its first conference (Lets Celebrate) in over 2 years. The conference was a significant success encompassing an outstanding line up of speakers including the Department for Education and The National Cybersecurity Centre. For the first time, LGfL introduced the concept of a "tech village" to showcase the best of British technology and over 30 grateful SME's and micro businesses took part.

TACKLING INEQUALITY

LGfL sets aside support for supporting greater inclusion through the IncludED service. This team produces targeted content and resources to support schools including Widgit encouraging the adoption of a Universal Design for Education a teaching approach that works to accommodate the needs and abilities of all learners and eliminates unnecessary hurdles in the learning process.

The economic crisis continues to place families in difficulty, which can result in health and wellbeing concerns for children. Ensuring that children are fed properly, and schools are resourced to support the needs of their community is a priority.

LGfL provides support to schools and families through its online Free School Meals (FSM) Checker. In 2014, LGfL built a platform that enables families to check whether they are eligible to claim free school meals. If they are, the child's school receives additional funding (Pupil Premium) to help and support the child through their education.

In subsequent years, LGfL refined the platform to enable schools, to check the eligibility status and make the claim on behalf of parents. The checker has been an outstanding success, and, in recent years, the checker has been promoted by Marcus Rashford's Food Poverty Action Group which has helped to increase awareness and engagement with the service.

Over the course of the current year the FSM Checker has identified nearly £50M of potential Pupil Premium Funding and since its inception in 2014 over £185M. As such, the FSM Checker has had a profound and positive impact on children and schools across the LGfL community. The eligibility checker is now used in over 100 Local Authorities and by thousands of schools.

Much of LGfL's growth has been in areas that are poorly served by broadband where schools have previously been connected at low speeds. The introduction of high quality, symmetrical fibre services has enabled schools in rural areas to enjoy the same digital experience as urban areas where historically schools had higher speeds.

PAN LONDON ADMISSIONS SERVICE

LGfL works in partnership with Local Authorities to coordinate school places across London. This is a critical task, involving hundreds of thousands of annual applications across the capital each year. By collaborating together and delivering these services centrally, local authorities save money by avoiding duplication and delivering services efficiently through shared IT systems.

2022/23 was the nineteenth year of operation of the Pan-London Admissions Coordinated Service for the 33 London Local Authorities and 5 adjoining authorities, which successfully handled over 236,000 applications in the latest financial year.

Underpinning this service are two central IT systems provided by LGfL:- (i) The Pan London Coordinated Admissions systems, processes parental applications for school places. Using the centralised system, Local Authorities aim to give every child a single offer of a school place on National Offer Day, which previously was not the case when local systems were run by individual Authorities.; and (ii) The Pan London Coordinated eAdmissions website which was introduced in 2019/20 and during the pandemic improved and streamlined the processing of admissions and delivered a significant channel shift with a major decline in the number of telephone and general enquiries to the support teams as parents were able to successfully apply without having the need to call for help or advice. The significant reduction in telephone calls underlines the importance of improved website design and well thought out customer journeys.

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TRUSTEES' REPORT (CONTINUED)
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LONDON PUBLIC SERVICE NETWORK

LGL provides connectivity and resilience for Councils across London and nationally.

LGL maintained a focus on ensuring the resilience of public services by scheduling a series of scheduled Disaster Recovery Tests to ensure that, in the event of a network failure, services would be automatically rerouted to their second connection. This programme remains an ongoing priority for LGfL.

LGL is undertaking a review of LGfL's datacentre strategy with a view to lowering our carbon footprint, increasing capacity and enabling the delivery of a new generation of cloud enabled networks. This refresh of core technologies will also provide LGfL with the platforms to improve the range of options that it can provide to schools and Multi Academy Trusts at affordable prices.

BUSINESS MODEL TRANSFORMATION

LGfL was established as a commissioner of regional broadband to schools that was funded by government through the former Harnessing Technology Grant (HTG). Today, it is increasingly a diversified technology services organisation.

The transformation from a government funded agency to a commercial, self-sustaining business has necessitated fundamental and far-reaching changes, many of which are being addressed through LGfL's Fit for the Future programme and the expansion of the LGfL technical and service delivery teams.

Today, LGfL continues to be a Service Commissioner but it now delivers services directly as a Service Provider.

New channels, such as the Digital Transformation Partner (DTP) network have been established to provide new ways of growing services harnessing Small to Medium Sized Enterprises as well as Local Authorities.

LGfL's ability to adapt its business model in a flexible and nimble way to meet the needs of schools and customers is one of the reasons it has been able to achieve high levels of customer retention and stay relevant in a highly competitive market.

FIT FOR THE FUTURE

LGfL is a growing and diversified technology services group and, as it continues to expand, it is essential that firm foundations exist with modern, digital platforms that enable LGfL to function efficiently and effectively at scale.

A key investment for LGfL has been the implementation of a modern Customer Relationship Management (CRM) system which supports sales management, communication, service management and a range of other customer interactions.

Over the course of the year, LGfL reviewed a significant number of processes and re-engineered them for the CRM system to provide greater support for core activities including Sales Order Processing and Sales Pipeline Management. The CRM system also has a range of integration tools enabling bi-directional updates of data between systems without the need to rekey information. This means that LGfL's customer data is much richer.

Modern financial systems provide support across LGfL to ensure that accurate data is available for forecasting, profit and loss, cash flow and balance sheet management. A number of improvements have been introduced in the Finance Team with respect to technology and processes resulting in improved efficiency and oversight. For example, billing between LGfL and its largest supplier, VMO2 has been simplified to avoid a large amount of technical accounting adjustments needing to be made each month. It is planned that further automaton of asset management and contracts will be delivered over the course of the next two financial years along with integration to partner systems to enable automation of key tasks such as billing reconciliation.

As part of its Fit for the Future programme, LGfL has collaborated extensively with partners to improve oversight and service management as well as addressing concerns with the quality of information held on partner systems. These developments are supporting the effective stewardship and management of LGfL's customers.

WORKFORCE TRANSFORMATION

LGfL recognises the need for a modern and motivated workforce that has the skills and capacity to meet the changing and growing demands of a national provider.

The pandemic has resulted in fundamental changes in workforce and accommodation needs with a general move to hybrid working. LGfL has embraced this change which has contributed to continuing high levels of employee retention.

The expansion in services has led to planned headcount increases in cybersecurity, safeguarding and technology support.

With the continuing economic pressures on staff, there is likely to be a need for LGfL to consider what further measures may be appropriate to support staff's wellbeing in the next financial year.

SUPPLY CHAIN TRANSFORMATION

The pandemic underlined the need for all organisations to ensure that robust supply chains were in place to support reliable service delivery and meet customer needs.

This is a continuing requirement given recent global disruptions resulting from the war in Ukraine, rising energy prices, exchange rate volatility and repeated economic lockdowns in China.

One of LGfL's key strengths in recent years has been the broadening of its supply chain base to introduce world class companies such as Adobe which have opened up new possibilities to supply schools with exciting and impactful products such as Creative Cloud.

LGfL has nurtured the Digital Transformation Partnership (DTP). This is a network of Small to Medium Sized Enterprises (SMEs) who receive regular updates and newsletters from LGfL. This network also provides an invaluable support network for schools.

This DTP network has continued to be a success story with over 100 companies now part of that framework. LGfL will further invest and develop this channel over the course of the next financial year and will continue to build skills and knowledge into that community.

LGfL retains a relentless focus on ensuring its contracts and partnerships deliver Value for Money and meet the expectations of its customers. This requires effective oversight and management of partners and suppliers. Key governance changes have been introduced to drive improvements in reliability, operations, finance and innovation. Contracts with partners have been reviewed and, when contracts reach renewal points, considerable focus is given to improving terms and addressing areas of improvement. This is enabling LGfL to control costs and ensure positive alignment between suppliers and LGfL's Objects and priorities.

A diversified and transformed supply chain has also delivered greater resilience and choice for LGfL and its customers which has been a fundamental building block in delivering long term value to schools. LGfL is reviewing its future telecommunications needs and whether additional partners are needed to support growth in areas where VMo2's network does not reach.

Since the year end the Trust has entered into a contract with its main supplier of broadband to acquire the network used. The cost of this is approximately £33.8 m which will paid off over seven years. There will be commensurate savings in costs with the broadband supplier so overall it is expected to be cost neutral, or better, during the repayment period, after which, broadband supplier costs will fall significantly. This will enable LGFLT to achieve its aim of becoming a Service Provider rather than just selling on services from third parties and enable it to provide enhanced services to schools at lower cost. The contract enables LGFLT to increase its broadband speeds to schools to a maximum of 10 Gbps at incremental cost. This enables LGFLT to have a market leading position as well meet the needs of schools as they transition to the cloud services and require increasing levels of bandwidth to meet the needs of a modern, digitally driven, curriculum.

COMMITMENT TO OPEN STANDARDS AND INTEROPERABILITY

LGfL has fostered and accelerated the use of cloud platforms and internet-based service delivery. The success of these programmes means that England is at the forefront of EdTech developments globally.

The future success of cloud services, and their widespread adoption in schools and the public sector, will depend on process and data orchestration services that enable efficient and effective delivery of education to any location in the world. A world where data flows securely and freely across a vast nexus of partners and contributors.

LGfL is committed to harnessing interoperability and is focused on accelerating it, alongside open standards in its supply chain and wider digital ecosystem including its immediate supply chain. This will enable groundbreaking innovation in future years that will transform education and deliver positive outcomes to schools.

RISK MANAGEMENT

The management and mitigation of risk is a key priority for LGfL and ever more pressing in a climate of uncertainty. LGfL has embedded risk management and mitigation in all aspects of its work and key areas of concern are reported to the Board along with mitigating actions.

The following sections provide an updated consideration of the major challenges and risks that LGfL faces currently.

Financial risk is addressed in the finance section later in this report.

COVID-19

The worldwide pandemic has severely disrupted the global economy, negatively affected the supply of goods and services as well as resulting in the unplanned closure of schools. Many companies, including UK technology companies, have struggled to adapt to the changed environment.

Massive public borrowing and spending is also likely to negatively impact the economic outlook over the longer term with inflationary pressures likely to drive up costs for all suppliers and companies, potentially squeezing surpluses.

As set out in this report, LGfL delivered a comprehensive and effective response through initiatives such as Pledge 2020 and #BridgeTheDivide as well as "Lights On" investments to ensure that schools and Councils continued to operate successfully despite huge changes in demand and the shift to remote working.

LGfL recognises that our ability to respond flexibly and innovatively to COVID-19 or any future unexpected events will remain a priority for risk mitigation for the foreseeable future. New product and innovations remain part of that response.

LGfL is taking steps to increase resilience against COVID-19's related supply dysfunction by diversifying its partners and broadening the range of products available to meet service needs and moving away from single points of dependence.

LGfL's focus on efficiency, contract management as well as generating value for money from its supplier base are important mitigations to inflationary pressures.

BREXIT

The continuing uncertainty with respect to the UK's trading arrangements with the rest of the world remain a concern with no obvious resolution in sight.

For the reasons set out earlier in this report, LGfL's supply chain is strong with our major supply partners already well advanced in terms of contingency planning.

Nevertheless, there are likely to be continuing swings in currency exchange rates that will adversely affect prices and drive-up costs to schools.

LGfL is mitigating this impact by purchasing at scale and ensuring that there is an effective procurement capacity at the heart of LGfL.

LGfL also maximises the lifespan of existing assets to avoid sub optimal use being made of previous investments and only invests in products that have a long term future.

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LOW-COST CONNECTIVITY THREAT

LGfL needs to ensure that it evolves its network and technology solutions to ensure they remain competitive and offer Value for Money.

Low cost alternative telecommunications supply to LGfL's leased lines is a key competitive risk to LGfL. A significant amount of government and private sector investment is going into building out low cost fibre networks. This includes the rise of Fibre to the Premise as a cost-effective means of accessing the internet for smaller schools compared to leased lines. Satellite connectivity is also emerging as an alternative connectivity option with the emergence of platforms such as Starlink which offer reasonable connection speeds and are particularly useful in rural areas where the costs of expanding backhaul fibre is particularly expensive.

The telecommunications market is also rapidly changing. BT and VMo2 remain the largest providers in the UK. However, there is also an emerging community of Alternative Network (Alt Nets) that are growing from the ground up. These organisations are benefitting from access to BT's ducts which enables providers to avoid significant capital investment in civil works, such as trenching, to route cables. Alt Nets are able to deliver very cost effective connectivity to customers, particularly in areas where there are potential large numbers of residential customers.

LGfL's risk mitigation has been to build a wider digital service offering to schools with increased value that enables schools to save money and highly differentiates LGfL in the market. LGfL is developing its portfolio of products to encompass lower cost alternatives to leased lines including satellite and fibre to the premise. LGfL is also exploring alternative telecommunications partners to evaluate whether they can support LGfL where VMB's network is not available or there are technical reasons why an alternative provider makes sense.

MANAGING GROWTH

LGfL is growing its customers and diversifying its products which is inevitably bringing organisational pressures including the urgent and continuing need to modernise LGfL as an organisation and remain efficient.

As set out earlier in the report, LGfL's Fit for the Future programme is critical to supporting and managing LGfL's growth by modernising processes, systems and workforce including the wider use of next generation digital platforms including CRM and overhauling the company website.

Growth in LGfL's coverage and widening of LGfL's direct services and products requires LGfL to recruit additional staff to meet identified needs in those areas including enabling functions such as finance, business development and sales.

MANAGING ORGANISATIONAL TRANSFORMATION

The process and wider changes being introduced by LGfL to support growth include significant changes in working practices and contracts which have been refreshed and updated for all employees. The move to a modern HQ has benefitted LGfL, including closer ties with schools, Councils and partner organisations.

LGfL has not required a fundamental reorganisation to grow and has worked in partnership with VMB and Adept Plc to deliver more effectively.

This year the focus has been the empowerment of individuals and teams to develop their services and coaching the organisation to improve their performance. The adoption of a flat organisational structure means there is a maximum of 4 levels including the CEO.

Looking ahead, LGfL will need to keep its organisational structure under review to ensure that it has sufficient capacity to meet demand and individual staff members have a sustainable portfolio of work. Over the last year, additional capacity has been added to teams at a sustainable rate and growth will continue in the next financial year.

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KEEPING PACE WITH MARKET CHANGE

LGfL is in a technology market where innovation and change are constant. As such it is vital to ensure that products and services remain current and relevant in a highly competitive area.

There is a risk that disruptive and fast-moving changes in new technology and associated services could render services obsolescent or expensive. Work is already underway to ensure that LGfL can support these changes and deliver the interoperability and flexibility that schools now expect. In doing so, there will be ongoing challenges and a constant balancing act for LGfL and its delivery partners to manage between providing a secure network and the need for more flexibility.

Key priorities include improvements to products that support the increased use of cloud services and help schools mitigate the impacts on learning from the global pandemic. LGfL will also invest to modernise other key platforms this year that will enhance its safeguarding credentials to schools.

Further strategic investments in safeguarding, infrastructure, cybersecurity and networks are planned to enable LGfL to continue operating at the forefront of innovation and practice in the education market.

MITIGATING CYBERTHREATS

LGfL recognises that there is continuing activity and efforts to disrupt schools and other bodies through targeted activities including spamming, distributed denial of service attacks (DDoS), ransomware attacks, malware and viruses.

LGfL continues to invest to improve its capacity to mitigate such threats through product improvements including the addition of new protections.

As previously stated, prudent and effective investments have been made in technologies such as firewalls and alerting systems to mitigate the risk of such breaches. In recognition of the increased threat to information and systems, LGfL also undertook independent testing of its network security; this cyclical assurance will continue.

A continuing positive development has been the enhanced DDoS protection enabled by the recent and significant upgrades to the firewalls that LGfL has deployed in the edge (i.e. the school sites) and the core network (i.e. LGfL's datacentres) locations of its network.

LGfL has also focused on security process improvements and has achieved Cyber Essentials Plus accreditation.

LGfL has made important changes to its contract including specific security compliance and reporting standards.

SUPPLY CHAIN RESILIENCE

With the majority of service provision administered through contracts with substantial supply partners, there remains the risk that one of these could fail, particularly in the current climate. In mitigation, LGfL undertakes regular review meetings with suppliers. Financial checks through Dunn & Bradstreet are conducted regularly and are part of the assessment process for major new contract awards.

To improve resilience in its supply chain, LGfL has expanded its commercial ecosystem. This has delivered a significant broadening of products and capabilities available to LGfL as well as reducing the exposure to one supplier. The expansion of LGfL's partnerships has proven invaluable in driving innovation into the services and subscriptions that LGfL offers. It also provides LGfL with alternative supply should partners fail to meet the standards that LGfL requires.

The creation of a Digital Transformation Partner Network has been a particular success with close to 100 Small and Medium Sized Enterprises (SMEs) working closely with LGfL on supporting schools in London and beyond.

Atomwide (now part of AdEPT plc) and VMB are critical partners for the delivery of services to schools. LGfL has developed robust improvement plans with clear actions to ensure continuous improvement.

Over the course of the next financial year, LGfL will be taking steps to ensure that effective governance and best practices are applied to the contracts for VMo2 and Adept.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

The results for the year and LGfL's financial position at the end of the year are shown in the attached financial statements.

The major part of LGfL's income is derived directly from schools for the provision of broadband connectivity, related services (internet filtering, e-mail hosting, e-mail filtering, anti-virus protection, web hosting, secure remote access, etc.) online educational resources and devices. However, this is likely to change as LGfL diversifies the products and services that it is sourcing on behalf of schools.

LGfL witnessed a very substantial rise in its revenues as a result of diversifying into device provision during the pandemic and expanding the range of services and products that it offers in schools. Income fell this year from £35.999 M to £25.680 M as LGfL wound down the #BridgeTheDivide programme.

Expenditure has been reduced in line with expectations due to the expected fall in laptop purchases as part of #BridgeTheDivide. In FYE 2023, total expenditure incurred was £27.771 M compared to £36.108 M in the prior financial year. LGfL also successfully renegotiated a number of its key contracts securing efficiencies, improved utilisation as well as containing price increases.

LGfL does not receive any of its income from public fundraising so is not required to comply with any fundraising regulations.

PENSION LIABILITY

LGfL operates a Defined Benefit Scheme that is part of the Local Government Pension Scheme. This is a scheme based on career average earnings and, in some cases, final salary.

Pension contributions to the Balance Sheet remain volatile and negative. However, this year the liability of £2.047 M in the previous financial year has unexpectedly turned into a surplus which has brought a welcome boost to the Balance Sheet.

The current uncertainty and the need to ensure the future sustainability of LGfL will mean that a review of LGfL's Pension Scheme will be needed to avoid the burden of maintaining the fund being too great with a likely move from a Defined Benefits Scheme to a Defined Contribution Scheme. A review of the pension scheme is planned for the next financial year.

GOING CONCERN

The Trustees deem that LGfL is a Going Concern.

Following advice from our External Auditors, LGfL has improved its forecasting with cash flow, balance sheet and profit and loss statements now extending out to financial year ending 2027. The forecasts demonstrate that over the Medium Term, provided assumptions including net growth and reduction in liabilities continue, LGfL will be in a stable and sustainable financial position. As part of those forecasts, options for cutting costs and generating savings have been developed to enable LGfL to adapt to unforeseen circumstances.

In the current year, LGfL has continued to retain strong liquidity and cashflow reflecting historic performance, particularly in the first 9 months of the financial year. LGfL's credit worthiness remains strong.

Net assets have improved on last year because the pension liability has fallen following an actuarial review of the fund's performance.

Long term leasing liabilities continue to reduce from £1.522 M to £0.603 M improving cash flow and liquidity. The reduction in long term liabilities will reduce expenditure significantly from financial year ending 2025.

Net Current Assets have lowered but this is due to higher spending affecting cash encompassing investments in new platforms (including Meraki licences) and growth which has increased liabilities, particularly the level of deferred income and accruals which increased from £6.499 M to £7.500 M.

There were significant cashflow movements with Debtors falling from £1.15 M to £0.350 M as a result of strong performance from the Credit Control Team. The reduction in debtors boosted year end cash and, to a large extent, mitigated the exceptional outflows in Creditors from £4.972 M to £3.886 M which resulted from the settlement of a number of disputes.

Growth is important to LGfL's long term success as it boosts income and liquidity. Growth is particularly valuable if LGfL can improve productivity and contain its supply chain costs. A key focus for LGfL in the next financial year will be to contain and lower financial exposure with key suppliers.

Based on historical performance, LGfL will continue to enjoy net growth with continued expansion in 2023 likely in the Home Counties based on a healthy pipeline of future sales leads and retention activity.

LGfL continues to benefit from very high levels of customer retention. Renewed confidence in LGfL is reflected by the fact that schools who had left LGfL are now returning which means that LGfL's share of the London market is increasing.

LGfL's strategy of providing additional value through bundling additional products and services into its broadband service has been a key part of its success with increasing levels of schools taking advantage of the freely available products.

The improvements in our medium-term financial planning are enabling the Board to understand and test the impact of making key investment decisions and consider the trade-offs and consequences of key decisions that lie ahead in delivering its strategy.

In the current year Net Current Assets (NCAs) are negative but, as previously reported, this was anticipated as part of the cyclical refresh of the network and mirrors performance in previous refreshes over the last 20 years. As in previous cycles, according to the medium-term financial projections, Net Current Assets will move to a sustainable position, with sufficient funds being generated to enable the next cyclical upgrade of the network by FYE 2027.

LGfL is also confident that the cost of future upgrades will fall. Indeed, over the last three refresh cycles, the costs of replacements are generally falling historically and therefore the cyclical and structural financial demands on LGfL are declining.

LGfL recognises the urgency and necessity of remaining focused on its financial bottom line and a number of key initiatives will continue to support LGfL remain a Going Concern:-

(I) Harnessing multi-year forecasting for cash flow, balance sheet and profit and loss management and constantly reviewing them in the light of changes

(II) Embedding the use of core financial statements and forecasting into corporate governance including investment decisions

(III) Maintaining a healthy sales pipeline by harnessing data and LGfL's CRM system and developing a national sales strategy

(IV) Achieving better value and reduced costs from suppliers through market testing, financial and commercial controls

(V) Diversifying the range of products that it provides to schools and therefore the sources of its income

(VI) Reducing the rate of customer attrition through a range of targeted initiatives including flexible pricing, personalised product design and product enrichment

(VII) Implementing improved investment and project management controls, including stopping initiatives that were not delivering benefit, sweating assets and improving long-term planning

(VIII) Expanding LGfL's customer base in schools and across the public sector

(IX) Improving financial controls;

(X) Ensuring the continuing effectiveness of the credit control and accounts payable functions; and

(XI) Investing to improve the competitiveness of the products LGfL provides to schools.

Given the above, LGfL has adequate resources to meet all liabilities as they fall due and will continue in operational existence for the foreseeable future and sufficient controls in place to ensure financial stewardship. Therefore, we have prepared our accounts and financial statements on the basis that the charity is a Going Concern.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

RESERVES

At the 31 March 2023, LGfL's net assets were £3.532 M improving from £2.984 M. Net current liabilities moved from -£3.621 M in the previous financial year to -£4.507 M largely due to significant investments being made in network and platform improvements.

As previously reported in LGfL planned for a depletion of reserves and unrestricted funds to enable the modernisation and upgrade of the schools' network as part of Pledge 2020 and the continuing investment in product and services improvements to ensure LGfL is competitive in the market it serves.

The actuarial assessment and pension liability was an improvement on the previous years with a surplus of £1.435 M compared with a liability of £2.047 M in the previous financial year (for accounting reasons the surplus is not recognised in these accounts).

Going forward, LGfL maintains unrestricted funds and reserves consistent with anticipated commitments in regard to maintaining continuity of service, cyclically refreshing its assets, and ensuring it can:-

(i) Fund its operations for at least 3 months

(ii) Survive major and unforeseen economic shocks and developments

(iii) Provide support to education in the event of a material change in government funding policy in respect to schools' broadband

(iv) Provide contingency for IT related initiatives;

(v) Respond purposely to technology innovation; and

(vi) Have capacity to respond to new regulatory burdens.

The operating model of LGfL means that it needs to continually reinvest a significant proportion of its surpluses into IT infrastructure to ensure the network is kept up to date and able to service the need of participating schools and other customers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The London Grid organisation consists of the following legal entities: -

Name	Status
London Grid for Learning Trust	Private, limited by guarantee, no share capital, section 30 of the Companies Act Companies House no. 4205579. Members are London's 33 Local Councils Charity Number 1090412
London Grid Limited	Private Limited Company Companies House no. 05122783. Wholly owned by London Grid for Learning Trust. This has now been merged with LGfL following approval to widen the Objects granted by the Charities Commission and London Councils.
Let's Get Digital	Private Limited Company Companies House no. 11158329 Wholly owned by London Grid for Learning Trust Currently dormant.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

APPOINTMENT OF TRUSTEES

All 33 London Local Authorities are members of the London Grid for Learning Trust Company and are responsible for appointing the Executive Board.

Trustees are nominated by the Council. Each Member that is a Council may nominate a person as a Director, who shall be appointed as a Nominated Director by a resolution of the Directors.

The Nominated Directors appoint one or more persons as Directors. Directors are chosen by reference to their relevant qualifications, skills, experience, knowledge, professional, commercial or community standing and, where possible, their contribution to making the board of Directors appropriately diverse.

No Directors are appointed unless their candidacy has been notified to the Members in sufficient detail and in sufficient time to enable any Member so minded to comment on the proposed appointment in writing to LGfL prior to the appointment being made.

The company has held Annual General Meetings annually since its inception, to appoint Directors and Auditors and receive and approve Directors' Report and Accounts.

LGfL will be seeking to strengthen its governance by appointing new Board members over the course of the next financial year.

TRUSTEE INDUCTION

LGfL recognises that poor corporate governance and decision making have been the main cause of failure in other charities, and that Trustees have not been effective in these incidences. According to research, much of this ineffectiveness is due to inadequate induction and support offered to Trustees.

LGfL recognises that a new Trustee will make a much more substantial contribution if their induction is handled effectively, and they have the information and skills needed to undertake their duties effectively.

LGfL recognises that it is vital that new Trustees have all the necessary information to make an effective contribution to LGfL's affairs including:

- Ensuring that new Trustees are fully conversant with the Articles and Activities of LGfL
- Provision of additional relevant material, including Board papers and the statement of accounts
- Providing Trustee financial training, which is provided by the Company Auditors; and
- That Trustees are aware of their legal obligations under Charities Law, including areas such as Public Benefit and Responsibilities of Charity Trustees (CC3).

ORGANISATION

LGfL's Executive Board of seven members meets around 5 times a year to advise, review and direct strategy and investment plans, and to provide oversight of LGfL's performance.

An Audit Committee meets to review the accounting and financial management practices of LGfL. The Audit Committee is responsible for reviewing the report from the External Auditors and for providing assurance to the Board.

LGfL is also accountable to its members through the active engagement of key stakeholders in the form of Local Authority Officers and school representatives who meet regularly at the London Grid Sector Group. This work is augmented through the time and effort given by representative staff who sit on LGfL's Advisory Boards: The Editorial Board and Safeguarding Board.

The day-to-day operation of the company is the responsibility of the Chief Executive, who is accountable to the Board, and the Members.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The Chief Executive manages 42 staff. The combined staffing establishment is 38.1 full-time equivalent. In order to facilitate effective operations, the Chief Executive has delegated authority for all matters including finance, employment, technology services and commercial activity.

In 2016/17, the Articles of LGL were refreshed to ensure they reflected best practice; contracting arrangements between LGfL and LGfL were captured in an intercompany agreement between LGfL and its trading subsidiary.

In 2019/20 permission was granted by LGfL's shareholders, following authorisation from the Charities Commission, to extend the Articles to cover new Objects relating to Well-being and Community Development. This change was ratified in 2020/21 following an extraordinary vote by its shareholders.

In 2022/23 a further change of Objects was approved following advice from the Charities Commission.

REMUNERATION

The Board of Trustees is responsible for CEO remuneration and the employee salary-management and benefits framework. CEO remuneration is reviewed and set by the Human Resources subcommittee annually.

The remuneration of staff is the responsibility of the CEO. All staff are appointed under local-government terms and conditions. Pay grades for Trustee Officers are comparable with public-sector employees undertaking similar roles. Performance is reviewed annually with the outcomes shaping whether there are any performance related payments, increments or no rise at all.

Remuneration will continue to be scrutinised to ensure value for money and alignment with the market generally.

RELATED PARTIES

LGfL has a trading subsidiary, London Grid Limited. LGfL Trust is the sole shareholder in London Grid Limited (LGL). LGL provides access to Trustnet services for the wider public sector, particularly Councils.

The LGL Board meets at least 5 times per year with the Chairman, CEO, LGL Officers and a representative of London CIOs on the board. An intercompany memorandum ensures that the appropriate contracting arrangements are in place between the LGfL and LGL.

From the beginning of 2020/2021 and following the change in Articles of LGFLT the activities of LGL have been absorbed within LGFLT itself and the company LGL is currently dormant.

LGfL has a dormant company, Let's Get Digital.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of the Charity: London Grid for Learning Trust

Charity Registration Number: **1090412**

London Grid for Learning, 9th Floor, 10 Exchange Square, Primrose Street, London, EC2A 2BR.

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. Trustees and officers serving during the year and since the year end were as follows:

Paul Robinson – Chairman
Jane McSherry – Elected Representative
Gary Hipple – Elected Representative
Fabio Negro – Elected Representative
Nick Robinson – Elected Representative
Helen Warner – Elected Representative
Sean Green – Elected Representative

Company Secretary: John Jackson

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Key Management Personnel

John Jackson – Chief Executive Officer
David Young – Filtering and Cloud Services Lead
Mark Bentley – Safeguarding and Security Lead
Michael Eva – Programme Manager
Bob Usher – Content Manager
Alan Phillips – Group Financial Controller
Richard Martin – Special Projects Lead
John Bagley – London Grid Limited Manager
Paul Smith – Service Delivery Manager

Other Relevant Organisations

Company	Address and Contact Details
Menzies – LGfL's Accounts and Audit Advisors	Menzies LLP, Second Floor, Magna House,18-32 London Road, Staines upon Thames, Surrey, TW18 4BP
Agillex – LGfL's Legal Adviser and Data Protection Officer	Agillex Ltd, One New Street, Wells, Somerset BA5 2LA.
Lloyds Commercial Banking – LGfL and LGL's bankers	Lloyds Bank PLC, 83 Clarence Street, Kingston upon Thames, Surrey KT1 1RE
Ashfords – Specialist legal advice	Ashfords LLP, 1 New Fetter Lane, London EC4A 1AN
Hytec – Security and professional advice	Hytec Information Security, Cairns House, 10 Station Road, Teddington, TW11 9AA

EXEMPTIONS FROM DISCLOSURE

None

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of London Grid for Learning Trust for the purposes of charity law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 charity and the income and expenditure of the company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- Make judgements and 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms:

- That in so far as they are aware there is no relevant audit information of which the company's auditor is unaware
- Each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Menzies LLP are deemed to be re-appointed under section 487 [2] of the Companies Act 2006.

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Strategic Report the Company's Strategic Report Information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

The Trustees' Report (incorporating the Strategic Report) was approved by the Board of Trustees (which is also the Board of Directors) and signed on its behalf by:

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

DocuSigned by:
Paul Robinson
70BE24E47C804AF...
Mr P Robinson
Company Chairman
Date: 21-Dec-2023

DocuSigned by:
John Jackson
06C1941787594499...
Mr J Jackson
Company Secretary

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Opinion

We have audited the financial statements of London Grid for Learning Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

LONDON GRID FOR LEARNING TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011, Companies Act 2006, Employment Rights Act 1996, Keeping Children Safe in Education, Tax Legislation and the Data Protection Act 2018. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

- We understood how the Company is complying with those legal and regulatory frameworks by making inquiries tomanagement, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.

- The engagement partner assessed whether the engagement team collectively had the appropriate competence andcapabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify anyissues in this area.

- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:- posting of fraudulent journals, the authorisation, processing, and payment of fraudulent expenses, fictitious employees and manipulation of revenue recognition.

- Audit procedures performed by the engagement team included
    - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
    - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
    - Challenging assumptions and judgments made by management in its significant accounting estimates;
    - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
    - Reviewing expenditure payments; and
    - Reviewing the timing of income recognition.

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

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

LONDON GRID FOR LEARNING TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Use of our report

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

DocuSigned by:
Janice Matthews
634F24DE92A4471...

Janice Matthews FCA (Senior statutory auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP

Date: 21-Dec-2023

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LONDON GRID FOR LEARNING TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £000	Total funds 2023 £000	*Total funds 2022 £000*
Income from:				
Charitable activities	4	**25,680**	**25,680**	*35,599*
Total income		**25,680**	**25,680**	*35,599*
Expenditure on:				
Charitable activities	5	**27,771**	**27,771**	*36,108*
Total expenditure		**27,771**	**27,771**	*36,108*
Net movement in funds before other recognised gains		**(2,091)**	**(2,091)**	*(509)*
Other recognised gains:				
Actuarial gains on defined benefit pension schemes	22	**2,639**	**2,639**	*1,638*
Net movement in funds		**548**	**548**	*1,129*
Reconciliation of funds:				
Total funds brought forward		**2,984**	**2,984**	*1,855*
Net movement in funds		**548**	**548**	*1,129*
Total funds carried forward		**3,532**	**3,532**	*2,984*

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

The notes on pages 34 to 52 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
REGISTERED NUMBER: 04205579

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £000		*2022 £000*
Fixed assets					
Intangible assets	10		**1,099**		*1,123*
Tangible assets	11		**7,543**		*9,051*
			8,642		*10,174*
Current assets					
Stocks		**-**		*321*	
Debtors	13	**3,770**		*3,158*	
Cash at bank and in hand		**4,486**		*5,748*	
		8,256		*9,227*	
Creditors: amounts falling due within one year	14	**(12,763)**		*(12,848)*	
Net current liabilities			**(4,507)**		*(3,621)*
Total assets less current liabilities			**4,135**		*6,553*
Creditors: amounts falling due after more than one year	15		**(603)**		*(1,522)*
Net assets excluding pension asset / liability			**3,532**		*5,031*
Defined benefit pension scheme asset / liability	22		**-**		*(2,047)*
Total net assets			**3,532**		*2,984*

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LONDON GRID FOR LEARNING TRUST

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note		2023 £000		*2022 £000*
Charity funds					
Restricted funds	16		-		-
Unrestricted funds					
Designated funds	16	**181**		*334*	
General funds	16	**3,351**		*4,682*	
Unrestricted funds excluding pension asset	16	**3,532**		*5,016*	
Pension reserve	16	**-**		*(2,032)*	
Total unrestricted funds	16		**3,532**		*2,984*
Total funds			**3,532**		*2,984*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Paul Robinson
708E24F27C804AF...
Mr P Robinson
Trustee

DocuSigned by:
John Jackson
D8C194787590499...
Mr J Jackson
Secretary

Date: 21-Dec-2023

The notes on pages 34 to 52 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
REGISTERED NUMBER: 04205579

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £000		2022 £000
Fixed assets					
Intangible assets	10		**1,099**		*1,123*
Tangible assets	11		**7,543**		*9,052*
			8,642		*10,175*
Current assets					
Stocks		**-**		*321*	
Debtors	13	**3,770**		*3,171*	
Cash at bank and in hand		**4,486**		*5,748*	
		8,256		*9,240*	
Creditors: amounts falling due within one year	14	**(12,763)**		*(12,848)*	
Net current liabilities			**(4,507)**		*(3,608)*
Total assets less current liabilities			**4,135**		*6,567*
Creditors: amounts falling due after more than one year	15		**(603)**		*(1,522)*
Net assets excluding pension asset / liability			**3,532**		*5,045*
Defined benefit pension scheme asset / liability	22		**-**		*(2,047)*
Total net assets			**3,532**		*2,998*

LONDON GRID FOR LEARNING TRUST

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note		2023 £000		*2022 £000*
Charity funds					
Restricted funds	16		-		-
Unrestricted funds					
Designated funds	16	**181**		*334*	
General funds	16	**3,351**		*4,696*	
Unrestricted funds excluding pension asset / liability	16	**3,532**		*5,030*	
Pension reserve	16	**-**		*(2,032)*	
Total unrestricted funds	16		**3,532**		*2,998*
Total funds			**3,532**		*2,998*

The company's net movement in funds for the year was £534k *(2022 - £1,129k).*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Paul Robinson
7D8F2AF27C604AF...
Mr P Robinson
Trustee
Date: 21-Dec-2023

DocuSigned by:
Gary Hipple
B623520683784E7...
Mr G Hipple
Trustee

The notes on pages 34 to 52 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £000	*2022 £000*
Cash flows from operating activities			
Net cash provided by operating activities	19	**2,777**	*(501)*
Cash flows from investing activities			
Purchase of intangible assets	10	**(820)**	*(692)*
Purchase of tangible fixed assets	11	**(1,701)**	*(1,770)*
Net cash used in investing activities		**(2,521)**	**(2,462)**
Cash flows from financing activities			
Repayments of finance leases	14,15	**(1,518)**	*(1,285)*
Net cash used in financing activities		**(1,518)**	**(1,285)**
Change in cash and cash equivalents in the year		**(1,262)**	**(4,248)**
Cash and cash equivalents at the beginning of the year		**5,748**	*9,996*
Cash and cash equivalents at the end of the year	20	**4,486**	*5,748*

The notes on pages 34 to 52 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

London Grid for Learning Trust (04205579) is a private charitable company limited by guarantee, incorporated in England and Wales. The address of the registered office is disclosed on page 1 and its principal activities described in the Strategic and Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

London Grid for Learning Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements. The surplus for the year dealt with in the accounts of the company was £548k (2022: £1,129k).

The parent entity satisfies the criteria of being a qualifying entity as defined in FRS102 and as such advantage has been taken not to present a cash flow statement or disclosures in respect of financial instruments for the company or to show separately aggregate remuneration for key management personnel.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Directors are content with the position of the company, particularly given the difficult economic climate. The major periodic refresh of the systems and infrastructure is complete and there is a stable and expanding customer base for the core broadband service with Schools and local authorities. New revenue streams have been added which have further bolstered the company's financial position. The Directors anticipate the company to trade sustainably for the foreseeable future. There are also sufficient cash reserves. A medium term financial forecast has been introduced to support investment and financial decision making. The Directors accordingly consider that the company is a Going Concern for at least twelve months from the date of approval of these financial statements and the accounts are accordingly prepared on the Going Concern basis.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income received from Local Authorities and schools for subscriptions and contributions to core activities is recognised in the period to which it relates. Income invoiced in respect of future periods is deferred to that period.

Income from the sale of goods is recognised when the goods are delivered to customers.

Other project income is recognised as receivable. Commissions receivable are recognised as invoiced.

2.5 Expenditure

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

Fundraising costs represent the trading costs of the company's trading subsidiary. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Termination expenditure is recognised a liability and an expense only when the entity is demonstrably committed either: (a) to terminate the employment of an employee or group of employees before the normal retirement date; or (b) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

2.6 Intangible assets and amortisation

Intangible assets costing £NIL 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. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Content and software	-	Over 3 to 5 years straight line

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Fixtures and fittings	- 33.3% straight line
Office equipment	- 33.3% straight line
Computer equipment	- Over 5 to 10 years straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Liabilities and provisions

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 company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the 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 in the Consolidated statement of financial activities as a finance cost.

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Pensions

The Group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 2 December 2018.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

3. 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 company 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.

In the opinion of the Trustees the main estimate and assumption that may have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are in relation to the useful life of fixed assets, which are written off in accordance with the amortisation and depreciation policies set out in note 2.6 and 2.7.

The valuation of the pension scheme assets and liabilities is carried out by the scheme actuary based on various assumptions and estimates. Details are given in Note 22.

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4. Income from charitable activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	*Total funds 2022 £000*
Main LGfL Income	20,739	**20,739**	*20,488*
LGfL Managed Services Income	565	**565**	*422*
LGL Income	3,656	**3,656**	*5,524*
Bridge the Divide	720	**720**	*9,165*
	25,680	**25,680**	*35,599*
Total 2022	*35,599*	*35,599*	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £000	Total 2023 £000	*Total 2022 £000*
Main LGfL Income	22,895	**22,895**	*22,033*
LGfL Managed Services Income	434	**434**	*153*
LGL Income	3,541	**3,541**	*4,524*
Bridge The Divide	901	**901**	*9,398*
	27,771	**27,771**	*36,108*
Total 2022	*36,108*	*36,108*	

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	*Total funds 2022 £000*
Main LGfL Income	19,635	3,260	**22,895**	*22,033*
LGfL Managed Services Income	284	150	**434**	*153*
LGL Income	2,977	564	**3,541**	*4,524*
Bridge The Divide	790	111	**901**	*9,398*
	23,686	4,085	**27,771**	*36,108*
Total 2022	*32,075*	*4,033*	*36,108*	

Analysis of support costs

	Main LGfL Income 2023 £000	LGfL Managed Services Income 2023 £000	LGL Income 2023 £000	Bridge the Divide 2023 £000	Total funds 2023 £000	*Total funds 2022 £000*
Net pension scheme finance costs/income	63	-	-	-	**63**	*68*
Staff costs	1,813	86	320	63	**2,282**	*2,063*
Promotions	201	10	35	7	**253**	-
Rent, Electricity and Rates	380	18	67	13	**478**	*453*
Other professional fees	295	14	52	10	**371**	*740*
Repairs and maintenance	22	1	4	1	**28**	*71*
Other office costs	327	15	58	11	**411**	*402*
Insurance	50	2	9	2	**63**	*49*
Other	64	3	11	2	**80**	*109*
Governance costs	45	1	8	2	**56**	*78*
	3,260	150	564	111	**4,085**	*4,033*
Total 2022	*2,486*	*46*	*568*	*933*	*4,033*	

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

During the year ended 31 March 2023, the company incurred the following Governance costs:

£45k (2022: £45k) included within the table above in respect of Main LGfL Income, £8k in respect of LGL Income, £2k in respect of Bridge The Divide Income and £1k in respect of LGfL Managed Services Income.

7. Auditors' remuneration

	2023 £000	*2022 £000*
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	**32**	*29*
Fees payable to the company's auditor and its associates in respect of:		
All non-audit services not included above	**12**	*11*

8. Staff costs

	Group 2023 £000	*Group 2022 £000*	Company 2023 £000	*Company 2022 £000*
Wages and salaries	**2,524**	*2,430*	**2,524**	*2,430*
Social security costs	**290**	*260*	**290**	*260*
Operating costs of defined benefit pension schemes	**870**	*782*	**870**	*782*
	3,684	*3,472*	**3,684**	*3,472*

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

	Group 2023 No.	*Group 2022 No.*	Company 2023 No.	*Company 2022 No.*
Administrative staff	**42**	*41*	**42**	*41*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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

	Group 2023 No.	*Group 2022 No.*	Company 2023 No.	*Company 2022 No.*
In the band £60,001 - £70,000	**8**	*9*	**8**	*9*
In the band £70,001 - £80,000	**6**	*4*	**6**	*4*
In the band £80,001 - £90,000	**1**	*2*	**1**	*2*
In the band £90,001 - £100,000	**1**	*1*	**1**	*1*
In the band £140,001 - £150,000	**-**	*1*	**-**	*1*
In the bank £160,001 - £170,000	**1**	-	**1**	-

Remuneration and benefits received by key management personnel was £966k (2022: £727k).

9. *Trustees' remuneration and expenses*

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 March 2023, no Trustee expenses have been incurred *(2022 - £NIL)*.

10. Intangible assets

Group and Company

	Content & Software £000
Cost	
At 1 April 2022	**4,761**
Additions	**820**
At 31 March 2023	**5,581**
Amortisation	
At 1 April 2022	**3,639**
Charge for the year	**843**
At 31 March 2023	**4,481**
Net book value	
At 31 March 2023	**1,100**
At 31 March 2022	*1,122*

The net book value of assets held under finance leases or hire purchase contracts, included above for the group and company, are £65k (2022: £305k).

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11. Tangible fixed assets

Group and Company

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 April 2022	59	52	32,102	32,213
Additions	4	32	1,665	1,701
At 31 March 2023	63	84	33,767	33,914
Depreciation				
At 1 April 2022	57	41	23,063	23,161
Charge for the year	2	4	3,204	3,210
At 31 March 2023	59	45	26,267	26,371
Net book value				
At 31 March 2023	4	39	7,500	7,543
At 31 March 2022	*2*	*10*	*9,039*	*9,051*

The net book value of assets held under finance leases or hire purchase contracts, included above for the group and company, are £2,050k (2022: £2,760k).

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

12. Fixed asset investments

Principal subsidiaries

The charity owns 100% of the ordinary share capital of the following companies.

Names	Company number	Registered office or principal place of business	Principal activity	Included in consolidation
London Grid Limited	05122783	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	Dormant.	Yes
Let's Get Digital Limited	11158329	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	The company has not yet begun trading.	Yes

The financial results of the subsidiaries for the year were:

Names	Expenditure £000
London Grid Limited	14

All the fixed asset investments are held in the United Kingdom.

Both subsidiary companies were dormant in the year.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13. Debtors

	Group 2023 £000	*Group 2022 £000*	Company 2023 £000	*Company 2022 £000*
Due after more than one year				
Prepayments and accrued income	**1,376**	*-*	**1,376**	*-*
	1,376	*-*	**1,376**	*-*
Due within one year				
Trade debtors	**350**	*1,155*	**350**	*1,155*
Amounts owed by group undertakings	**-**	*-*	**-**	*14*
Prepayments and accrued income	**1,433**	*1,525*	**1,433**	*1,524*
Other debtors	**611**	*478*	**611**	*478*
	3,770	*3,158*	**3,770**	*3,171*

14. Creditors: Amounts falling due within one year

	Group 2023 £000	*Group 2022 £000*	Company 2023 £000	*Company 2022 £000*
Trade creditors	**3,886**	*4,972*	**3,886**	*4,972*
Other taxation and social security	**71**	*83*	**71**	*83*
Obligations under finance lease and hire purchase contracts	**1,267**	*1,273*	**1,267**	*1,273*
Other creditors	**39**	*22*	**39**	*22*
Accruals and deferred income	**7,500**	*6,498*	**7,500**	*6,498*
	12,763	*12,848*	**12,763**	*12,848*

	Group 2023 £000	*Group 2022 £000*	Company 2023 £000	*Company 2022 £000*
Deferred income at 1 April 2022	**5,929**	*5,856*	**5,929**	*5,856*
Resources deferred during the year	**6,421**	*5,929*	**6,421**	*5,929*
Amounts released from previous periods	**(5,929)**	*(5,856)*	**(5,929)**	*(5,856)*
	6,421	*5,929*	**6,421**	*5,929*

Deferred income represents amounts invoiced in respect of broadband charges and other services which relate to future periods.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. Creditors: Amounts falling due after more than one year

	Group 2023 £000	*Group 2022 £000*	Company 2023 £000	*Company 2022 £000*
Net obligations under finance lease and hire purchase contracts	10	*1,522*	10	*1,522*
Accruals and deferred income	593	-	593	-
	603	*1,522*	603	*1,522*

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2023 £000
Unrestricted funds						
Designated funds						
Pan London Admissions	334	565	(299)	(419)	-	181
General funds						
General Funds	4,696	25,115	(26,894)	434	-	3,351
Non-charitable trading funds	(14)	-	14	-	-	-
Pension reserve	(2,032)	-	(592)	(15)	2,639	-
	2,650	25,115	(27,472)	419	2,639	3,351
Total Unrestricted funds	2,984	25,680	(27,771)	-	2,639	3,532

The trustees have set aside surpluses generated from the Pan London Admissions activity for the enhancement of this service.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £000	*Income £000*	*Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*Balance at 31 March 2022 £000*
Unrestricted funds						
Designated funds						
Pan London Admissions	*350*	*422*	*(108)*	*(330)*	-	*334*
General funds						
General Funds	*4,503*	*35,178*	*(35,315)*	*330*	-	*4,696*
Non-charitable trading funds	*(14)*	-	-	-	-	*(14)*
Pension reserve	*(2,984)*	-	*(686)*	-	*1,638*	*(2,032)*
	1,505	*35,178*	*(36,001)*	*330*	*1,638*	*2,650*
Total Unrestricted funds	*1,855*	*35,600*	*(36,109)*	-	*1,638*	*2,984*

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £000	**Income £000**	**Expenditure £000**	**Transfers in/out £000**	**Gains/ (Losses) £000**	**Balance at 31 March 2023 £000**
Designated funds	**334**	**565**	**(299)**	**(419)**	**-**	**181**
General funds	**2,650**	**25,115**	**(27,472)**	**419**	**2,639**	**3,351**
	2,984	**25,680**	**(27,771)**	**-**	**2,639**	**3,532**

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2021 £000	*Income £000*	*Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*Balance at 31 March 2022 £000*
Designated funds	*350*	*422*	*(108)*	*(330)*	-	*334*
General funds	*1,505*	*35,178*	*(36,001)*	*330*	*1,638*	*2,650*
	1,855	*35,600*	*(36,109)*	-	*1,638*	*2,984*

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	**Total funds 2023 £000**
Tangible fixed assets	7,543	**7,543**
Intangible fixed assets	1,099	**1,099**
Debtors due after more than one year	1,376	**1,376**
Current assets	6,880	**6,880**
Creditors due within one year	(12,763)	**(12,763)**
Creditors due in more than one year	(603)	**(603)**
Total	3,532	**3,532**

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

19. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £000	*Group 2022 £000*
Net expenditure for the year (as per Statement of Financial Activities)	**(2,091)**	*(509)*
Adjustments for:		
Depreciation charges	**3,210**	*2,923*
Amortisation charges	**843**	*547*
Decrease/(increase) in stocks	**321**	*(321)*
Decrease/(increase) in debtors	**(612)**	*4,057*
Increase/(decrease) in creditors	**514**	*(7,899)*
Current pension service costs	**870**	*967*
Defined benefit pension scheme contributions paid	**(341)**	*(334)*
Net interest/finance cost	**63**	*68*
Net cash provided by/(used in) operating activities	**2,777**	*(501)*

20. Analysis of cash and cash equivalents

	Group 2023 £000	*Group 2022 £000*
Cash in hand	**4,486**	*5,748*
Total cash and cash equivalents	**4,486**	*5,748*

21. Analysis of changes in net debt

	At 1 April 2022 £000	Cash flows £000	At 31 March 2023 £000
Cash at bank and in hand	**5,748**	**(1,262)**	**4,486**
Finance leases	**(2,795)**	**1,518**	**(1,277)**
	2,953	**256**	**3,209**

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

22. Pension commitments

The Group operates a defined benefit pension scheme.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2023 %	*At 31 March 2022 %*
Discount rate	**4.75**	*2.75*
Future salary increases	**3.45**	*3.55*
Future pension increases	**2.95**	*3.15*

The trust is an admitted body to the Royal Borough of Kingston upon Thames Pension Fund, a multi-employer pension fund in which there are many participating employers. The disclosures relate to the funded liabilities within the Royal Borough of Kingston upon Thames Pension Fund (the 'fund') which is part of the local government pension scheme. London Grid for Learning Trust ('LGFL') participates in the fund which provides defined benefits, based on members' final pensionable salary.

In accordance with Financial Reporting Standard 102 disclosure of certain information concerning assets, liabilities income and expenditure relating to pension schemes is required.

The Employer's regular contributions to the Fund for the accounting period to 31 March 2024 are estimated to be £359,000. In addition, Strain on Fund Contributions may be required.

The latest actuarial valuation of LGFL's liabilities took place as at 30 June 2022. The principal assumptions used by the independent qualified actuaries in updating the latest valuation of the fund for FRS102 purposes are detailed below.

LGFL employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 30 June 2022.

	At 31 March 2023 Years	*At 31 March 2022 Years*
Mortality rates (in years)		
- for a male aged 65 now	**23.2**	*21.7*
- at 65 for a male aged 45 now	**23.2**	*22.8*
- for a female aged 65 now	**24.6**	*24.1*
- at 65 for a female aged 45 now	**25.9**	*26.0*

22. Pension commitments (continued)

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

	At 31 March 2023 £000	*At 31 March 2022 £000*
Equities	**6,181**	*6,312*
Bonds	**3,197**	*3,209*
Property	**959**	*749*
Cash	**320**	*428*
Total fair value of assets	**10,657**	*10,698*

The actual return on scheme assets was £201k *(2022 - £201k)*.

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

	2023 £000	*2022 £000*
Current service cost	**870**	*967*
Interest income	**(299)**	*(201)*
Interest cost	**362**	*269*
Total amount recognised in the Consolidated statement of financial activities	**933**	*1,035*

Movements in the present value of the defined benefit obligation were as follows:

	2023 £000	*2022 £000*
Opening defined benefit obligation	**12,745**	*12,614*
Current service cost	**870**	*967*
Interest cost	**362**	*269*
Contributions by scheme participants	**175**	*170*
Actuarial gains	**(3,198)**	*(1,145)*
Benefits paid	**(156)**	*(130)*
Experience adjustment	**(141)**	-
Closing defined benefit obligation	**10,478**	*12,745*

22. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2023 £000	*2022 £000*
Opening fair value of scheme assets	**10,698**	*9,630*
Expected return on assets	**299**	*201*
Actuarial (losses)/gains	**(559)**	*493*
Contributions by employer	**341**	*334*
Contributions by scheme participants	**175**	*170*
Benefits paid	**(156)**	*(130)*
Experience adjustment	**(141)**	*-*
Closing fair value of scheme assets	**10,657**	*10,698*

As at the 31 March 2023, the closing position of the defined benefit obligation was a surplus of £1,435k. In line with19 FRS 102 treatment the surplus has not been recognised. Therefore the derecognition value of £1,435k is included within gains/losses above.

23. Operating lease commitments

At 31 March 2023 the Group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £000	*Group 2022 £000*	Company 2023 £000	*Company 2022 £000*
Not later than 1 year	**392**	*392*	**392**	*392*
Later than 1 year and not later than 5 years	**783**	*1,175*	**783**	*1,175*
	1,175	*1,567*	**1,175**	*1,567*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group 2023 £000	*Group 2022 £000*	Company 2023 £000	*Company 2022 £000*
Operating lease rentals	**392**	*392*	**392**	*392*

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24. Related party transactions

Due to the nature of the Trust's operations procuring services on behalf of the Local Authorities and the composition of the Board of Directors drawn from the Local Authorities it is inevitable that transactions take place with organisations in which the directors have an interest. No specific transactions have been identified where a director has an involvement and which should be disclosed as a related party transaction.

At 31 March 2023 the Trust was owed £Nil (2022: £14k) by its subsidiary company London Grid Limited. Donations to the Trust by London Grid Limited in respect of the year amounted to £Nil (2022: £nil) and management charges to London Grid Limited by the Trust amounted to £Nil (2022: £nil).

Permission has been obtained from the Charity Commission in order to pay for the professional services of the Chairman (P Robinson). During the year £8,162 including expenses were paid for these services (2022: £8,112). No emoluments or expenses were paid to any other director during the current or preceding year.

The Trust has indemnity insurance and insurance to indemnify the directors and employees of the Trust costing £11k (2022 - £11k) for the period.

25. Post balance sheet events

Since the year end the Trust has entered into a contract with its main supplier of broadband to acquire the network used. The cost of this is approximately £33.8 m which will paid off over seven years. There will be commensurate savings in costs with the broadband supplier so overall is expected to be cost neutral, or better, during the repayment period, after which, broadband supplier costs will fall significantly. This will enable LGFLT to achieve its aim of becoming a Service Provider rather than just selling on services from third parties and enable it to provide enhanced services to Schools at lower cost. The contract enables LGFLT to increase its broadband speeds to schools to a maximum of 10 Gbps at incremental cost. This enables LGFLT to have a market leading position as well as meeting the needs of schools as they transition to the cloud services and require increasing levels of bandwidth to meet the needs of a modern, digitally driven, curriculum.

LONDON GRID FOR LEARNING TRUST

England & Wales - Charity number 1090412

Accounts

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Company registration number: 04205579
Charity number: 1090412

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2022

LONDON GRID FOR LEARNING TRUST

MENZIES
BRIGHTER THINKING

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LONDON GRID FOR LEARNING TRUST

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LONDON GRID FOR LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Mr P Robinson Mr G Hipple Ms J McSherry Mr N Mitchell Ms H Warner Mr S Green
Company registered number	04205579
Charity registered number	1090412
Registered office	9th Floor 10 Exchange Square Primrose Street London EC2A 2BR
Company secretary	Mr J Jackson
Chief executive officer	Mr J Jackson
Independent auditors	Menzies LLP Chartered Accountants 36 Station Road Egham Surrey TW20 9LF
Bankers	Lloyds Bank Plc 83 Clarence Street Kingston upon Thames Surrey KT1 1RE
Solicitors	Ashfords LLP 1 New Fetter Lane London EC4A 1AN

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LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

CHAIRMAN'S STATEMENT 2021 - 2022

This time last year I was writing about the performance of the Trust as it was emerging from the Covid pandemic - a phenomenon that has dominated our lives for over 2 years and which had profoundly affected schools, councils and the whole of the public and private sectors. On 21 April 2021, the European Parliament approved the EU-UK Trade and Cooperation Agreement setting out the rules on the new partnership following Brexit and an agreement which effectively came into force the previous January. At the end of February 2022 Russia invaded Ukraine. Little did we know then the full extent of the impact of these developments on the UK and in terms of the latter on the world economy and in turn on schools, other public services and business.

Those who rely on the services provided by LGfL especially schools and the children and families they serve having come through the challenges posed by the pandemic have had to adapt to a new set of problems. The technology sector like many other businesses has not been immune to the increasingly difficult economic conditions. The rising interest rates that were to come particularly hit those organisations who were highly leveraged with this being reflected amongst other things in their share price. The good news is that LGfL, as a charity which invests everything back into its services without needing to pay dividends to shareholders, has continued to thrive. New services have been added to the Trust's portfolio offer at the same time as achieving steady growth in its customer base. It is particularly pleasing to see those few schools who moved in the past to other providers returning to LGfL.

Whilst ensuring that children and young people can navigate technology safely is a cornerstone of the Trust's mission, securing greater bandwidth for schools and other customers at competitive, if not industry-leading, prices and increasingly moving to more powerful cloud-based services and products remains the foundation on which the Trust's steady growth is built. LGfL has never employed a large and expensive sales force; rather it has relied on word-of-mouth recommendations with the proof of the pudding being in the eating. It is proud of the loyalty shown by schools and other customers; something the Trust will never take for granted and I promise we will reward that loyalty both in the quality and reliability of the services provided and in the prices achieved through the economies of scale only a national grid can secure.

Finally, the industry wide recognition through the unparalleled success in netting major awards represents a welcome pat on the back for the tireless work of our staff and an encouragement to do even better for schools, councils and other customers in 2023 and beyond.

Paul Robinson
Chairman, London Grid for Learning Trust

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CEO STATEMENT 2021 - 2022

This year was an outstanding year for LGfL with the Charity, at the time of writing this report, having won or been nominated as a finalist for 8 major industry awards including IT Supplier of the Year, Outstanding Contribution to Education and COVID Response of the Year. No other EdTech company has ever achieved this level of independent recognition and it is unlikely that it will ever be replicated in our lifetimes.

LGfL is now firmly established as an educational powerhouse that supports collectively over 2 million children, teachers and public sector staff to work effectively and securely every day.

LGfL's ability to aggregate demand has enabled schools to save an estimated £8.8M on laptops purchased through the #BridgeTheDivide programme. LGfL has given away licences worth an estimated £6.7M per annum. Close to 800 schools have received free bandwidth upgrades worth over £1M pounds. This year we've identified Pupil Premium Funding in excess of £30M that we hope schools and families will claim in order to bring much needed additional funding into areas of social and economic deprivation.

Our investments in innovation and cloud have delivered some of the largest educational technology programmes in the world today and position the UK at the forefront of innovation and next generation technology.

There are few parallels in the Education Sector that have delivered this width and depth of outcome in such a short period of time.

Our success hasn't been achieved by accident. LGfL is blessed with a passionate and experienced team. LGfL has built a Digital Transformation Partnership of over 100 small to medium sized enterprises (SMEs) who work tirelessly to support schools to harness technology. LGfL has forged successful alliances with world class technology companies that bring innovation at scale to thousands of schools all over the country.

This has been a year that has been nothing short of world beating. Why be second class when you can be world class? #WeAreLGfL

John Jackson - CEO, London Grid for Learning Trust

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LGFL'S OBJECTIVES

LGfL was founded in 2001 to advance education, in particular by providing and assisting in the provision of information and communications technology to London schools for the benefit of the children attending those schools.

In 2019/20, our shareholders approved a widening of LGfL's Objects, following approval by the Charities Commission: -

- to advance health by assisting in the provision of broadband and other communications technology to allow integrated services between local authorities and health authorities in the provision of social and other care; and

- to advance community development by assisting local authorities to integrate services through broadband and other communications technology to provide services more efficiently and at lower cost to the recipients of services particularly the elderly, vulnerable individuals and the disabled.

LGfL's revised Objects enable it to provide services to a wide range of beneficiaries including schools, Multi Academy Trusts, Councils, Health Services, the Police, Housing and Community Services.

A further update to LGfL's Objects is planned for the next financial year following advice from the Charities Commission.

PRIORITIES

LGfL delivers its Objects by focusing on: -

- Saving schools money
- Energising teaching and learning
- Keeping children safe
- Tackling inequality and
- Promoting wellbeing.

ACTIVITIES

In furtherance of our Objects, LGfL: -

- Provides high speed and secure connectivity encompassing mobile and fixed telecommunications links;

- Delivers a range of digital services spanning cybersecurity, safeguarding, teaching support and cloud services;

- Commissions services from partners;

- Cooperates and supports schools, academies and colleges of further education, other charities, voluntary bodies and statutory authorities; operating in furtherance of the Objects or similar charitable purposes and assisting them to exchange information and advice;

- Procures and enters into contracts to provide services to or on behalf of other bodies, establishes or acquires subsidiary undertakings, and establishes or takes part in joint procurements, ventures and undertakings;

- Sets aside funds for special purposes with a view to meeting long-term commitments or requirements;

- Shares safeguarding best practices in terms of online safety and beyond as well as working with stakeholders to train and equip school staff with the technologies and human expertise that best keep children safe; and

- Provides high-quality Continuous Professional Development (CPD) for school staff that fosters the innovative use of cutting-edge technologies in the classroom and complements teaching & learning best practice.

STRATEGIC REPORT

The global pandemic has placed unprecedented pressure on the UK with severe and negative impacts on the economy, public institutions and society more generally.

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Children, schools and educational services continued to be disrupted by repeated lockdowns and a shift to remote and blended learning pedagogies. The wellbeing of teachers and children has been negatively impacted and the level of inequality has unfortunately worsened due to the cost-of-living crisis.

Supply chain disruption, volatile exchange rates, rising energy prices and chip shortages have continued to place strain on the educational technology sector with many of our partners and competitors reporting continuing financial difficulties and disruption.

Despite the challenges, LGfL has played a fundamental and award-winning role in supporting schools at a time of national crisis. Indeed, due to a range of innovative programmes, LGfL has emerged from the pandemic as one of the leading Educational Technology providers in England today. This year, LGfL has received an extraordinary level of industry recognition having won, or in the process of being considered for, an unprecedented 8 major awards:-

- Outstanding Achievement Award (ERA Awards)
- Supplier of the Year (ERA Awards)
- Free Educational Resources LGfL with Child Bereavement UK (ERA Awards)
- Primary Resource or Equipment – ICT in partnership with Ohbot Ltd (ERA Awards – Highly Commended)
- IT Partnership of the Year with LEO Academy (BETT Awards)
- Technical or IT Support Service of the Year (BETT Awards)
- Wellbeing, Digital Wellness & Safeguarding Resources with the Department for Education (BETT Awards)
- COVID Response of the Year (Silver - COVID Response Awards)

Despite the pandemic, LGfL has continued to increase its reach across England taking on new schools and Multi Academy Trusts in the Home Counties, the Midlands and the Northwest thereby accelerating its position as a national provider of services to schools. Based on the current levels of growth, it is projected that LGfL will provide services to more customers outside of London than within it over the next few years.

As well as growing, LGfL continues to enjoy very high levels of retention that are well above industry norms.

The impact of LGfL within schools and Multi Academy Trusts has also been more substantial with increasing levels of consumption of LGfL's bundled products and services along with new revenue streams.

Continued growth means that LGfL is one of the largest providers of connectivity to schools in the UK providing a suite of digital services and infrastructure that is feature rich and capable of supporting a modern, digitally enabled curriculum.

LGfL's national network and digital services now support millions of children, teachers and public sector workers everyday putting the company at the heart of efforts to advance education both in the UK and beyond. The scale of this impact cannot be underestimated. Four of LGfL's cloud deployments are amongst the largest in the world of their kind.

LGfL's role in Education has become more deeply embedded. The pandemic has placed technology at the centre of a schools' teaching and learning strategy with the quickening pace of transition to Cloud and multi-functional platforms such as Office 365 and Google G-Suite. At the start of the pandemic more than 10,000 schools did not have a learning platform but at the end of the pandemic every school was expected to have had a learning platform in place set-up. This is an extraordinary level of change that needs ongoing curation and support if the change is to be successfully embedded. LGfL has innovated to meet the rapidly evolving digital needs of schools post COVID, including an increased focus on cybersecurity as well as supporting schools develop their Digital Strategy and nurture schools to manage cloud-based services.

Successful collaboration and partnerships remain a cornerstone of LGfL's DNA with over 100 companies now enrolled as Digital Transformation Partners to support schools with their technology needs and ensure that wherever possible the best use is made of LGfL resources. Partnerships with Child Bereavement UK and collaboration with LEO Academy have been recognised as award winning best practice.

At the heart of LGfL's technology provision is a world class network. Built almost exclusively on symmetrical, uncontended fibre, LGfL delivers almost infinite capacity so that exciting and engaging learning opportunities are available for children – both now and into the future.

LGfL's scale means that it secures very competitive pricing from its supply chain enabling LGfL to deliver value for money and considerable cost savings to all its beneficiaries, particularly schools and Multi Academy Trusts.

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LGfL provides a number of pan London and regional services alongside a wider public sector spanning local government, health and the police which enable efficient and cost-effective service delivery. Those services include the Pan London Admissions Service, the London Public Services Network (including gateways to Health) and the Free School Meals Eligibility Checker.

LGfL's long term success has necessitated a transformation of the organisation underpinned by a modernisation of IT systems, continuing process redesign and automation as well as cultivating a modern, flexible workforce.

In such a difficult and uncertain world, LGfL's ability to identify and manage risk is critical. Indeed, thoughtful mitigation has been a significant contributory factor to its success along with an ability to take measured risks when the situation demanded it, as was the case during the global pandemic.

KEY PERFORMANCE MEASURES

The breadth and depth of LGfL's work is summarised in the table below:-

Outcome	By March 31 2022
World Class Connectivity	
Estimated Daily Reach of LGfL Services to Children	**1.7 million**
Schools Upgraded as Part of Pledge 2020	**2,498**
Schools Receiving a Free Bandwidth Upgrade (FYE 22)	**776**
Total Free Bandwidth Delivered to Schools as part of the Bandwidth Bonanza (FYE 22)	**104,510 Mbps**
General Connection Speed of Secondary Schools to the Internet	**1 Gbps**
General Connection Speed of Primary Schools to the Internet	**100 – 300 Mbps**
General Connection Speed of Special Schools to Internet	**100 – 300 Mbps**
Resilience	
Percentage Availability of the LGfLCore Network	**100%**
Bridge The Divide	
New Laptops Delivered to Schools (since commencement of **#BridgeTheDivide**)	**158,000**
Estimated Number of Laptops Enabled for Recycling	**30,000 - 40,000**
Estimated Saving to Schools from #BridgeTheDivide	**£8.8 M**
Free School Meals	
Pupil Premium Funding identified for Schools	**£30.1 M**
Pupil Premium Funding identified since the inception of the Pupil Eligibility Checker (inception to 31 March 2022)	**£122 M**
Continuous Professional Development (CPD)	
Training Events	**243**
Delegates Attending	**3,580**
Applications for School Places	
Applications for Secondary School Places Processed	**104,394**
Applications for Reception School Places	**100,591**
Total Number of Applications Processed for School Places (all phases) (17,177 for nursery, junior and 14-19)	**222,162**
Smartbuy - Value for Money	
Estimated Licences & Services Freely Distributed to Schools	**1.49 M**
Estimated Saving / Additional Value to Schools Per Annum	**£6.7 M**

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SAVING SCHOOLS MONEY

The pandemic has delivered an unprecedented shockwave globally that along with more recent developments such as the war in Ukraine, is having a severe and detrimental impact on the UK economy. These shocks include spiraling costs, inflationary pressures as well as a squeeze on Government spending.

LGfL, as a not-for-profit Charitable Trust, has a key role to play in shielding schools and other customers from financial pressures by leveraging its massive, aggregated buying power on behalf of thousands of schools. In doing so, schools benefit from the economies of scale that each procurement brings.

LGfL delivers financial benefits to schools in several ways:-

- Firstly, it bundles a number of key products with its broadband connection to create a subscription service. Bundled items in that subscription include ransomware protection, anti-virus, DDoS, cloud backup as well as classroom resources. If these products were bought in isolation by individual schools, even MATs, they would cost a lot more money. LGfL encourages schools to consume the bundled products through its online Savings Calculator (https://savings.lgfl.net) which enables headteachers to assess usage and to ensure that opportunities are not missed to save money.

- LGfL spot purchases large volumes of products for sale directly to schools. Buying at scale means that LGfL's selling price is generally much lower than comparable market rates. BridgeTheDivide is a great example of how LGfL procured a very large number of laptops at highly discounted prices and was then able to resell them to schools at a much lower price than would have been possible through other channels. At the time it launched #BridgeTheDivide, in the early stages of the pandemic LGfL created price points that had never previously been seen in the market such as for the models of Chromebook that went on sale.

- LGfL also delivers savings and cost avoidance in other ways for schools. . For example, LGfL delivers free bandwidth upgrades to schools as part of its Bandwidth Bonanza that would ordinarily cost thousands of pounds. LGfL hosts training and CPD opportunities that are free for schools. Such actions allow schools to keep pace with technology needs (e.g. increased bandwidth consumption) at no additional cost.

Over the course of this reported financial year, LGfL distributed an estimated 1.49 million licences freely to schools worth approximately £6.7 M per annum. This year around 776 free upgrades have been delivered to schools worth, over 3 years, in the region of £1.2M.

TACKLING INEQUALITY

The economic crisis is placing more and more families in difficulty, which can result in health and wellbeing concerns for children. Ensuring that children are fed properly and schools are resourced to support the needs of their community is a priority.

LGfL provides support to schools and families through its online Free School Meals (FSM) Checker. In 2014, LGfL built a platform that enables families to check whether they are eligible to claim free school meals, which enables the child's school to receive additional funding (Pupil Premium) to help and support the child through their education. In subsequent years, LGfL refined the platform to enable schools, to check the eligibility status and make the claim on behalf of parents. The checker has been an outstanding success, and, in recent years, the checker has been promoted by Marcus Rashford's Food Poverty Action Group which has helped to increase awareness and engagement with the service.

Over the course of the current year the FSM Checker has identified over £30M of potential Pupil Premium Funding and since its inception in 2014 over £120M . The FSM Checker has had a profound and positive impact on children and schools across the LGfL community. This system is used in over 100 Local Authorities and by thousands of schools.

In the next financial year, LGfL will be looking carefully at the possibility of providing a national platform that would be freely available to all schools.

LGfL's technology offer is bringing affordable, high speed fibre connectivity across England. Over the last year, much of LGfL's growth has been in areas that are poorly served by broadband where schools have previously been connected at low speeds. The introduction of high quality, symmetrical fibre services has enabled schools in rural areas to enjoy the same digital experience as urban areas where historically schools had higher speeds.

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WORLD CLASS CONNECTIVITY FOR SCHOOLS

LGfL was established to deliver broadband within the London region. Today, the Trust is ever closer to a position where the majority of customers are outside of London, underlining LGfL's position as a trusted national provider of connectivity.

LGfL's network has been engineered for high reliability and speed. Over 99% of LGfL's customers are connected using symmetrical fibre with data secured through a national IPVPN service and underpinned by demanding performance levels. This delivers children an immersive experience on-line and enables schools to stream High Definition (HD) and 4K content at massive scale into the classroom.

In 2018 LGfL anticipated the move to Cloud Computing and the consequent need for much greater capacity and network security. To address these urgent needs, LGfL established a programme to transform broadband speeds to schools called Pledge 2020. The rollout of updated connectivity and platforms commenced in April 2019 and the programme was completed by December 2020.

Over the course of Pledge 2020, nearly 2500 schools were upgraded and the average bandwidth to schools more than doubled. In many cases, schools received upgrades that resulted in speeds rising as much as 500%.

Much of the Pledge 2020 programme was completed during the COVID-19 pandemic and, by virtue of its timing, enabled schools to transition to remote learning and cloud services seamlessly. This prevented the disruption of children's education and avoided many of the technology issues that were prevalent in other parts of the country at the time.

LGfL has continued to invest in the future of education connectivity under a new initiative called the Bandwidth Bonanza. Under this initiative LGfL is delivering further increases in connectivity speeds at no additional costs to schools. 776 schools benefited from the programme over the course of the year. These upgrades mean that LGfL schools remain at the forefront of broadband and digital services provision.

BRIDGE THE DIVIDE – EQUIPPING CHILDREN AND SCHOOLS WITH LAPTOPS

As teaching and learning moves online both children and teachers need access to low cost, affordable devices. This is a universal requirement, but particularly pressing in areas with high levels of social and economic deprivation.

LGfL established a programme during the COVID-19 pandemic called #BridgeTheDivide which included a national procurement of laptops on behalf of all schools along with accompanying configuration and distribution services.

Through the aggregation of its buying power, LGfL was able to source computers at very competitive prices and pass those savings on to schools. This immediately led to a reduction in the costs of devices in the market and schools were able to bulk purchase for children at levels that would otherwise have been impossible for them individually.

#BridgeTheDivide quickly gathered momentum during the pandemic and was an unprecedented success with LGfL becoming the largest supplier of devices to schools outside the government's national programme.

#BridgeTheDivide was a major boost to the UK generally with LGfL securing the supply of vast quantities of devices for schools in England at a time when other countries were also buying all available devices to meet their own national needs. Had LGfL not bulk purchased devices during the pandemic, it is entirely possible that very large numbers of children would not have received devices and equipment would have been redirected to other countries.

#BridgeTheDivide was well received by schools and there are a number of case studies from schools. MATs and Local Authorities commented on the positive impact the programme had on children and their progress during the pandemic. This included some of the most deprived areas in the UK including Waltham Forest and Tower Hamlets. The latter working with LGfL on not only distributing equipment but also on embedding technology into the curriculum (see https://edtechth.lgfl.net)

LGfL has continued to provide low-cost devices to schools and licences to recycle devices during the year. By March 2022, LGfL was closing in on delivering 200,000 new and recycled devices to schools.

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CYBERSECURITY

Globally, increasing tensions and hostile acts between countries, are fuelling a difficult climate and adding to the range of Threat Actors that already exist. Consequently, cybersecurity threats and risks are on the rise and a number of schools and Multi Academy Trusts have been victims of ransomware attacks which have proven costly and very disruptive.

LGfL has marbled security into its technology stack. The LGfL network has a unique, multi layered, defensive shield that protects children. LGfL's defences include filtered internet access, anti-virus, ransomware countermeasures, cloud backup, firewalls, DDOS protection, secure email services as well as monitoring via a Security Operations Centre (SOC). This multi layered defensive system is called CyberCloud.

LGfL provides extensive best practice policy and security advice to schools including delivery of the official National Cyber Security Centre (NCSC) training for schools, plus best practice toolkits, seminars and newsletters. Elevate (https://elevate.lgfl.net) is a collection of key documents that schools can use to elevate their cybersecurity. It can be used as a foundation for schools that want to attain Cyber Essentials Certification. It templates for the three key documents that NCS advises schools should have i.e. a Cybersecurity Policy, an Incident Response Plan and Asset/risk Registers.

In 2022, LGfL integrated an innovative technology platform into its digital subscription that enables schools to freely assess their cybersecurity vulnerabilities. The platform presents a visualisation of those risks as well as a report at no additional cost to schools. LGfL has freely offered this scorecard report to all schools irrespective of whether they are an LGfL beneficiary of broadband.

LGfL has invested to increase its capacity and technical capabilities to support schools and partners alongside the technology countermeasures and content initiatives identified above. This includes LGfL becoming an accredited Managed Service Partner (MSP) for platforms including Sophos and Malwarebytes. Today, LGfL oversees the security of hundreds of thousands of devices.

Cybersecurity requires multi agency collaboration and intervention. LGfL partners with key agencies including the National Cyber Security Centre to promote best practices and an audit of schools' security risks has been undertaken this year to refresh and update the first study undertaken in 2019. The findings from the study will be made available to inform spending and policy decisions for schools.

RESILIENCE AND KEEPING THE LIGHTS ON

Significant technology investments have been made over the course of the financial year to ensure the continued reliable operation of LGfL's platforms to increase resilience and reliability.

A key change was the rollout of an enhanced networking configuration which has enabled internet bound traffic to reroute across multiple links in the event there is a failure in the National Network. This has significantly reduced downtime in schools and across the LGfL community of schools when there have been problems in the core network.

Important upgrades have been made to the LGfL datacentres that make up LGfL's private cloud. These investments have ensured that services are designed for high reliability and availability that is conformant with an N+1 design. Projects include upgrades to processing capacity within our secure private cloud and the introduction of new equipment which draws on less power and is more environmentally friendly.

The oversight of the network, and its performance, has been enhanced through the integration of LGfL devices with the IBM Tivoli platform which now delivers real time performance metrics on a range of key matters that could adversely affect the end user experience including latency, round trip delay and packet loss. Managing the insights provided by these next generation systems enables LGfL to deliver a proactive and positive service to the thousands of customers it serves nationally.

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SAFEGUARDING CHILDREN

Online safety remains a core focus for LGfL with an estimated 2 million children, teachers and support staff having access to the internet every day. Internet filtering is a complex undertaking as content providers seek to prevent filtering and lock out systems that categorise the content. Filtering at this scale is an enormous challenge with over 30,000 decisions taken every minute on whether content is appropriate to view.

LGfL has invested further in the modernisation of its filtering service including a complete overhaul of the underlying infrastructure in order to increase capacity and to enable new features including SSL filtering, by default, should schools have this requirement. Other new features include improved integration with cloud platforms such as Google to ensure granular, per-user filtering to help keep children safe but avoid overblocking. A new filtering platform, called SchoolProtect, will be launched in 2023 should a beta trial prove successful.

The pandemic changed where children learn with a sharp uptake in internet-based learning in homes and community settings. This drove innovation and change and, as a result, LGfL created, at no cost to schools, a free filtering service for children working from home (HomeProtect). This service has been retained due to continuing demand from schools. The technical offering was combined with expert guidance and training to ensure safe remote learning, plus advice for parents on how to best protect their children online.

LGfL works extensively on countering extremism and online radicalisation. This includes the production of key resources developed in partnership with the Department for Education (DfE) Prevent Team and the Counter Terrorism Police. (goingtoofar.lgfl.org.uk – mentioned previously for winning a BETT award)

LGfL offers a wider centre of excellence in safeguarding spanning many areas including, for example, grooming for sexual or child criminal exploitation. A wider training portfolio and collection of resources provides CPD and materials for the classroom, for specialists and generalist staff alike, and increasingly, LGfL is the destination for schools' main Designated Safeguarding Leads to get their training, updates and advice, including on the latest legislation and statutory guidance, where LGfL is in a unique position to advice from its work on national policy bodies.

LGfL has also developed a wide range of materials for promoting mental health and wellbeing including the award winning resources developed with Child Bereavement UK to help schools supporting children dealing with a family bereavement. This resource https://bereavement.lgfl.org.uk/ has been of significant value to schools particularly during the pandemic.

CURRICULUM AND TEACHER DEVELOPMENT

Since its inception in 2001, the curriculum resources, as with the technology portfolio, has been at the heart of the LGfL offer. In order to enable the effective use of technology in supporting high quality curriculum delivery, the curriculum portfolio has been adapted, expanded and a range of innovative content developed.

Changing processes, policies and teaching methods to effectively harness digital devices and materials is a complex undertaking and potentially fraught with risk to schools, children and teachers.

Therefore, the effective integration of the latest digital technology into everyday teaching and learning requires careful and focused support to help evolve pedagogy; which LGfL's Curriculum Team are well placed to provide alongside a growing network of lead schools. (pedtech.lgfl.net)

Following a successful bid to the DfE, LGfL supported over 4,000 schools and 100,000 teachers with their transition to the Cloud via the National Demonstrator Programme during COVID-19. At the end of the contract term, LGfL successfully transitioned the future delivery of the programme to United Learning ensuring no disruption to services.

Over the course of the current financial year, LGfL has collaborated extensively with lead practitioners and experts in their field to develop resources to enable the development of a holistic Digital Strategy including a self-assessment toolkit, training and access to an extensive catalogue of case studies where leading practitioners provide feedback and advice on how they have approached the complex issue of Digital Strategy within their school or Multi Academy Trust.

LGfL has partnered with the Education Foundation to develop a national network of leading practitioners (EdTech Hubs - edtechhubs.lgfl.net) where school leaders and teachers get together to share best practices and disseminate that within a region. These sessions have been very well received and they will remain a key part of LGfL's activity in the next financial year.

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LGfL delivered an extensive Continuous Professional Development programme for schools across a range of subject, specialisms as well as products. This programme rapidly increased during the COVID period and the volume of training remains at a much higher level than it was prior to the global pandemic.

Many of these programmes are delivered in partnership with key suppliers and well-known training providers at no cost to schools which is another way in which LGfL saves money for schools.

PAN LONDON ADMISSIONS SERVICE

LGfL works in partnership with Local Authorities to coordinate school places across London. This is a significant and critical task, involving hundreds of thousands of annual applications across the capital each year. By collaborating together and delivering these services centrally, local authorities save significant amounts of money by avoiding duplication and delivering services efficiently through shared IT systems.

Underpinning this service are two central IT systems provided by LGfL. The Pan London Coordinated Admissions systems, processes parental applications for school places. Using the centralised system, Local Authorities aim to give every child a single offer of a school place on National Offer Day, which previously was not the case when local systems were run by individual Authorities.

The Pan London Coordinated eAdmissions website has been a major success for London. As a result, this service covers all phases - nursery, reception, junior, secondary and 14/19 placements.

The new website was introduced in 2019/20 and during the pandemic improved and streamlined the processing of admissions and delivered a significant channel shift with a major decline in the number of telephone and general enquiries to the support teams as parents were able to successfully apply without having the need to call for help or advice. The significant reduction in telephone calls underlines the importance of improved website design and well thought out customer journeys.

2021/22 was the eighteenth year of operation of the Pan-London Admissions Coordinated Service for the 33 London Local Authorities and 5 adjoining authorities, which successfully handled over 58,041 resulting in a single school offer for 222,162 applications that had been made via the eAdmissions website.

LONDON PUBLIC SERVICE NETWORK

LGL provides connectivity and resilience for Councils across London and nationally. A priority during COVID-19 was the migration of Councils to the latest network architecture and new equipment which delivered more capacity and security. This transition was almost completed by the end of the current financial year and a complete cutover will be delivered in the next financial year.

LGL boosted internet capacity to Councils at the start of the pandemic for free which enabled public sector workers to move to homeworking at a massive scale with minimal disruption. This facility continued over the course of the current financial year.

LGL maintained a focus on ensuring the resilience of public services by scheduling a series of scheduled Disaster Recovery Tests to ensure that, in the event of a network failure, services would be automatically rerouted to their second connection. This programme remains an ongoing priority for LGfL.

LGL is currently leading a review of LGfL's datacentre strategy with a view to lowering our carbon footprint, increasing capacity and enabling the delivery of a new generation of cloud enabled networks. This refresh of core technologies will also provide LGfL with the platforms to improve the range of options that it can provide to schools and Multi Academy Trusts at affordable prices.

BUSINESS MODEL TRANSFORMATION

LGfL was established as a commissioner of regional broadband to schools that was funded by government through the former Harnessing Technology Grant (HTG). Today, it is a diversified technology services organisation with a market leading brand.

The transformation from a government funded agency has necessitated fundamental and far-reaching changes which are being addressed through LGfL's Fit for the Future programme. Through this initiative LGfL has overhauled its services and products in response to feedback from schools.

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Today, LGfL continues to be a commissioner of services but it now delivers services directly. New channels, such as the Digital Transformation Partner (DTP) network have been established to provide new ways of growing services harnessing Small to medium Sized Enterprises as well as Local Authorities.

LGfL's ability to adapt in a flexible and nimble way to meet the needs of schools and customers is one of the reasons it has been able to achieve high levels of customer retention and stay relevant in a highly competitive market.

FIT FOR THE FUTURE

LGfL is a growing and diversified technology services group and, as it continues to expand, it is essential that firm foundations exist with modern, digital platforms that enable LGfL to function efficiently and effectively at scale.

A key investment for LGfL has been the implementation of a modern Customer Relationship Management (CRM) system which supports sales management, communication, service management and a range of other customer interactions. Over the course of the year, LGfL reviewed a significant number of processes and re-engineered them for the CRM system to provide greater support for core activities including Sales Order Processing and Sales Pipeline Management. The CRM system also has a range of integration tools enabling bi-directional updates of data between systems without the need to re-key information. This means that LGfL's customer data is much richer.

Modern financial systems provide support across LGfL to ensure that accurate data is available for forecasting, profit and loss, cash flow and balance sheet management. A number of improvements have been introduced in the Finance Team with respect to technology and processes resulting in improved efficiency and oversight. For example, billing between LGfL and its largest supplier, VMO2 has been simplified to avoid a large amount of technical accounting adjustments needing to be made each month. It is planned that further automaton of asset management and contracts will be delivered over the course of the next two financial years along with integration to partner systems to enable automation of key tasks such as billing reconciliation.

As part of its Fit for the Future programme, LGfL has collaborated extensively with partners to improve oversight and service management as well as addressing concerns with the quality of information held on partner systems. These developments are supporting the effective stewardship and management of LGfL's customers.

WORKFORCE TRANSFORMATION

LGfL recognises the need for a modern and motivated workforce that has the skills and capacity to meet the changing and growing demands of a national provider.

The expansion in services has led to planned headcount increases in cybersecurity, safeguarding and technology strategy. The pandemic has resulted in fundamental changes in workforce and accommodation needs with a general move to hybrid working. LGfL has embraced this change which has contributed to continuing high levels of employee retention.

With the continuing economic pressures on staff, there is likely to be a need for LGfL to consider what further measures may be appropriate to support staff's wellbeing in the next financial year. Depending on the economic situation, further proposals may be brought to the Board including temporary financial relief for staff.

SUPPLY CHAIN TRANSFORMATION

The pandemic underlined the need for all organisations to ensure that robust supply chains were in place to support reliable service delivery and meet customer needs.

This is a continuing requirement given recent global disruptions resulting from the war in Ukraine, rising energy prices, exchange rate volatility and repeated economic lockdowns in China.

One of LGfL's key strengths in recent years has been the broadening of its supply chain base to introduce world class companies such as Adobe which have opened up new possibilities to supply schools with exciting and impactful products such as Creative Cloud.

LGfL has nurtured the Digital Transformation Partnership (DTP). This is a network of Small to Medium Sized Enterprises (SMEs) who receive regular updates and newsletters from LGfL. This network also provides an invaluable support network for schools.

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This DTP network has continued to be a success story with over 100 companies now part of that framework. LGfL will further invest and develop this channel over the course of the next financial year and will continue to build skills and knowledge into that community.

LGfL retains a relentless focus on ensuring its contracts and partnerships deliver Value for Money and meet the expectations of its customers. This requires effective oversight and management of partners and suppliers. Key governance changes have been introduced to drive improvements in reliability, operations, finance and innovation. Contracts with partners have been reviewed and, when contracts reach renewal points, considerable focus is given to improving terms and addressing areas of improvement. This is enabling LGfL to control costs and ensure positive alignment between suppliers and LGfL's Objects and priorities.

A diversified and transformed supply chain has also delivered greater resilience and choice for LGfL and its customers which has been a fundamental building block in delivering long term value to schools.

COMMITMENT TO OPEN STANDARDS AND INTEROPERABILITY

LGfL has fostered and accelerated the use of cloud platforms and internet-based service delivery. The success of these programmes means that England is at the forefront of EdTech developments globally.

The future success of cloud services, and their widespread adoption in schools and the public sector, will depend on process and data orchestration services that enable efficient and effective delivery of education to any location in the world. A world where data flows securely and freely across a vast nexus of partners and contributors.

LGfL is committed to harnessing interoperability and is focused on accelerating it, alongside open standards in its supply chain and wider digital ecosystem including its immediate supply chain. This will enable groundbreaking innovation in future years that will transform education and deliver positive outcomes to schools.

RISK MANAGEMENT

The management and mitigation of risk is a key priority for LGfL and ever more pressing in a climate of uncertainty.

LGfL has embedded risk management and mitigation in all aspects of its work and key areas of concern are reported to the Board along with mitigating actions.

The following sections provide an updated consideration of the major challenges and risks that LGfL faces currently. Financial risk is addressed in the finance section later in this report.

COVID-19

The worldwide pandemic has severely disrupted the global economy, negatively affected the supply of goods and services as well as resulting in the unplanned closure of schools. Many companies, including UK technology companies, have struggled to adapt to the changed environment.

The impact of COVID-19 on the global supply chain will continue to disrupt the market as there is likely to be a substantial rise in the consumption of electronics and technology with the introductions of lockdowns across the world. In addition, suppliers may find delays in shipping and port congestion a problem due to unexpected shortages of available staff.

Massive public borrowing and spending is also likely to negatively impact the economic outlook over the longer term with inflationary pressures likely to drive up costs for all suppliers and companies, potentially squeezing surpluses.

As set out in this report, LGfL has delivered a comprehensive and effective response through initiatives such as Pledge 2020 and #BridgeTheDivide as well as "Lights On" investments to ensure that schools and Councils continued to operate successfully despite huge changes in demand and the shift to remote working.

LGfL recognises that our ability to respond flexibly and innovatively to COVID-19 or any future unexpected events will remain a priority for risk mitigation for the foreseeable future. New product and innovations remain part of that response.

LGfL is taking steps to increase resilience against COVID-19's related supply dysfunction by diversifying its partners and broadening the range of products available to meet service needs and moving away from single points of dependence.

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LGfL's focus on efficiency, contract controls and generating value for money from its supplier base are important mitigations to inflationary pressures.

BREXIT

The continuing uncertainty with respect to the UK's trading arrangements with the rest of the world remains a concern with no obvious resolution in sight.

For the reasons set out earlier in this report, LGfL's supply chain is strong with our major supply partners already well advanced in terms of contingency planning.

Nevertheless, there are likely to be continuing swings in currency exchange rates that will adversely affect prices and drive-up costs to schools.

LGfL is mitigating this impact by purchasing at scale and ensuring that there is an effective procurement capacity at the heart of the organisation.

LOW-COST CONNECTIVITY

LGfL needs to ensure that it evolves its network and technology solutions to ensure they remain competitive and offer Value for Money.

A significant amount of government and private sector investment is going into building out a fibre network across the country and its vital that schools benefit from this development. This includes the rise of Fibre to the Premise as a cost-effective means of accessing the internet for smaller schools compared to leased lines.

LGfL is therefore adapting its technology architecture and supply chain to meet the changing nature of connectivity in the UK allowing schools to have more connectivity options and choice.

MANAGING GROWTH

LGfL is growing its customers and diversifying its products which is inevitably bringing pressures including the urgent and continuing need to modernise LGfL as an organisation.

As set out earlier in the report, LGfL's Fit for the Future programme is critical to supporting and managing LGfL's growth by modernising processes, systems and workforce including the wider use of next generation digital platforms including CRM.

Growth in LGfL's coverage and widening of LGfL's direct services and products requires LGfL to recruit additional staff to meet identified needs in those areas including enabling functions such as finance, business development and sales.

MANAGING ORGANISATIONAL TRANSFORMATION

The process and wider changes being introduced by LGfL to support growth include significant changes in working practices and contracts which have been refreshed and updated for all employees. The move to a modern HQ has benefited LGfL, including closer ties with schools, Councils and partner organisations.

LGfL has not required a fundamental reorganisation of its structure. The focus remains on empowering individuals and teams to develop their services and coaching the organisation to improve their performance. The adoption of a flat organisational structure means there is a maximum of 4 levels including the CEO.

Looking ahead, LGfL will need to keep its organisational structure under review to ensure that it has sufficient capacity to meet demand and individual staff members have a sustainable portfolio of work.

KEEPING PACE WITH MARKET CHANGE

LGfL is in a technology market where innovation and change are constant. As such it is vital to ensure that products and services remain current and relevant in a highly competitive area.

As LGfL's response to COVID-19 demonstrates, LGfL has continued to innovate and expand the services and products it provides to schools reinforcing the value of its subscription and the positive impact on its beneficiaries.

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There is a risk that disruptive and fast-moving changes in new technology and associated services could render services obsolescent or expensive. Work is already underway to ensure that LGfL can support these changes and deliver the interoperability and flexibility that schools now expect. In doing so, there will be ongoing challenges and a constant balancing act for LGfL and its delivery partners to manage between providing a secure network and the need for more flexibility.

Key priorities for 2022/23 are set out in this report and include improvements to products that support the increased use of cloud services and help schools mitigate the impacts on learning from the global pandemic. LGfL will also invest to modernise other key platforms this year that will enhance its safeguarding credentials to schools.

Further strategic investments in safeguarding, infrastructure, cybersecurity and networks are planned to enable LGfL to continue operating at the forefront of innovation and practice in the education market.

MITIGATING CYBERTHREATS

LGfL recognises that there is continuing activity and efforts to disrupt schools and other bodies through targeted activities including spamming, distributed denial of service attacks (DDoS), ransomware attacks, malware and viruses.

LGfL continues to invest to improve its capacity to mitigate such threats through product improvements including the addition of new protections. As previously stated, prudent and effective investments have been made in technologies such as firewalls and alerting systems to mitigate the risk of such breaches. In recognition of the increased threat to information and systems, LGfL also undertook independent testing of its network security; this cyclical assurance will continue.

A continuing positive development has been the enhanced DDoS protection enabled by the recent and significant upgrades to the firewalls that LGfL has deployed in the edge (i.e. the school sites) and the core network (i.e. LGfL's datacentres) locations of its network.

LGfL has also focused on security process improvements and has achieved Cyber Essentials Plus accreditation.

SUPPLY CHAIN RESILIENCE

With the majority of service provision administered through contracts with substantial supply partners, there remains the risk that one of these could fail, particularly in the current climate. In mitigation, LGfL undertakes regular review meetings with suppliers. Financial checks through Dunn & Bradstreet are conducted regularly and are part of the assessment process for major new contract awards.

To maximise value in its supply chain, LGfL has expanded its commercial ecosystem. This has delivered a significant broadening of products and capabilities available to LGfL as well as reducing the exposure to one supplier. The expansion of LGfL's partnerships has proven invaluable in driving innovation into the services and subscriptions that LGfL offers. It also provides LGfL with alternative supply should partners fail to meet the standards that LGfL requires.

The creation of a Digital Transformation Partner Network has been a particular success with close to 100 Small and Medium Sized Enterprises (SMEs) working closely with LGfL on supporting schools in London and beyond.

Atomwide (now part of AdEPT plc) and VMB are critical partners for the delivery of services to schools. LGfL has developed robust improvement plans with clear actions to ensure continuous improvement.

FINANCIAL REVIEW

The results for the year and LGfL's financial position at the end of the year are shown in the attached financial statements. The previous financial year witnessed the highest ever levels of revenue and spend since the formation of LGfL (income of £44.4M).

This financial year is the second highest ever (income of £35.5 M), driven by the continued rollout of devices into schools along with net growth across several product pipelines include cloud backup, broadband and software sales.

The major part of LGfL's income is derived directly from schools for the provision of broadband connectivity, related services (internet filtering, e-mail hosting, e-mail filtering, anti-virus protection, web hosting, secure remote access, etc.) online educational resources and devices. However, this is likely to change as LGfL diversifies the products and services that it is sourcing on behalf of schools.

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LGfL has witnessed a very substantial rise in its revenues as a result of diversifying into device provision during the pandemic and expanding the range of services and products that it offers in schools. Income fell this year with the National Demonstrator programme coming to an end and a reduction in the volume of devices shipped to schools.

Expenditure has been reduced in line with expectations due to the expected fall in laptop purchases as part of #BridgeTheDivide. In FYE 2022, total expenditure incurred was £36.1M. In 2021 total expenditure was £46.6M.

LGfL does not receive any of its income from public fundraising so is not required to comply with any fundraising regulations.

PENSION LIABILITY

Pension liabilities remain volatile. This year it has reduced from £2.984M to £2.047 M due to updated actuarial assumptions and better than expected performance of Pension Funds.

The current uncertainty and the need to ensure the future sustainability of LGfL will mean that a review of LGfL's Pension Scheme will be needed to avoid the burden of maintaining the fund being too great with a likely move from a Defined Benefits Scheme to a Defined Contribution Scheme.

GOING CONCERN

LGfL is a going concern and will continue to play an important foundational role in the education system within England.

Net assets has improved on last year and the pension liability has fallen which have boosted the company balance sheet compared to the previous financial year. Long term liabilities continue to reduce in line with expectation and by financial year ending 2024, long term assets will be fully depreciated.

In the current year, LGfL has retained strong liquidity and cashflow, particularly in the first 9 months of the financial year.

LGfL's credit worthiness has improved with LGfL moving to an A1 rating with Dun and Bradstreet with a daily recommended daily credit limit of over £1m.

LGfL continues to grow across England with continued expansion in 2022 in the Home Counties and a healthy multimillion pipeline of future sales leads and retention activity.

LGfL benefits from very high levels of customer retention and loyalty which are currently at over 95% in a very competitive market. Renewed confidence in LGfL is reflected by the fact that schools who had left LGfL are now returning which means that LGfL's share of the London market is increasing.

LGfL's strategy of providing additional value through bundling additional products and services into its broadband service has been a key part of its success with increasing levels of schools taking advantage of the freely available products.

Following advice from our Auditors last year, LGfL has improved its forecasting with cash flow, balance sheet and profit and loss statements now extending out to financial year ending 2027. The forecasts clearly demonstrate that over the Medium Term, provided assumptions including net growth continue, LGfL will be in a stable and sustainable financial position for years to come. As part of those forecasts, options for cutting costs and generating savings have been developed.

The improvements in our medium-term financial planning are enabling the Board to understand and test the impact of making key investment decisions and consider the tradeoffs and consequences of key decisions that lie ahead in delivering its strategy.

In the current year net current assets (NCAs) are negative but, as previously reported, this was anticipated as part of the cyclical refresh of the network and mirrors performance in previous refreshes over the last 20 years. As in previous cycles, according to the Medium Term Financial projections, Net Current Assets will move to a sustainable position, with sufficient funds being generated to enable the next cyclical upgrade of the network by FYE 2027.

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LGfL is also confident that the cost of future upgrades will fall. Indeed, over the last three refresh cycles, the costs of replacements are generally falling historically and therefore the cyclical and structural financial demands on LGfL are declining.

LGfL recognises the urgency and necessity of remaining focused on its financial bottom line and a number of key initiatives will support LGfL remain a going concern:-

(I) Harnessing multi-year forecasting for cash flow, balance sheet and profit and loss management and constantly reviewing them in the light of changes;

(II) Embedding the use of core financial statements and forecasting into corporate governance including investment decisions;

(III) Maintaining a healthy sales pipeline by harnessing data and LGfL's CRM system and developing a national sales strategy;

(IV) Achieving better value and reduced costs from suppliers through market testing, financial and commercial controls;

(V) Diversifying the range of products that it provides to schools and therefore the sources of its income;

(VI) Reducing the rate of customer attrition through a range of targeted initiatives including flexible pricing, personalised product design and product enrichment;

(VII) Implementing improved investment and project management controls, including stopping initiatives that were not delivering benefit, sweating assets and improving long-term planning;

(VIII) Expanding LGfL's customer base in schools and across the public sector;

(IX) Improving financial controls; and

(X) Investing to improve the competitiveness of the products LGfL provides to schools.

Given the above, LGfL has adequate resources to meet all liabilities as they fall due and will continue in operational existence for the foreseeable future. Therefore, we have prepared our accounts and financial statements on the basis that the charity is a Going Concern.

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RESERVES

At the 31 March 2022, LGfL's net assets were £4.96 M (excluding pension liability) and fall to £2.91 M including the defined pension scheme liability which represents an improvement on the previous financial year. In 2021, LGfL had net assets of £4.95M before pension liabilities, and £1.87M after pension liabilities.

As reported in 2019/20, LGfL planned for a depletion of reserves and unrestricted funds in 2019/20, 2020/21 and 2021/22 to enable the modernisation and upgrade of the schools' network as part of Pledge 2020 and the continuing investment in product and services improvements to ensure LGfL is competitive in the market it serves.

The actuarial assessment and pension liability was an improvement on the previous years at £2.047M compared with £2.984M in the previous financial year.

Going forward, LGfL maintains unrestricted funds and reserves consistent with anticipated commitments in regard to maintaining continuity of service, cyclically refreshing its assets, and ensuring it can:-

(i) Fund its operations for at least 3 months;

(ii) Survive major and unforeseen economic shocks and developments;

(iii) Provide support to education in the event of a material change in government funding policy in respect to schools' broadband;

(iv) Provide contingency for IT related initiatives;

(v) Respond purposely to technology innovation; and

(vi) Have capacity to respond to new regulatory burdens.

The operating model of LGfL means that it needs to continually reinvest a significant proportion of its surpluses into IT infrastructure to ensure the network is kept up to date and able to service the need of participating schools and other customers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The London Grid organisation consists of the following legal entities: -

Name	Status
London Grid for Learning Trust	Private, limited by guarantee, no share capital, section 30 of the Companies Act Companies House no. 4205579. Members are London's 33 Local Councils Charity Number 1090412
London Grid Limited	Private Limited Company Companies House no. 05122783. Wholly owned by London Grid for Learning Trust. This has now been merged with LGfL following approval to widen the Objects granted by the Charities Commission and London Councils.
Let's Get Digital	Private Limited Company Companies House no. 11158329 Wholly owned by London Grid for Learning Trust Currently dormant.

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APPOINTMENT OF TRUSTEES

All 33 London Local Authorities are members of the London Grid for Learning Trust Company and are responsible for appointing the Executive Board.

Trustees are nominated by the Council. Each Member that is a Council may nominate a person as a Director, who shall be appointed as a Nominated Director by a resolution of the Directors.

The Nominated Directors appoint one or more persons as Directors. Directors are chosen by reference to their relevant qualifications, skills, experience, knowledge, professional, commercial or community standing and, where possible, their contribution to making the board of Directors appropriately diverse.

No Directors are appointed unless their candidacy has been notified to the Members in sufficient detail and in sufficient time to enable any Member so minded to comment on the proposed appointment in writing to LGfL prior to the appointment being made.

The company has held Annual General Meetings annually since its inception, to appoint Directors and Auditors and receive and approve Directors' Report and Accounts.

LGfL will be seeking to strengthen its governance by appointing new Board members over the course of the next financial year.

TRUSTEE INDUCTION

LGfL recognises that poor corporate governance and decision making have been the main cause of failure in other charities, and that Trustees have not been effective in these incidences. According to research, much of this ineffectiveness is due to inadequate induction and support offered to Trustees.

LGfL recognises that a new Trustee will make a much more substantial contribution if their induction is handled effectively and they have the information and skills needed to undertake their duties effectively.

LGfL recognises that it is vital that new Trustees have all the necessary information to make an effective contribution to LGfL's affairs including:

- Ensuring that new Trustees are fully conversant with the Articles and Activities of LGfL;
- Provision of additional relevant material, including Board papers and the statement of accounts;
- Providing Trustee financial training, which is provided by the Company Auditors; and
- That Trustees are aware of their legal obligations under Charities Law, including areas such as Public Benefit and Responsibilities of Charity Trustees (CC3).

ORGANISATION

LGfL's Executive Board of seven members meets around 5 times a year to advise, review and direct strategy and investment plans, and to provide oversight of LGfL's performance.

An Audit Committee meets to review the accounting and financial management practices of LGfL. The Audit Committee is responsible for reviewing the report from the External Auditors and for providing assurance to the Board.

LGfL is also accountable to its members through the active engagement of key stakeholders in the form of Local Authority Officers and school representatives who meet regularly at the London Grid Sector Group. This work is augmented through the time and effort given by representative staff who sit on LGfL's Advisory Boards: The Editorial Board and Safeguarding Board.

The day-to-day operation of the company is the responsibility of the Chief Executive, who is accountable to the Board, and the Members.

The Chief Executive manages 7 staff. The combined staffing establishment is 38.1 full-time equivalent. In order to facilitate effective operations, the Chief Executive has delegated authority for all matters including finance, employment, technology services and commercial activity.

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In 2016/17, the Articles of LGL were refreshed to ensure they reflected best practice; contracting arrangements between LGfL and LGfL were captured in an intercompany agreement between LGfL and its trading subsidiary.

In 2019/20 permission was granted by LGfL's shareholders, following authorisation from the Charities Commission, to extend the Articles to cover new Objects relating to Well-being and Community Development. This change was ratified in 2020/21 following an extraordinary vote by its shareholders.

In 2022/23 it is anticipated that a further change of Objects will be introduced following advice from the Charities Commission.

REMUNERATION

The Board of Trustees is responsible for CEO remuneration and the employee salary-management and benefits framework. CEO remuneration is reviewed and set by the Human Resources subcommittee annually.

The remuneration of staff is the responsibility of the CEO. All staff are appointed under local-government terms and conditions. Pay grades for Trustee Officers are comparable with public-sector employees undertaking similar roles. Performance is reviewed annually with the outcomes shaping whether there are any performance related payments, increments or no rise at all.

Remuneration will continue to be scrutinised to ensure value for money and alignment with the market generally.

RELATED PARTIES

LGfL has a trading subsidiary, London Grid Limited. LGfL Trust is the sole shareholder in London Grid Limited (LGL). LGL provides access to Trustnet services for the wider public sector, particularly Councils.

The LGL Board meets 5 times per year with the Chairman, CEO, LGL Officers and a representative of London CIOs on the board. An intercompany memorandum ensures that the appropriate contracting arrangements are in place between the LGfL and LGL.

From the beginning of 2020/2021 and following the change in Articles of LGFLT the activities of LGL have been absorbed within LGFLT itself and the company LGL is currently dormant.

LGfL has a dormant company, Let's Get Digital.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of the Charity: London Grid for Learning Trust
Charity Registration Number: **1090412**
London Grid for Learning, 9th Floor, 10 Exchange Square, Primrose Street, London, EC2A 2BR.

Directors and Trustees
The directors of the charitable company (the charity) are its trustees for the purpose of charity law. Trustees and officers serving during the year and since the year end were as follows:
Paul Robinson – Chairman
Jane McSherry – Elected Representative
Gary Hipple – Elected Representative
Nick Robinson – Elected Representative
Helen Warner – Elected Representative
Sean Green – Elected Representative

Company Secretary: John Jackson

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Key Management Personnel
John Jackson – Chief Executive Officer
Mark Bentley – Safeguarding and Cyber Security Manager
Michael Eva – Programme Manager
Bob Usher – Content Manager
Alan Phillips – Group Financial Controller
Leeanne O'Connor – Customer Manager
Richard Martin – Special Projects Lead
John Bagley – London Grid Limited Manager
Paul Smith – Service Delivery Manager

Other Relevant Organisations

Company	Address and Contact Details
Menzies – LGfL's Accounts and Audit Advisors	Menzies LLP, Centrum House, 36 Station Road, Egham, Surrey, TW20 9LF
Agillex – LGfL's Legal Adviser and Data Protection Officer	Agillex Ltd, One New Street, Wells, Somerset BA5 2LA.
Lloyds Commercial Banking – LGfL and LGL's bankers	Lloyds Bank PLC, 83 Clarence Street, Kingston upon Thames, Surrey KT1 1RE
Ashfords – Specialist legal advice	Ashfords LLP, 1 New Fetter Lane, London EC4A 1AN
Hytec – Security and professional advice	Hytec Information Security, Cairns House, 10 Station Road, Teddington, TW11 9AA

EXEMPTIONS FROM DISCLOSURE

None

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of London Grid for Learning Trust for the purposes of charity law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 charity and the income and expenditure of the company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement Of Recommended Practice (SORP);
- Make judgements and 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms:

- That in so far as they are aware there is no relevant audit information of which the company's auditor is unaware
- Each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Menzies LLP are deemed to be re-appointed under section 487 [2] of the Companies Act 2006.

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Strategic Report the Company's Strategic Report Information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

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

DocuSigned by:
Paul Robinson
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Mr P Robinson
Company Chairman
Date: 21-Dec-2022

DocuSigned by:
John Jackson
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Mr J Jackson
Company Secretary

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Opinion

We have audited the financial statements of London Grid for Learning Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011, Companies Act 2006, Employment Rights Act 1996, Tax Legislation and the Data Protection Act 2018. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

- We understood how the Company is complying with those legal and regulatory frameworks by making inquiries tomanagement, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.

- The engagement partner assessed whether the engagement team collectively had the appropriate competence andcapabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify anyissues in this area.

- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:- posting of fraudulent journals, the authorisation, processing, and payment of fraudulent expenses, fictitious employees and manipulation of revenue recognition.

- Audit procedures performed by the engagement team included
    - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
    - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
    - Challenging assumptions and judgments made by management in its significant accounting estimates;
    - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
    - Reviewing expenditure payments; and
    - Reviewing the timing of income recognition.

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST (CONTINUED)

Use of our report

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

DocuSigned by:
Janice Matthews
634F24DE92A4471...

Janice Matthews FCA (Senior statutory auditor)

for and on behalf of
Menzies LLP

Chartered Accountants
Statutory Auditor

36 Station Road

Egham

Surrey

TW20 9LF

Date: 22-Dec-2022

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LONDON GRID FOR LEARNING TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £000	Total funds 2022 £000	*Total funds 2021 £000*
Income from:				
Charitable activities	4	**35,599**	**35,599**	*44,389*
Total income		**35,599**	**35,599**	*44,389*
Expenditure on:				
Charitable activities	5	**36,108**	**36,108**	*46,559*
Total expenditure		**36,108**	**36,108**	*46,559*
Net movement in funds before other recognised gains/(losses)		**(509)**	**(509)**	*(2,170)*
Other recognised gains/(losses):				
Actuarial gains/(losses) on defined benefit pension schemes	21	**1,638**	**1,638**	*(1,184)*
Net movement in funds		**1,129**	**1,129**	*(3,354)*
Reconciliation of funds:				
Total funds brought forward		**1,855**	**1,855**	*5,209*
Net movement in funds		**1,129**	**1,129**	*(3,354)*
Total funds carried forward		**2,984**	**2,984**	*1,855*

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

The notes on pages 33 to 50 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
REGISTERED NUMBER: 04205579

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £000		*2021 £000*
Fixed assets					
Intangible assets	10		**1,123**		*977*
Tangible assets	11		**9,052**		*10,204*
			10,175		*11,181*
Current assets					
Stocks		**321**		-	
Debtors	13	**3,158**		*7,004*	
Cash at bank and in hand		**5,748**		*9,996*	
		9,227		*17,000*	
Creditors: amounts falling due within one year	14	**(12,848)**		*(20,554)*	
Net current liabilities			**(3,621)**		*(3,554)*
Total assets less current liabilities			**6,554**		*7,627*
Creditors: amounts falling due after more than one year	15		**(1,522)**		*(2,788)*
Net assets excluding pension liability			**5,032**		*4,839*
Defined benefit pension scheme liability	21		**(2,047)**		*(2,984)*
Total net assets			**2,985**		*1,855*

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LONDON GRID FOR LEARNING TRUST

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

	Note		2022 £000		*2021 £000*
Charity funds					
Restricted funds	16		**-**		*-*
Unrestricted funds					
Designated funds	16	**334**		*350*	
General funds	16	**4,683**		*4,489*	
Unrestricted funds excluding pension asset	16	**5,017**		*4,839*	
Pension reserve	16	**(2,032)**		*(2,984)*	
Total unrestricted funds	16		**2,985**		*1,855*
Total funds			**2,985**		*1,855*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Paul Robinson
70BE24F27C604AF...
Mr P Robinson
Trustee

DocuSigned by:
John Jackson
D6C1947875DC499...
Mr J Jackson
Secretary

Date: 21-Dec-2022

The notes on pages 33 to 50 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
REGISTERED NUMBER: 04205579

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note		2022 £000		*2021 £000*
Fixed assets					
Intangible assets	10		**1,123**		*977*
Tangible assets	11		**9,052**		*10,204*
			10,175		*11,181*
Current assets					
Stocks		**321**		-	
Debtors	13	**3,171**		*7,466*	
Cash at bank and in hand		**5,748**		*9,548*	
		9,240		*17,014*	
Creditors: amounts falling due within one year	14	**(12,848)**		*(20,554)*	
Net current liabilities			**(3,608)**		*(3,540)*
Total assets less current liabilities			**6,567**		*7,641*
Creditors: amounts falling due after more than one year	15		**(1,522)**		*(2,788)*
Net assets excluding pension liability			**5,045**		*4,853*
Defined benefit pension scheme liability	21		**(2,047)**		*(2,984)*
Total net assets			**2,998**		*1,869*

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LONDON GRID FOR LEARNING TRUST

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

	Note		2022 £000		*2021 £000*
Charity funds					
Restricted funds	16		**-**		*-*
Unrestricted funds					
Designated funds	16	**334**		*986*	
General funds	16	**4,696**		*3,867*	
Unrestricted funds excluding pension liability	16	**5,030**		*4,853*	
Pension reserve	16	**(2,032)**		*(2,984)*	
Total unrestricted funds	16		**2,998**		*1,869*
Total funds			**2,998**		*1,869*

The company's net movement in funds for the year was £1,129 *(2021 - £(3,355))*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Paul Robinson
70BF24F27C604AF...
Mr P Robinson
Trustee
Date: 21-Dec-2022

DocuSigned by:
Gary Hipple
B6235206B4794E7...
Mr G Hipple
Trustee

The notes on pages 33 to 50 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £000	*2021 £000*
Cash flows from operating activities			
Net cash provided by operating activities	18	**(501)**	*6,560*
Cash flows from investing activities			
Purchase of intangible assets	10	**(692)**	*(521)*
Purchase of tangible fixed assets	11	**(1,770)**	*(2,701)*
Net cash used in investing activities		**(2,462)**	**(3,222)**
Cash flows from financing activities			
Repayments of finance leases	15,14	**(1,285)**	*(1,262)*
Net cash used in financing activities		**(1,285)**	**(1,262)**
Change in cash and cash equivalents in the year		**(4,248)**	**2,076**
Cash and cash equivalents at the beginning of the year		**9,996**	*7,920*
Cash and cash equivalents at the end of the year	19	**5,748**	*9,996*

The notes on pages 33 to 50 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

London Grid for Learning Trust (04205579) is a private charitable company limited by guarantee, incorporated in England and Wales. The address of the registered office is disclosed on page 1 and its principal activities described in the Strategic and Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

London Grid for Learning Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements. The surplus for the year dealt with in the accounts of the company was £1,129k (2021: loss of £3,159k).

The parent entity satisfies the criteria of being a qualifying entity as defined in FRS102 and as such advantage has been taken not to present a cash flow statement or disclosures in respect of financial instruments for the company or to show separately aggregate remuneration for key management personnel.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Directors are content with the position of the company, particularly given the difficult economic climate. The major periodic refresh of the systems and infrastructure is complete and there is a stable and expanding customer base for the core broadband service with Schools and local authorities. New revenue streams have been added which have further bolstered the company's financial position. The Directors anticipate the company to trade profitably for the foreseeable future. There are also sufficient cash reserves. A medium term financial forecast has been introduced to support investment and financial decision making in the medium term. The Directors accordingly consider that the company is a Going Concern for at least twelve months from the date of approval of these financial statements and the accounts are accordingly prepared on the Going Concern basis.

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2. Accounting policies (continued)

2.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income received from Local Authorities and schools for subscriptions and contributions to core activities is recognised in the period to which it relates. Income invoiced in respect of future periods is deferred to that period.

Income from the sale of goods is recognised when the goods are delivered to customers.

Other project income is recognised as receivable. Commissions receivable are recognised as invoiced.

2.5 Expenditure

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Termination expenditure is recognised a liability and an expense only when the entity is demonstrably committed either: (a) to terminate the employment of an employee or group of employees before the normal retirement date; or (b) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

2.6 Intangible assets and amortisation

Intangible assets costing £NIL 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. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Content and software	-	Over 3 to 5 years straight line

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2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Fixtures and fittings	- 33.3% straight line
Office equipment	- 33.3% straight line
Computer equipment	- Over 5 to 10 years straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the 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 in the Consolidated statement of financial activities as a finance cost.

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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2. Accounting policies (continued)

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Pensions

The Group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 June 2022.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

3. 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 company 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.

In the opinion of the Trustees the main estimate and assumption that may have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are in relation to the useful life of fixed assets, which are written off in accordance with the amortisation and depreciation policies set out in note 2.6 and 2.7.

The valuation of the pension scheme assets and liabilities is carried out by the scheme actuary based on various assumptions and estimates. Details are given in Note 22.

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4. Income from charitable activities

	Unrestricted funds 2022 £000	Total funds 2022 £000	*Total funds 2021 £000*
Main LGfL Income	20,488	**20,488**	*20,673*
LGfL Managed Services Income	422	**422**	*598*
LGL Income	5,524	**5,524**	*5,849*
Bridge the Divide	9,165	**9,165**	*17,269*
	35,599	**35,599**	*44,389*
Total 2021	*44,389*	*44,389*	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £000	Total 2022 £000	*Total 2021 £000*
Main LGfL Income	22,033	**22,033**	*23,318*
LGfL Managed Services Income	153	**153**	*279*
LGL Income	4,524	**4,524**	*5,783*
Bridge The Divide	9,398	**9,398**	*17,180*
	36,108	**36,108**	*46,560*
Total 2021	*46,560*	*46,560*	

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6. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000	*Total funds 2021 £000*
Main LGfL Income	19,568	2,465	**22,033**	*23,320*
LGfL Managed Services Income	108	45	**153**	*279*
LGL Income	3,952	572	**4,524**	*5,783*
Bridge The Divide	8,447	951	**9,398**	*17,178*
	32,075	4,033	**36,108**	*46,560*
Total 2021	*43,164*	*3,396*	*46,560*	

Analysis of support costs

	Main LGfL Income 2022 £000	LGfL Managed Services Income 2022 £000	LGL Income 2022 £000	Bridge the Divide 2022 £000	Total funds 2022 £000	*Total funds 2021 £000*
Net pension scheme finance costs/income	68	-	-	-	**68**	*38*
Staff costs	1,284	22	284	473	**2,063**	*1,320*
Rent, Electricity and Rates	265	5	69	114	**453**	*502*
Other professional fees	433	9	112	186	**740**	*891*
Repairs and maintenance	42	-	11	18	**71**	*55*
Other office costs	235	5	61	101	**402**	*317*
Insurance	29	1	7	12	**49**	*44*
Other	64	2	16	27	**109**	*127*
Governance costs	45	1	12	20	**78**	*102*
	2,465	45	572	951	**4,033**	*3,396*
Total 2021	*1,623*	-	*449*	*1,324*	*3,396*	

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6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

During the year ended 31 March 2022, the company incurred the following Governance costs:

£45k (2021: £48k) included within the table above in respect of Main LGfL Income, £12k in respect of LGL Income, £20k in respect of Bridge The Divide Income and £1k in respect of LGfL Managed Services Income.

7. Auditors' remuneration

	2022	*2021*
	£000	*£000*
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	**29**	*28*
Fees payable to the company's auditor and its associates in respect of:		
All non-audit services not included above	**11**	*11*

8. Staff costs

	Group 2022	*Group 2021*	**Company 2022**	*Company 2021*
	£000	*£000*	**£000**	*£000*
Wages and salaries	**2,430**	*2,218*	**2,430**	*2,218*
Social security costs	**260**	*242*	**260**	*242*
Operating costs of defined benefit pension schemes	**782**	*615*	**782**	*615*
	3,472	*3,075*	**3,472**	*3,075*

Termination costs of £Nil (2021: £93k) have been incurred during the year.

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

	Group 2022	*Group 2021*	**Company 2022**	*Company 2021*
	No.	*No.*	**No.**	*No.*
Administrative staff	**41**	*37*	**41**	*37*

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

	Group 2022 No.	*Group 2021 No.*	**Company 2022 No.**	*Company 2021 No.*
In the band £60,001 - £70,000	**9**	*5*	**9**	*5*
In the band £70,001 - £80,000	**4**	*4*	**4**	*4*
In the band £80,001 - £90,000	**2**	*2*	**2**	*2*
In the band £90,001 - £100,000	**1**	*1*	**1**	*1*
In the band £140,001 - £150,000	**1**	*1*	**1**	*1*

Remuneration and benefits received by key management personnel was £727k (2021: £1,193k).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 March 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

10. Intangible assets

Group and Company

	Content & Software £000
Cost	
At 1 April 2021	**4,068**
Additions	**692**
At 31 March 2022	**4,761**
Amortisation	
At 1 April 2021	**3,091**
Charge for the year	**547**
At 31 March 2022	**3,638**
Net book value	
At 31 March 2022	**1,123**
At 31 March 2021	*977*

The net book value of assets held under finance leases or hire purchase contracts, included above for the group and company, are £305k (2021: £545k).

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11. Tangible fixed assets

Group and Company

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 April 2021	**57**	**41**	**30,345**	**30,443**
Additions	**2**	**11**	**1,757**	**1,770**
At 31 March 2022	**59**	**52**	**32,102**	**32,213**
Depreciation				
At 1 April 2021	**57**	**41**	**20,140**	**20,238**
Charge for the year	**-**	**-**	**2,923**	**2,923**
At 31 March 2022	**57**	**41**	**23,063**	**23,161**
Net book value				
At 31 March 2022	**2**	**11**	**9,039**	**9,052**
At 31 March 2021	*-*	*-*	*10,204*	*10,204*

The net book value of assets held under finance leases or hire purchase contracts, included above for the group and company, are £2,760k (2021: £3,471k).

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12. Fixed asset investments

Principal subsidiaries

The following were subsidiary undertakings of the company:

Names	Company number	Registered office or principal place of business	Principal activity
London Grid Limited	05122783	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	Provides the group's surplus broadband capacity to the public sector.
Let's Get Digital Limited	11158329	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	The company has not yet begun trading.

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes
Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Net assets £000
London Grid Limited	**(14)**

All the fixed asset investments are held in the United Kingdom.

Both subsidiary companies were dormant in the year.

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13. Debtors

	Group 2022 £000	*Group 2021 £000*	Company 2022 £000	*Company 2021 £000*
Due within one year				
Trade debtors	**1,155**	*4,507*	**1,155**	*4,507*
Amounts owed by group undertakings	**-**	*-*	**14**	*463*
Other debtors	**-**	*31*	**-**	*31*
Prepayments and accrued income	**1,525**	*1,938*	**1,524**	*1,937*
Tax recoverable	**478**	*528*	**478**	*528*
	3,158	*7,004*	**3,171**	*7,466*

14. Creditors: Amounts falling due within one year

	Group 2022 £000	*Group 2021 £000*	Company 2022 £000	*Company 2021 £000*
Trade creditors	**4,972**	*10,563*	**4,972**	*10,563*
Other taxation and social security	**83**	*64*	**83**	*64*
Obligations under finance lease and hire purchase contracts	**1,273**	*1,292*	**1,273**	*1,292*
Other creditors	**22**	*1,961*	**22**	*1,961*
Accruals and deferred income	**6,498**	*6,674*	**6,498**	*6,674*
	12,848	*20,554*	**12,848**	*20,554*

	Group 2022 £000	*Group 2021 £000*	Company 2022 £000	*Company 2021 £000*
Deferred income at 1 April 2021	**5,856**	*5,343*	**5,856**	*5,343*
Resources deferred during the year	**5,929**	*5,856*	**5,929**	*5,856*
Amounts released from previous periods	**(5,856)**	*(5,343)*	**(5,856)**	*(5,343)*
	5,929	*5,856*	**5,929**	*5,856*

Deferred income represents amounts invoiced in respect of broadband charges and other services which relate to future periods.

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15. Creditors: Amounts falling due after more than one year

	Group 2022 £000	*Group 2021 £000*	Company 2022 £000	*Company 2021 £000*
Net obligations under finance lease and hire purchase contracts	**1,522**	*2,788*	**1,522**	*2,788*

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2022 £000
Unrestricted funds						
Designated funds						
Pan London Admissions	**350**	**422**	**(108)**	**(330)**	**-**	**334**
General funds						
General Funds	**4,503**	**35,178**	**(35,314)**	**330**	**-**	**4,697**
Non-charitable trading funds	**(14)**	**-**	**-**	**-**	**-**	**(14)**
Pension reserve	**(2,984)**	**-**	**(686)**	**-**	**1,638**	**(2,032)**
	1,505	**35,178**	**(36,000)**	**330**	**1,638**	**2,651**
Total Unrestricted funds	**1,855**	**35,600**	**(36,108)**	**-**	**1,638**	**2,985**

The trustees have set aside surpluses generated from the Pan London Admissions activity for the enhancement of this service.

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16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 (as restated) £000	*Income £000*	*Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*Balance at 31 March 2021 £000*
Unrestricted funds						
Designated funds						
Pan London Admissions	*388*	*598*	*(279)*	*(357)*	*-*	*350*
General funds						
General Funds	*6,361*	*43,792*	*(46,007)*	*357*	*-*	*4,503*
Non-charitable trading funds	*(14)*	*-*	*-*	*-*	*-*	*(14)*
Pension reserve	*(1,526)*	*-*	*(274)*	*-*	*(1,184)*	*(2,984)*
	4,821	*43,792*	*(46,281)*	*357*	*(1,184)*	*1,505*
Total Unrestricted funds	*5,209*	*44,390*	*(46,560)*	*-*	*(1,184)*	*1,855*

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £000	**Income £000**	**Expenditure £000**	**Transfers in/out £000**	**Gains/ (Losses) £000**	**Balance at 31 March 2022 £000**
Designated funds	**350**	**422**	**(108)**	**(330)**	**-**	**334**
General funds	**1,505**	**35,178**	**(36,000)**	**330**	**1,638**	**2,651**
	1,855	**35,600**	**(36,108)**	**-**	**1,638**	**2,985**

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17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2020 (as restated) £000	*Income £000*	*Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*Balance at 31 March 2021 £000*
Designated funds	*388*	*598*	*(279)*	*(357)*	*-*	*350*
General funds	*4,821*	*43,792*	*(46,281)*	*357*	*(1,184)*	*1,505*
	5,209	*44,390*	*(46,560)*	*-*	*(1,184)*	*1,855*

18. Reconciliation of net movement in funds to net cash flow from operating activities

		Group 2022 £000	*Group 2021 £000*
Net expenditure for the year (as per Statement of Financial Activities)		(509)	*(2,170)*
Adjustments for:			
Depreciation charges	11	**2,923**	*2,432*
Amortisation charges	10	**547**	*826*
Decrease/(increase) in stocks		**(321)**	*-*
Decrease/(increase) in debtors	13	**4,057**	*(3,156)*
Increase/(decrease) in creditors		**(7,899)**	*8,353*
Current pension service costs		**967**	*615*
Defined benefit pension scheme contributions paid		**(334)**	*(378)*
Net interest/finance cost		**68**	*38*
Net cash provided by/(used in) operating activities		**(501)**	*6,560*

19. Analysis of cash and cash equivalents

	Group 2022 £000	*Group 2021 £000*
Cash in hand	**5,748**	*9,996*
Total cash and cash equivalents	**5,748**	*9,996*

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20. Analysis of changes in net debt

	At 1 April 2021 £000	Cash flows £000	At 31 March 2022 £000
Cash at bank and in hand	9,996	(4,248)	5,748
Finance leases	(4,081)	1,286	(2,795)
	5,915	(2,962)	2,953

21. Pension commitments

The Group operates a defined benefit pension scheme.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2022 %	*At 31 March 2021 %*
Discount rate	2.75	*2.05*
Future salary increases	3.55	*3.20*
Future pension increases	3.15	*2.8*

The trust is an admitted body to the Royal Borough of Kingston upon Thames Pension Fund, a multi-employer pension fund in which there are many participating employers. The disclosures relate to the funded liabilities within the Royal Borough of Kingston upon Thames Pension Fund (the 'fund') which is part of the local government pension scheme. London Grid for Learning Trust ('LGFL') participates in the fund which provides defined benefits, based on members' final pensionable salary.

In accordance with Financial Reporting Standard 102 disclosure of certain information concerning assets, liabilities income and expenditure relating to pension schemes is required.

The Employer's regular contributions to the Fund for the accounting period to 31 March 2022 are estimated to be £314,000. In addition, Strain on Fund Contributions may be required.

The latest actuarial valuation of LGFL's liabilities took place as at 30 June 2022. The principal assumptions used by the independent qualified actuaries in updating the latest valuation of the fund for FRS102 purposes are detailed below.

LGFL employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 30 June 2022.

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21. Pension commitments (continued)

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

	At 31 March 2022 £000	*At 31 March 2021 £000*
Equities	**6,312**	*6,934*
Bonds	**3,209**	*1,444*
Property	**749**	*578*
Cash	**428**	*674*
Total fair value of assets	**10,698**	*9,630*

The actual return on scheme assets was £201k *(2021 - £167k)*.

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

	2022 £000	*2021 £000*
Current service cost	**967**	*580*
Past service cost	**-**	*35*
Interest income	**(201)**	*(167)*
Interest cost	**269**	*205*
Total amount recognised in the Consolidated statement of financial activities	**1,035**	*653*

Movements in the present value of the defined benefit obligation were as follows:

	2022 £000	*2021 £000*
Opening defined benefit obligation	**12,614**	*8,599*
Current service cost	**967**	*580*
Interest cost	**269**	*205*
Contributions by scheme participants	**170**	*163*
Actuarial (gains)/losses	**(1,145)**	*3,158*
Benefits paid	**(130)**	*(126)*
Past service costs	**-**	*35*
Closing defined benefit obligation	**12,745**	*12,614*

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21. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2022	*2021*
	£000	*£000*
Opening fair value of scheme assets	**9,630**	*7,074*
Expected return on assets	**201**	*167*
Actuarial gains	**493**	*1,974*
Contributions by employer	**334**	*378*
Contributions by scheme participants	**170**	*163*
Benefits paid	**(130)**	*(126)*
Closing fair value of scheme assets	**10,698**	*9,630*

22. Operating lease commitments

At 31 March 2022 the Group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	*Group*	**Company**	*Company*
	2022	*2021*	**2022**	*2021*
	£000	*£000*	**£000**	*£000*
Not later than 1 year	**392**	*392*	**392**	*392*
Later than 1 year and not later than 5 years	**1,175**	*1,567*	**1,175**	*1,567*
	1,567	*1,959*	**1,567**	*1,959*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group	*Group*	**Company**	*Company*
	2022	*2021*	**2022**	*2021*
	£000	*£000*	**£000**	*£000*
Operating lease rentals	**1,959**	*1,959*	**1,959**	*1,959*

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23. Related party transactions

Due to the nature of the Trust's operations procuring services on behalf of the Local Authorities and the composition of the Board of Directors drawn from the Local Authorities it is inevitable that transactions take place with organisations in which the directors have an interest. No specific transactions have been identified where a director has an involvement and which should be disclosed as a related party transaction.

At 31 March 2022 the Trust was owed £14k (2021: £462k) by its subsidiary company London Grid Limited. Donations to the Trust by London Grid Limited in respect of the year amounted to £Nil (2021: £nil) and management charges to London Grid Limited by the Trust amounted to £Nil (2021: £nil).

Permission has been obtained from the Charity Commission in order to pay for the professional services of the Chairman (P Robinson). During the year £8,112 including expenses were paid for these services (2021: £8,100). No emoluments or expenses were paid to any other director during the current or preceding year.

The Trust has indemnity insurance and insurance to indemnify the directors and employees of the Trust costing £11k (2021 - £16k) for the period.

LONDON GRID FOR LEARNING TRUST

England & Wales - Charity number 1090412

Accounts

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Company registration number: 04205579
Charity number: 1090412

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

LONDON GRID FOR LEARNING TRUST

MENZIES
BRIGHTER THINKING

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LONDON GRID FOR LEARNING TRUST

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LONDON GRID FOR LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Mr P Robinson Mr G Hipple Ms J McSherry Mr N Mitchell Ms H Warner Mr S Green
Company registered number	04205579
Charity registered number	1090412
Registered office	9th Floor 10 Exchange Square Primrose Street London EC2A 2BR
Company secretary	Mr J Jackson
Chief executive officer	Mr J Jackson
Independent auditors	Menzies LLP Chartered Accountants 36 Station Road Egham Surrey TW20 9LF
Bankers	Lloyds Bank Plc 83 Clarence Street Kingston upon Thames Surrey KT1 1RE
Solicitors	Ashfords LLP 1 New Fetter Lane London EC4A 1AN

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CHAIRMAN'S STATEMENT 2020 - 2021

When scholars ask whether the Renaissance - a cultural, artistic, political and economic rebirth following the Middle Ages and the Black Death ever actually existed it sounds like a typically academic University examination question. Whatever the answer there is something appealing about the concept of innovation, creativity and growth emerging from a period of adversity. For schools, councils and all our other customers the last 12 months has again been dominated by the pandemic yet for all the challenge and difficulty it has caused, 2021/22 has also been a good year for the Trust.

Turnover has increased with large numbers of devices being provided to schools together with enhanced bandwidth and new services coming online including those in the cloud. The national reach of LGfL/NGfL continues to expand whilst the depth and maturity of our partnerships large and small, existing and new continues to deliver real benefits to all our customers. To the uninformed and looking back from the 21st century the Renaissance may have seemed dominated by the giants such as Michelangelo and Leonardo da Vinci but the reality was that it was a time when the achievements of many helped to fuel a flourishing of talent and the harnessing of new technologies and ways of working.

So it is now. The Trust has found itself in the fortunate position of being able to shape the latest advances in cyber technology and apply them to children's learning and the needs of schools and the rest of the public sector. The last 2 years characterised by more remote learning has liberated our thinking about how best to support pedagogy and the demands faced by schools and councils in a complex world including dealing with security and safeguarding.

On a personal level it has not been easy for staff and pupils in any organisation or school to navigate the last 12 months. As the chairman of a charity, I feel proud of our staff and those in schools and councils who have worked so hard to maintain vital services and I give my word that I and my fellow Trustees will continue to work around the clock to support you and your organisations in the months and years to come.

Paul Robinson - Chairman, London Grid for Learning Trust

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CEO STATEMENT 2020 - 2021

2020/21 was an incredible year for LGfL underlining its importance to Education in the UK. Despite a global pandemic, LGfL delivered its most significant impact ever in pursuit of its mission to advance education.

Gross turnover rose to almost £50M as LGfL led one of the largest ever device rollouts to UK Schools with LGfL helping schools to recycle or buy over 140,0000 devices which is a larger programme than Scotland's device initiative.

LGfL was the lead party in a consortia with the University of Sheffield Hallam and the Education Foundation which was created to support teachers harness cloud platforms and remote learning. This was a national programme that was commissioned by the DfE. Over 4000 schools participated in the programme.

By the end of FYE 2021 thousands of schools had received a bandwidth boost to their LGfL broadband enabling them to support cloud based learning, whilst still remaining secure due to the installation of the latest hardware and protection systems in schools and LGfL's Ignite National Network.

LGfL reacted positively to the COVID-19 pandemic and scaled up new products such as Home Filtering and Remote Access platforms to enable schools to function efficiently and support remote learning for pupils. HomeProtect (LGfL's home filtering system), at its peak, was protecting over 250,000 children and. along with LGfL's curriculum resources, was made freely available to any school in the UK.

Over 1 million licences were freely distributed to schools enabling a range of positive outcomes including an estimated added value of £10M per annum.

The free school meal checker identified over £30M of potential pupil premium funding for schools. Pupil premium is funding to improve education outcomes for disadvantaged pupils in schools in England. By next year, we anticipate that the eligibility checker will have identified over £100M of funding since its inception in 2014.

After years of growth and innovation, some of LGfL's product deployments now rank amongst the biggest in the world providing protection and security to nearly 2 million children and teachers every day. What is remarkable is that all of this has been achieved without increasing prices to schools.

This year, whilst being one of the most difficult in our history, has brought out the best of LGfL and its partners. I am incredibly proud of the Trustees, LGfL Officers, our Partners and Schools for their support and trust in us at a time of national emergency. Together we have provided a lifeline to schools during the pandemic and provided an essential foundation that has enabled the continuation of education for close to 2 million teachers and children.

John Jackson - CEO, London Grid for Learning Trust

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LGFL'S OBJECTIVES AND ACTIVITIES

LGfL was founded in 2001 to advance education, in particular by providing and assisting in the provision of information and communications technology to London schools for the benefit of the children attending those schools.

In 2019/20, our shareholders approved a widening of LGfL's Objects, following approval by the Charities Commission: -

- to advance health by assisting in the provision of broadband and other communications technology to allow integrated services between local authorities and health authorities in the provision of social and other care; and

- to advance community development by assisting local authorities to integrate services through broadband and other communications technology to provide services more efficiently and at lower cost to the recipients of services particularly the elderly, vulnerable individuals and the disabled.

LGfL delivers its Objects by focusing on: -
- Saving schools money;
- Energising teaching and learning;
- Keeping children safe;
- Tackling inequality.; and
- Promoting wellbeing.

In furtherance of our Objects, we: -

- Provide high speed and secure broadband and a range of digital services to public sector bodies including schools;

- Cooperate and work with schools, academies and colleges of further education, other charities, voluntary bodies and statutory authorities; operating in furtherance of the Objects or similar charitable purposes and assisting them to exchange information and advice;

- Procure and enter into contracts to provide services to or on behalf of other bodies, establish or acquire subsidiary undertakings, and establish or take part in joint procurements, ventures and undertakings;

- Set aside funds for special purposes with a view to meeting long-term commitments or requirements;

- Share safeguarding best-practice in terms of online safety and beyond, working with stakeholders to train and equip school staff with the technologies and human expertise that best keep children safe in education; and

- Provide high-quality Continuous Professional Development for school staff at no additional cost that fosters the innovative use of cutting-edge technologies in the classroom and complements teaching & learning best-practice.

STRATEGIC REPORT

Today, LGfL serves an estimated 1.6 million children as well as 250,000 teachers and support staff across thousands of UK schools and public sector bodies. Our combined group, including LGL extends to the vast majority of London schools, libraries and community centres as well as hundreds of additional sites across the UK.

As such, LGfL is one of the largest providers of connectivity to schools in the UK providing a suite of digital services and infrastructure that is feature rich and capable of supporting an educational system that is changing fundamentally in response to the pandemic.

At the heart of LGfL's service is a world class network. Built almost exclusively on symmetrical, uncontended fibre to the premise, LGfL's fibre connectivity provides almost infinite capacity to deliver exciting and engaging learning opportunities for children – both now and into the future.

LGfL's massive scale, which continues to grow nationally, means that it secures very competitive pricing from its supply chain enabling LGfL to deliver value for money to the schools it serves.

Alongside its education portfolio of products, LGfL provides a number of pan London and regional services alongside a wider public sector infrastructure to enable efficient and cost-effective service delivering in London. They are: -

1. Pan London Admissions Service;
2. London Public Services Network (including gateways to health); and
3. Free School Meals Eligibility Checker.

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ACHIEVEMENTS AND PERFORMANCE

The global pandemic has placed extraordinary and unprecedented pressure on the UK with severe and negative impacts on the economy, public institutions and society more generally. Children and educational services have been disrupted by repeated lockdowns and the consequent shift to remote and blended learning pedagogies. The wellbeing of teachers and children has been negatively impacted and the level of inequality has unfortunately worsened in parts of the country.

These developments have impacted many Educational Technology companies over the course of 2020/21 with some reporting unprecedented financial difficulties and disruption. In short this has been a year of global emergency and repeated crisis.

Despite the challenges, LGfL entered the pandemic with a mission to emerge stronger from it and deliver innovation and critical support to schools. Looking back at the year, LGfL played a fundamental and award-winning role in supporting schools at a time of national crisis. The following sections set out in more detail the achievements of LGfL over the course of the pandemic with outcomes summarised in the table below:-

KEY OUTCOMES

Outcome	By March 31 2021	By March 31 2020
Pledge 2020 Outcomes		
Schools receiving free bandwidth upgrades as part of Pledge 2020 programme	1523	975
General Connection Speed of Secondary Schools to the Internet	1 Gbps	200 – 500 Mbps
General Connection Speed of Primary Schools to the Internet	100 – 300 Mbps	40 – 100 Mbps
Bridge The Divide Outcomes		
Approximate New Laptops Delivered to Schools / Ordered by Schools by 31st March 21	110,000	
Estimated Number of Laptops Enabled for Recycling	30,000	
Estimated Saving to Schools of Delivered and Ordered Laptops	In excess of £7M	
National Demonstrator Programme		
Schools supported by the National Demonstrator Programme	Over 4000	
Estimated Teachers impacted by the National Demonstrator Programme	200,000	
Estimated Children impacted by the National Demonstrator Programme	2,000,000	
Free School Meals		
Pupil Premium Funding identified for Schools	£33.5 M	£15.8 M
Applications for School Places		
Applications for Secondary School Places Processed	108701	107161
Applications for Reception School Places	109124	114272
Total Number of Applications Processed for School Places (all phases)	237353	241108
Smartbuy - Value for Money		
Estimated Licences Freely Distributed to Schools by LGfL as part of Let's Get Digital Broadband Offer	1.3 M	1.3 M
Estimated Saving / Additional Value to Schools Per Annum	In excess of £12 M	In excess of £12 M

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PLEDGE 2020 – FUTURE PROOFED FIBRE BROADBAND

In 2018 LGfL anticipated the move to Cloud Computing in Education and the need for greater security in schools. Consequently, the LGfL Pledge 2020 programme was pulled together to ensure that schools had the broadband speeds and technology necessary for transition to the Cloud. The rollout of Pledge 2020 commenced in April 2019 and the programme was completed in December 2020.

To ensure its success, Pledge 2020 required an anticipated cyclical investment by LGfL in the equipment and services necessary to support the upgrade of connectivity across thousands of schools during the pandemic. This upgrade became particularly challenging due to access and movement restrictions.

The net result of the Pledge 2020 programme was to increase available bandwidth capacity by an average of over 200% with migrated primary schools generally moving to a minimum of 100 Mbps and secondary schools to 1 Gbps.

This additional capacity enabled schools to support cloud-based learning with minimum disruption to the Education of children. The foresight of Pledge 2020 by LGfL proved to be invaluable as during the pandemic the government accelerated the migration to Office 365 and Google G Suite into schools such that cloud computing replaced an environment that prior to COVID-19 was based on infrastructure and systems that were largely school based.

As part of Pledge 2020, LGfL also invested in the security and protection of its schools. New firewalls were deployed, on the latest operating systems, and connected into centralised management platforms that enable efficient and effective security oversight over thousands of schools and public sector organisations. This investment has proven very timely as the number of cyberthreats, and their sophistication, is unfortunately on the increase.

The scale of this undertaking was vast and complicated by site access restrictions resulting from the pandemic. Nevertheless, nearly all LGfL customers were upgraded during the pandemic.

The resulting fibre network is one the biggest landmark achievements ever delivered by LGfL and ensured that the disruption to schools of moving from on premise solutions to cloud was minimised.

BRIDGE THE DIVIDE – EQUIPPING CHILDREN WITH LAPTOPS

LGfL recognised the educational emergency faced by schools who lacked sufficient equipment to support children learning from home which potentially would have damaging consequences on the education of those children.

LGfL was concerned that there was exploitation of market conditions occurring with device prices rising rapidly due to the ever increasing levels of demand because of the global pandemic. The impact of this being that other countries would consume the available devices leaving a shortage for the UK and extended delays in receiving equipment.

In order to counter these challenges to education and the UK economy as a whole LGfL, at its own risk, went to market to purchase up to 1 million devices. By doing so, LGfL secured supply for the UK and generated economies of scale in the market.

Rather than seek advantage from securing devices at low prices, LGfL then offered these devices to schools and Councils at pricing, LGfL believe, had never been achieved before in the marketplace for the quality of equipment being provided to schools. The savings, per device, have been estimated at between £40 – £90 compared with the market at the time.

Given the exceptional pricing, schools and Councils quickly embraced the initiative purchasing vast quantities of devices from LGfL which collectively saved them more than £7million and dramatically increased the number of devices available for children, including those most in need.

Over the course of the initiative many schools commented positively on the work undertaken by LGfL and the incredible impact it had on children by enabling an acceleration of 1:1 device ratios across all year groups which, without the advantageous pricing secured by LGfL would otherwise have been impossible. Many of the devices purchased went to schools in some of the most deprived areas of the country.

The government scheme cost £240 million to provision 1 million laptops. The cost of LGfL's laptop provisioning was significantly lower with profits from sales being reinvested back into the upgrade of infrastructure and services for schools which was needed during the pandemic to cope with the additional pressures placed on it.

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BRIDGE THE DIVIDE - EQUIPPING CHILDREN THROUGH RECYCLING

Many schools during the pandemic could not afford to purchase new devices and, particularly in areas of social and economic deprivation.

LGfL implemented #BridgeTheDivide to save schools money on new devices but a parallel initiative was needed where money was not available in schools to fund new devices for children. As a result, recycling of old devices was an area that LGfL chose to invest in for schools and over the course of the pandemic.

A key focus was finding a cost-effective means of converting devices, that were no longer deemed powerful enough to support children and teachers, into fully functioning chrome devices that accessed data and programmes in the cloud.

LGfL partnered with Neverware and purchased licences for subscribing schools that enabled devices to become fully functioning chrome devices within a few minutes.

LGfL, at the request of London Councils, also established a temporary shared support service, to support the rollout of devices to vulnerable children and to support recycling of equipment used in public sector bodies.

Over 1,000 schools have now engaged with LGfL and converted old devices into ones that could provide efficient and secure internet access at virtually no additional cost. As part of this initiative, tens of thousands of licences were delivered to schools.

The subsequent savings to schools of recycling computers are estimated at many millions of pounds with many using a combination of new laptops and recycled devices to achieve 1:1 device ratios.

Recycling is also a powerful way of helping the environment as it postpones sending large volumes of equipment to landfill sites.

SAFEGUARDING CHILDREN AT HOME – HOME PROTECT

Due to school closures children were learning at home and there was an urgent need to safeguard children who would, ordinarily, be protected by filtering and security systems provided by schools.

In response to this fundamental change, LGfL developed and deployed a free filtering package called HomeProtect. This platform allowed schools to apply filtering policies to school equipment used at home. The product was made available in a matter of weeks from a standing start. LGfL made the service free to any school in the UK, as well as to schools that subscribed to its broadband service, thus saving participating schools the expense of having to provide an alternative solution.

A key feature of the home filtering platform was ease of use and the ability for policies to be applied across multiple operating systems given that children may be using Chromebooks, iPads and windows devices.

Over the course of the year, hundreds of schools signed up for this initiative, and an estimated 250,000 devices were covered by the filtering platform at its peak during the pandemic. Without HomeProtect, children could have been exposed to inappropriate content.

LGfL has now mainstreamed HomeProtect and offers it as a key part of its broadband subscription

NATIONAL DEMONSTRATOR PROGRAMME - HELPING SCHOOLS HARNESS CLOUD TECHNOLOGY

As part of the government's response to COVID in schools, the DfE announced the move to cloud based Managed Learning Environments provided by Microsoft and Google. Funding was set aside to support a technical migration to the new cloud platform alongside a National Demonstrator Programme to develop skills and confidence in technology.

The objectives of the Demonstrator Programme were to create a national support network focused on supporting schools and teachers migrate to the Cloud as well as sharing best practices with respect to cloud and remote learning with other schools.

This was an unprecedented undertaking given that more than 10,000 schools in the UK were estimated not to have an adequate cloud platform or Managed Learning Environment in place as the pandemic unfolded. Moreover, progress needed to be made urgently given the need to help children from home on new platforms.

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The DfE selected a cohort of schools nationally to deliver the support and, in tandem, awarded a contract to LGfL and its partners the University of Sheffield Hallam and the EdTech Foundation to:-

- Create a central repository of content and learning resources that was available to all schools nationally;
- Recruit a high-quality team to co-ordinate developments and oversee the implementation of the programme nationally and within the regions;
- Co-ordinate, support and challenge the exemplar schools to deliver a high quality programme;
- Connect those schools who most needed support with exemplar schools as a priority; and
- Channel funding for the programme into the exemplar schools.

From a standing start the National Demonstrator Programme was up and running on time and within a few weeks a national support network was created for schools. Subsequently over the course of the following months, just over 4,000 schools engaged with the programme with over 2,000,000 children benefiting as a result.

The success of the initial programme led to unplanned extensions and additional funding and the Consortia's management and oversight of the programme was well regarded by schools.

CURRICULUM AND TEACHER DEVELOPMENT

LGfL provided support for teachers and children, in part, through its stewardship and leadership role in the National Demonstrator Programme.

Alongside this initiative, LGfL made a fundamental shift from physical delivery of its training programme to virtual events delivered via cloud platforms including Zoom, Teams and Google Hangouts.

The shift to virtual was a powerful change enabling LGfL to schedule more training, at lower cost, to more teachers and organisations than ever before with an approximate trebling of CPD over the course of the pandemic.

A rich curriculum of activity was organised for schools to provide teachers with the skills and confidence to harness the potential of cloud.

LGfL championed teacher certification and training in Google products and services enabling it to become one of the largest enablers of training for schools in GSuite in Europe. A parallel programme of work for Window was delivered with the support of Microsoft

FREE SCHOOL MEALS ELIGIBILITY CHECKER

In 2014 LGfL launched an on line application that enables schools to check on whether pupils are eligible for free school meals and a pupil premium payment. From a standing start this system is now used in over 100 Local Authorities across and by thousands of schools.

The nature of the eligibility checking service means that significantly higher amounts of money are being channelled into areas where there is poverty and economic deprivation. As such it is an invaluable stream of funding for those schools, children and families who most need it. The growth of the eligibility checker has been very significant in recent years as more schools have opted into the service and the barriers to its use have been removed. Indeed, there has been significant year on year growth since its launch. The number of children being eligible for free school meals now stands at 20.8%, this represents 1.74 million pupils, This has risen from 17.3% in January 2020.

In 2020/21 LGfL team up with Marcus Rashford's Food Poverty Action Group to promote the use of the checker nationally. This partnership, coupled with the devastating economic impact on many families, led to use of the eligibility checker exploding over the course of 2020/21 with over £30M being identified for schools and children who most need economic investment and support.

Over 420,000 pupils have become eligible for free school meals since the first lockdown on 23 March 2020. This compares to 292,000 for the same period (March 2019 to Jan 2020) before the pandemic. This increase demonstrates the importance of this free service to schools.

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SAVING SCHOOLS MONEY

LGfL's growing community of schools who subscribe and consume its services gives LGfL aggregated buying power in the market. Over the last few years LGfL has harnessed that buying power to deliver purposeful market interventions which have delivered significant new products and innovation to schools at no additional cost.

During the pandemic, LGfL undertook a number of major procurements for schools across England that delivered savings and added value to schools amounting to millions of pounds per annum. This included, for example, providing free filtering at home for any school that applied for it.

LGfL continued to provide free licences to schools, bundled as part of its broadband subscription. Over 100 products and services are now bundled into LGfL's 'subscription which now has a market proposition that schools subscribing to its broadband service can save more than they spend.

In total, the estimated number of licences requested and delivered to schools is now well over 1 million per annum which is an incredible achievement with the majority being added in recent years. These licences, apart from the positive outcomes they bring, also deliver savings and cost avoidance of more than £10M per annum.

EDUCATIONAL RESOURCES

LGfL has invested over many years to create a significant portfolio of teaching and learning resources that has been made freely available to schools during the pandemic, wherever that has been possible.

In developing its portfolio of content, LGfL has a long history of working in partnership with charities, academic institutions and small to medium sized enterprises (SME's) to produce ground-breaking resources alongside important specialist packages which are generally uneconomic to be developed by a commercial operator.

In 2020/21 LGfL partnered up with Child Bereavement UK to update our online resources to support children and families cope with the loss of a close relative and loved one. The resources have been one of LGfL's most used resources during the pandemic and have received critical recognition within the sector.

LGfL also reviewed and improved the resources it provides for schools and children with Special Educational Needs, including a refresh of its well-being resources. These resources have also been well received by schools as demonstrated by the usage of these products.

LGfL continues to develop its engagement with the SEND community and was, for the first time in its history, the headline sponsor of the UK's largest Special Educational Needs event, the TES (Time Educational Supplement) SEND Show. LGfL's SEND Newsletter continues to expand its subscriber base.

LGfL has expanded its contribution to policy discussion and is now represented on the All Party Parliamentary Group for Assistive Technology (APPG), the UK Council for Internet Safety (UKCCIS) and the Vulnerable People Working Party The All Party Parliamentary Group for Special Educational Needs has only recently commenced meetings, of which LGfL attends.

The IncludED service continues to develop its role as thought leaders in the field of using mainstream technologies to support inclusion and remove barriers to learning.

SAFEGUARDING CHILDREN

LGfL continues to focus on safeguarding children through its internal centre of excellence. In response to the pandemic a range of resources and policies were commissioned and delivered to both schools and parents to provide practical help and support with respect to appropriate and safe use of the internet whilst learning from home.

This year there has been a significant increase and diversification of content and materials for schools including significant work on county lines, gangs and community safety alongside continuing work on child safety and prevent.

As in previous years, LGfL continues to remain actively involved in the development and shaping of policy in this area through its direct engagement with the DfE and key bodies such as the Internet Watch Foundation (IWF). LGfL's guidance has also been referenced by the DfE in briefings to schools.

LGfL's Safeguarding News Bulletin continues to grow in terms of popularity and reach and this has ensured that key resources have been harnessed by schools. This includes LGfL's translation into multiple languages of the DfE's guidance into Keeping Children Safe in Education.

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LGfL's national profile continued to rise in 2020/21 culminating in the award of a contract by the DfE to provide specialist safeguarding resources and support.

KEEPING SCHOOLS SAFE - CYBERSECURITY

LGfL is investing in the long term security and safety of schools and children. LGfL's current broadband service is unique in the market offering multiple layers of defence against cyber attacks, including:-

- Distributed Denial of Service (DDoS) protection.
- Antivirus protection.
- Spam Protection.
- Firewalls.
- Rootkit protection.
- Ransomware protection.
- Vulnerability assessments.
- Cloud backup and Disaster Recovery Services.
- Multi factor authentication.

In 2020/21 investment was made in additional protections and infrastructure, building on the foundations provided by the equipment installed as part of the Pledge 2020 initiative. This included extending free backup storage and recovery software to all primary schools.

These measures have been particularly important given the increasing threats facing LGfL and its schools.

PAN LONDON ADMISSIONS SERVICE

LGfL works in partnership with Local Authorities to coordinate school places across London. This is a significant and critical task, involving hundreds of thousands of annual applications across the capital each year. By collaborating together and delivering these services centrally, local authorities save significant amounts of money by avoiding duplication and by delivering services efficiently through shared IT systems.

Underpinning this service are two central IT systems provided by LGfL, which processes parental applications for school places. Using the centralised system, Local Authorities aim to give every child a single offer of a school place on National Offer Day, which previously was not the case when local systems were run by individual Authorities.

The Pan London Coordinated Admissions systems have been a success for London. As a result, this service covers all phases - nursery, reception, junior, secondary and 14/19 placements.

2020/21 was the sixteenth year of operation of the Pan-London register for school admissions, which has been successfully handling over 220,000 applications for school places.

Due to lockdown this was the first time that the system had been run with all staff working remotely. A number of priority enhancements were also made to the system to mitigate the effect of COVID-19, with email reminders advising parents that they hadn't accepted the placement offer.

The new systems introduced in 2019/20 to improve and streamline the processing of admissions have delivered significant channel shift with a major decline in the number of telephone and general enquiries to the support teams with parents able to successfully apply without having to call for help or advice. This reduction underlining the importance of improved website design and efficient processes.

KEEPING THE LIGHTS ON

LGfL's existing broadband services and products such as filtering, email, spam protection and other central services were placed under incredible stress by the pandemic with huge increases in demand for private cloud services including Remote Access, Spam Filtering, Premium Content and shared applications.

Email use, for example, soared during the pandemic, particularly in the 3rd lockdown, where traffic peaked at over 3 million emails per day which is the highest it has ever been as children and teachers routinely shared assignments and work via email for the first time.

Similarly, there was a significant rise in support calls and requests for support as schools moved their services on line and needed help and advice to reconfigure their IT systems for remote learning.

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With a shift to home and remote learning there was a significant rise in the use of remote access services with teachers, children and support staff requiring secure access to on site systems including schools Management Information Systems and on site content servers. LGfL introduced a secure product called freedom2roam as part of that service at the very start of the pandemic and demand for this service rose by around tenfold during the pandemic.

In order to meet unprecedented demand, LGfL made a number of targeted investments, supported by its partners, to ensure that the additional stress on systems was addressed and unplanned outages avoided. Those investments included infrastructure, platforms, software and related services. These upgrades were not funded by government grants or support but resourced from the reinvestment of surpluses and revenues generated from the supply of new services including devices. This is an incredible achievement for LGfL and its partners.

LONDON PUBLIC SERVICE NETWORK

London Grid Limited (LGL), was a wholly owned trading company of LGfL, providing network and digital service for local government and a range of other public bodies. Prior to 2200/21 surpluses from LGL were gift-aided to LGfL to enable the furtherance of its Objects. In 2020/21, the accounts for LGL are merged with LGfL following approval by the shareholders to widen the objects of the Council as set out in the introduction to this report.

A core part of LGL's continuing activities, within LGfL, relate to 'The London Public Services Network' (LPSN). LPSN is a separate logical network which employs the same physical infrastructure as schools, generating savings for the public purse. LGfL, through its contracts and purchasing power, is able to secure better value for money than Councils and other local bodies operating individually.

The LPSN infrastructure also facilitates the integration of local and central government services through secure gateways which enable the digital delivery of services, ranging from benefit claims to blue-badge applications.

Joining up different networks also fulfils the requirements of the Children's Act for public bodies to share appropriate information. This is particularly significant given the focus on the further integration of health and social care at national and regional level.

The provision of the LPSN network requires a high degree of security. LGfL has ensured that a gateway and agreed codes of connection are in place to provide connectivity to the 'Government Connect' gateway for central government services, as well as to the 'Health Service Network'.

As with previous years, LGfL continued to focus on expanding the GovRoam service across London which provides an important overlay to public networks in London. Well over half of the Councils now subscribe to that service.

Essentially GovRoam allows LGfL to connect its fibre infrastructure to wireless services provided by public bodies. This means that public sector staff can access their systems and information wherever there is a wireless network supporting GovRoam. This flexibility is particularly useful for peripatetic staff working in multi-agency teams that frequently have to work from multiple locations including schools, councils, and health settings. More than half of the Local Authorities in London are now using this service.

A focus during 2020/21 was the migration of Local Authorities from the existing LGfL 2.0 network which is now reaching the end of its useful operating life. Only one Local Authority now has a significant presence on this network and this will be migrated over the course of 2021/22.

This means Councils have now been migrated onto a new national infrastructure that will enable access to new features, different access technologies and improvements in monitoring and performance management.

LGfL also boosted Council internet capacity significantly during the pandemic to enable Local Authorities to support remote working for their Officers at massive scale.

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FIT FOR THE FUTURE - TRANSFORMING AND RESHAPING LGfL

LGfL was founded as a procurement aggregator for the London region which commissioned technology partners to deliver connectivity, managed services and content to schools. As a key pillar of government policy, LGfL received funding from central government through the harnessing technology grant. The coalition government scrapped this funding requiring LGfL to either dissolve or contract directly with schools for the services provided. LGfL chose the latter path. Over subsequent years, LGfL has evolved its role such that it is now much more engaged in the direct provision of value-added services that complement the strategic partnerships that are in place for connectivity and managed services. LGfL's ability to adapt to government policy has enabled it to grow in stark contrast to learning grids generally which are in decline or have ceased to exist.

Reshaping LGfL requires a continuing investment in the internal transformation that is required to enable LGfL to adapt to the changing strategic landscape it finds itself in. The transformation of LGfL is being co-ordinated through a programme called Fit for the Future which has a number of workstreams associated that are set out in the following sections.

WORKFORCE TRANSFORMATION

LGfL needs a modern workforce that has the skills and capacity to meet the changing and growing demands of a national provider. Key areas of focus including the modernisation of accommodation (including the move to a new HQ), the introduction of new employment contracts that support flexible working and a review of HR policies.

DIGITAL TRANSFORMATION

LGfL must have efficient and flexible technology to support its growth and diversification. As a result of its investment in systems, telephony and infrastructure throughout the Lockdown LGfL staff were able to work at home and continued to deliver its services with no detrimental impact to the service provision.

Multiple developments are also underway including the move to a new website, the migration to a modern finance system as well as the introduction of Customer Relationship Management (CRM) system to manage LGfL's activities productively and efficiently. These changes in systems are being accompanied by improvements in process as well as the workforce changes set out above.

BUSINESS MODEL TRANSFORMATION

LGfL's growth nationally coupled with the growth in direct service provision are contributing to a reshaping of LGfL to ensure that the organisation has the structure and coherence to deliver and sustain long term change. Changes in the Group Structure and governance are needed to ensure the long-term sustainability of LGfL

SUPPLY CHAIN TRANSFORMATION

One of LGfL's key strengths in recent years has been the broadening of its partner base to introduce world class companies such as Adobe which have opened up new possibilities to supply schools with exciting and impactful products such as Creative Cloud.

Alongside the development of strategic partnerships with global technology companies, LGfL has nurtured the Digital Transformation Partnership. This is a network of Small to Medium Sized Enterprises (SME's) who receive regular updates and newsletters from LGfL. This network also provides an invaluable support network for schools.

Effective oversight and management of incumbent partners remains a key focus as LGfL's national footprint continues to grow and develop across the UK. This is enabling LGfL to control costs and ensure positive alignment between suppliers and LGfL's Objects and priorities.

A diversified supply chain has also delivered greater resilience and choice for LGfL and its customers which has been a fundamental building block in delivering additional value to schools.

RISK MANAGEMENT

The management and mitigation of risk is a key priority for LGfL. LGfL maintains a strong focus on risk management and mitigation in all aspects of its work and key areas of concern are reported to the Board along with proposed mitigating actions. The following sections consider the major challenges and risks that LGfL faces currently. Financial risk is addressed in the finance section which is later in this report.

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COVID-19

The worldwide pandemic has severely disrupted the global economy, negatively affected the supply of goods and services as well as resulting in the closure of schools. Many companies, including UK technology companies, have struggled to adapt to the changed environment.

As set out in this report, LGfL has delivered a comprehensive and effective response for its beneficiaries through initiatives such as Pledge 2020 and BridgeTheDivide as well as “Lights On” investments to ensure that schools and Councils continued to operate successfully despite huge changes in demand and the shift to remote working.

LGfL recognises that our ability to respond flexibly and innovatively to COVID-19 or any future unexpected events will remain a priority for the foreseeable future. Our adaptable approach has proven invaluable in the continuation of service provision and the continuing advancement of cloud services.

The impact of COVID-19 on the global supply chain will continue to disrupt the market as there is likely to be a substantial rise in the consumption of electronics and technology with the introductions of lockdowns across the world. In addition, suppliers may find delays in shipping and port congestion a problem due to unexpected shortages of available staff. In response, LGfL is taking steps to increase resilience by diversifying its partners and broadening the range of products available to meet service needs.

Massive public borrowing and spending is also likely to negatively impact the economic outlook over the longer term with inflationary pressures likely to drive up costs for all suppliers and companies potentially squeezing surpluses. LGfL’s focus on efficiency, contract controls and generating value for money from its supplier base are important mitigations to inflationary pressures.

BREXIT

The continuing uncertainty with respect to the UK’s trading arrangements with the rest of the world remains a concern with no obvious resolution in sight.

LGfL’s supply chain is strong with our major supply partners already well advanced in terms of contingency planning.

Nevertheless, there are likely to be continuing swings in currency exchange rates that will adversely affect prices and drive-up costs to schools. LGfL is mitigating this impact by purchasing at scale and ensuring that there is an effective procurement capacity at the heart of the organisation.

MANAGING GROWTH

LGfL is growing its customers and diversifying its products which is inevitably bringing pressures including the urgent and continuing need to modernise LGfL. This underlines the importance of the LGfL Fit for the Future programme. These pressures require LGfL to drive up productivity, automate processes and harness digital innovation.

Growth in LGfL’s coverage and widening of LGfL’s direct services and products requires LGfL to recruit additional staff to meet needs in those areas that require focus including enabling functions such as finance alongside business development and sales.

MANAGING ORGANISATIONAL TRANSFORMATION

The process and wider changes being introduced by LGfL to support growth include significant changes in working practices and contracts which have been refreshed and updated for all employees. The move to a modern HQ has benefited LGfL enabling a number of key benefits, including closer ties with schools, Councils and partner organisations.

KEEPING PACE WITH MARKET CHANGE

LGfL is in a technology market where innovation and change is constant. As such it is vital to ensure that products and services remain current and relevant in a highly competitive area.

As LGfL’s response to COVID-19 demonstrates, LGfL has continued to innovate and expand the services and products it provides to schools reinforcing the value of its subscription and the positive impact on its beneficiaries.

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There is a risk that disruptive and fast-moving changes in new technology and associated services could render services obsolescent or expensive. Work is already underway to ensure that LGfL can support these changes and deliver the interoperability and flexibility that schools now expect. In doing so, there will be ongoing challenges and a constant balancing act for LGfL and its delivery partners to manage between providing a secure network and the need for more flexibility.

Key priorities for 2021/22 include improvements to products that support the increased use of cloud services and help schools mitigate the impacts on learning from the global pandemic. LGfL will also invest to modernise other key platforms this year that will enhance its safeguarding credentials to schools.

Further strategic investments in safeguarding, infrastructure, cybersecurity and networks are planned enabling LGfL to continue operating at the forefront of innovation and practice in the education market.

MITIGATING CYBERTHREATS

LGfL recognises that there is continuing activity and efforts to disrupt schools and other bodies through targeted activities including spamming, distributed denial of service attacks (DDoS), ransomware attacks, malware and viruses.

LGfL continues to invest to improve its capacity to mitigate such threats through product improvements including the addition of new protections. As previously stated, prudent and effective investments have been made in technologies such as firewalls and alerting systems to mitigate the risk of such breaches. In recognition of the increased threat to information and systems, LGfL also undertook independent testing of its network security; this cyclical assurance will continue.

A positive development this year has been the enhanced DDoS protection enabled by the recent and significant upgrades to the firewalls that LGfL has deployed in the edge (i.e the school sites) and core (i.e. LGfL's datacentres) locations of its network.

LGfL has also focused on security process improvements and has achieved Cyber Essentials Plus accreditation.

SUPPLY CHAIN RESILIENCE

With the majority of service provision administered through contracts with substantial supply partners, there remains the risk that one of these could fail, particularly in the current climate. In mitigation, LGfL undertakes regular review meetings with suppliers. Financial checks through Dunn & Bradstreet are conducted regularly and are part of the assessment process for major new contract awards.

To maximise value in its supply chain, LGfL has expanded its commercial ecosystem. This has delivered a significant broadening of products and capabilities available to LGfL as well as reducing the exposure to one supplier. The expansion of LGfL's partnerships has proven invaluable in driving innovation into the services and subscriptions that LGfL offers. It also provides LGfL with alternative supply should partners fail to meet the standards that LGfL requires. The creation of a Digital Transformation Partner Network has been a particular success with close to 100 Small and Medium Sized Enterprises working closely with LGfL on supporting schools in London and beyond.

Atomwide (now part of Adept Plc) and VMB are critical partners for the delivery of services to schools. LGfL has developed robust improvement plans with clear actions to ensure continuous improvement.

FINANCIAL REVIEW

The results for the year and LGfL's financial position at the end of the year are shown in the attached financial statements.

LGfL does not receive any of its income from public fundraising so is not required to comply with any fundraising regulations.

The major part of LGfL's income is derived directly from schools for the provision of broadband connectivity, related services (internet filtering, e-mail hosting, e-mail filtering, anti-virus protection, web hosting, secure remote access, etc.) online educational resources and devices. However, this is likely to change as LGfL diversifies the products and services that it is sourcing on behalf of schools.

LGfL has witnessed a very substantial rise in its revenues as a result of diversifying into device provision during the pandemic and expanding the range of services and products that it offers in schools. Income was also boosted by the award of the DfE's contract to manage the National Demonstrator Programme.

Expenditure has increased this year in line with expectations due to the cyclical refresh of its network infrastructure with

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schools, investment in new services to enable schools to function during the pandemic and the procurement of very large numbers of laptops as part of the #BridgeTheDivide.

However, the impact on the liquidity and cash position has been minimised by leasing much of the equipment to enable LGfL to maintain its working capital so that it is well positioned to respond to unexpected threats, economic changes and developments.

PENSION LIABILITY

The pension liability has increased in year from £1.526m to £2.984m due to updated actuarial assumptions due to the global pandemic. Unsurprisingly, the revised estimates are unusually pessimistic and have had a disproportionately negative impact compared with previous assessments.

The current uncertainty and the need to ensure the future sustainability of LGfL will mean that a review of LGfL's Pension Scheme will be needed to avoid the burden of maintaining the fund being too great with a likely move from a Defined Benefits Scheme to a Defined Contribution Scheme.

GOING CONCERN

Whilst Net Current Assets are negative this was anticipated as part of the cyclical refresh of the network and mirrors performance in previous refreshes over the last 20 years. As in previous cycles, Net Current Assets will move to a sustainable position, until the next cyclical upgrade of the network. However, it is also worth noting that the costs of cyclical replacements are generally falling historically and therefore the long term, structural demands on LGfL are declining.

Despite this short term challenge, the underlying financial position of LGfL remains strong with a successful strategy of focusing on growth, retention, revenue diversification, supply chain optimisation and product innovation.

Key initiatives that ensure LGfL is a going concern include:-

(I) Achieving better value and reduced costs from suppliers through market testing, financial and commercial controls;

(ii) Diversifying the range of products that it provides to schools and therefore the sources of its income;

(iii) Reducing the rate of customer attrition through a range of targeted initiatives including more flexible pricing and product enrichment;

(iv) Implementing improved investment and project management controls, including stopping initiatives that were not delivering benefit, sweating assets and improving long-term planning;

(v) Expanding its customer base in schools and across the public sector;

(vi) Improving financial controls and forecasts; and

(vii) Investing to improve the competitiveness of the products LGfL provides to schools.

Improvements in LGfL's financial position include an increase in cash and strong liquidity. Process improvements in revenue and credit control functions have been central to that.

LGfL continues to grow across England with significant expansion in 2021 in the Home Counties and a healthy multi million pipeline of future sales leads and retention activity.

LGfL benefits from very high levels of customer retention and loyalty which are currently at over 95% in a very competitive market. Renewed confidence in LGfL is reflected by the fact that schools who have left LGfL are now returning which means that LGfL's share of the London market is increasing. LGfL's strategy of providing additional value through bundling additional products and services into its broadband service has been a key part of its success with increasing levels of schools taking advantage of the freely available products.

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Given the above, LGfL has adequate resources to meet all liabilities as they fall due, and will continue in operational existence for the foreseeable future. Therefore, we have prepared our accounts and financial statements on the basis that the charity is a Going Concern.

RESERVES

At the 31 March 2021, LGfL's net assets were £4.839M (excluding pension liability) which falls to £1.855M after taking account of the defined pension scheme liability.

As reported in 2019/20, LGfL planned for a depletion of reserves and unrestricted funds in 2019/20 and 2020/21 to enable the modernisation and upgrade of the schools network as part of Pledge 2020 and the continuing investment in product and services improvements to ensure LGfL is competitive in the market it serves. The actuarial assessment and pension liability was , not unexpectedly , much worse than previous years at £2.984M but this position is expected to improve as the economy recovers from the pandemic.

Additional and unplanned investment was required in 2020/21 to meet the needs for remote learning and cloud based delivery but growth in income elsewhere provided a welcome source of funding to meet unanticipated needs.

Going forward, LGfL maintains unrestricted funds and reserves consistent with anticipated commitments in regard to maintaining continuity of service, cyclically refreshing its assets, and ensuring it can :-

(i) Survive major and unforeseen economic shocks and developments;

(ii) Provide support to education in the event of a material change in government funding policy in respect to schools' broadband;

(iii) Provide contingency for IT related initiatives;

(iv) Respond purposely to technology innovation; and

(v) Have capacity to respond to new regulatory burdens.

The operating model of LGfL means that it needs to continually reinvest a significant proportion of its surpluses into IT infrastructure to ensure the network is kept up to date and able to service the need of participating schools and other customers.

The Charity will look to boost its net assets in 2021/22, excepting pension liabilities, to £6M and will generate and retain surpluses from activities to add to this reserve figure (subject to the ongoing need to invest in the network and respond to the pandemic) to reduce the dependency on deferred income to provide working capital, and to build up funds to support growth.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The London Grid organisation consists of the following legal entities: -

Name	Status
London Grid for Learning Trust	Private, limited by guarantee, no share capital, section 30 of the Companies Act Companies House no. 4205579. Members are London's 33 Local Councils Charity Number 1090412
London Grid Limited	Private Limited Company Companies House no. 05122783. Wholly owned by London Grid for Learning Trust. This has now been merged with LGfL following approval to widen the Objects granted by the Charities Commission and London Councils.
Let's Get Digital	Private Limited Company Companies House no 11158329 Wholly owned by London Grid for Learning Trust Currently dormant.

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APPOINTMENT OF TRUSTEES

All 33 London Local Authorities are members of the London Grid for Learning Trust Company and are responsible for appointing the Executive Board.

Trustees are nominated by the Council. Each Member that is a Council may nominate a person as a Director, who shall be appointed as a Nominated Director by a resolution of the Directors.

The Nominated Directors appoint one or more persons as Directors. Directors are chosen by reference to their relevant qualifications, skills, experience, knowledge, professional, commercial or community standing and, where possible, their contribution to making the board of Directors appropriately diverse.

No Directors are appointed unless their candidacy has been notified to the Members in sufficient detail and in sufficient time to enable any Member so minded to comment on the proposed appointment in writing to LGfL prior to the appointment being made.

The company has held Annual General Meetings annually since its inception, to appoint Directors and Auditors and receive and approve Directors' Report and Accounts.

TRUSTEE INDUCTION

LGfL recognises that poor corporate governance and decision making have been the main cause of failure in other charities, and that Trustees have not been effective in these incidences. According to research, much of this ineffectiveness is due to inadequate induction and support offered to Trustees.

LGfL recognises that a new Trustee will make a much more substantial contribution if their induction is handled effectively and they have the information and skills needed to undertake their duties effectively.

LGfL recognises that it is vital that new Trustees have all the necessary information to make an effective contribution to LGfL's affairs including:

- Ensuring that new Trustees are fully conversant with the Articles and Activities of LGfL;
- Provision of additional relevant material, including Board papers and the statement of accounts;
- Providing Trustee financial training, which is provided by the Company Auditors; and
- That Trustees are aware of their legal obligations under Charities Law, including areas such as Public Benefit and Responsibilities of Charity Trustees (CC3).

ORGANISATION

LGfL's Executive Board of eight members meets around 5 times a year to advise, review and direct strategy and investment plans, and to provide oversight of LGfL's performance.

An Audit Committee meets to review the accounting and financial management practices of LGfL. The Audit Committee is responsible for reviewing the report from the External Auditors and for providing assurance to the Board.

LGfL is also accountable to its members through the active engagement of key stakeholders in the form of Local Authority Officers and school representatives who meet regularly at the London Grid Sector Group. This work is augmented through the time and effort given by representative staff who sit on LGfL's Advisory Boards: The Editorial Board and Safeguarding Board.

The day-to-day operation of the company is the responsibility of the Chief Executive, who is accountable to the Board, and the Members.

The Chief Executive manages 7 staff. The combined staffing establishment is 38.1 full-time equivalent. In order to facilitate effective operations, the Chief Executive has delegated authority for all matters including finance, employment, technology services and commercial activity.

In 2016/17, the Articles of LGL were refreshed to ensure they reflected best practice; contracting arrangements between LGfL and LGfL were captured in an intercompany agreement between LGfL and its trading subsidiary.

In 2019/20 permission was granted by LGfL's shareholders, following authorisation from the Charities Commission, to extend the Articles to cover new Objects relating to Well-being and Community Development. This change was ratified in 2020/21 following an extraordinary vote by its shareholders.

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REMUNERATION

The Board of Trustees is responsible for CEO remuneration and the employee salary-management and benefits framework. CEO remuneration is reviewed and set by the Human Resources subcommittee annually.

The remuneration of staff is the responsibility of the CEO. All staff are appointed under local-government terms and conditions. Pay grades for Trustee Officers are comparable with public-sector employees undertaking similar roles.

Remuneration will continue to be scrutinised to ensure value for money and alignment with the market generally.

RELATED PARTIES

LGfL has a trading subsidiary, London Grid Limited. LGfL Trust is the sole shareholder in London Grid Limited (LGL). LGL provides access to Trustnet services for the wider public sector, particularly Councils.

The LGL Board meets 5 times per year with the Chairman, CEO, LGL Officers and a representative of London CIOs on the board. An intercompany memorandum ensures that the appropriate contracting arrangements are in place between the LGfL and LGL.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of the Charity: London Grid for Learning Trust
Charity Registration Number: **1090412**
London Grid for Learning, 9th Floor, 10 Exchange Square, Primrose Street, London, EC2A 2BR.

Directors and Trustees
The directors of the charitable company (the charity) are its trustees for the purpose of charity law. Trustees and officers serving during the year and since the year end were as follows:

Paul Robinson – Chairman
Carmel Littleton – Elected Representative (deceased July 2021)
Jane McSherry – Elected Representative
Gary Hipple – Elected Representative
Nick Mitchell – Elected Representative
Helen Warner – Elected Representative
Sean Green – London CIO Nominee

Company Secretary: John Jackson

Key Management Personnel
John Jackson – Chief Executive Officer
Michael Eva – Programme Manager
Bob Usher – Content Manager
Keith Williams – Interim Head of Finance (until 19th March 2021)
Alan Phillips – Group Financial Controller
Leeanne O'Connor – Customer Manager
Richard Martin – Special Projects Lead
John Bagley – London Grid Limited
Paul Smith – Service Delivery Manager

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Other Relevant Organisations

Company	Address and Contact Details
Menzies – LGFL's Accounts and Audit Advisors	Menzies LLP, Centrum House, 36 Station Road, Egham, Surrey, TW20 9LF
Agillex – LGfL's Legal Adviser and Data Protection Officer	Agillex Ltd, One New Street, Wells, Somerset BA5 2LA.
Lloyds Commercial Banking – LGfL and LGL's bankers	Lloyds Bank PLC, 83 Clarence Street, Kingston upon Thames, Surrey KT1 1RE
Ashfords – Specialist legal advice	Ashfords LLP, 1 New Fetter Lane, London EC4A 1AN
Hytec – Security and professional advice	Hytec Information Security, Cairns House, 10 Station Road, Teddington, TW11 9AA

EXEMPTIONS FROM DISCLOSURE

None

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

LGfL holds 2 funds: -

- RBC (NEN) Budget is held on behalf of the Regional Broadband Consortia and there was £69k left in the fund as of the 31/03/2021
- LA Fund Holdings is held on behalf of Local Authorities and there was £80k left in the fund as of the 31/03/2021.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of London Grid for Learning Trust for the purposes of charity law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 charity and the income and expenditure of the company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement Of Recommended Practice (SORP);
- Make judgements and 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms:

- That in so far as they are aware there is no relevant audit information of which the company's auditor is unaware; and
- Each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Menzies LLP are deemed to be re-appointed under section 487 [2] of the Companies Act 2006.

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Strategic Report the Company's Strategic Report Information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

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

DocuSigned by:
Paul Robinson
70B524F27C604AF...
Mr P Robinson
Company Chairman
Date: 31 January 2022

DocuSigned by:
John Jackson
D6C19478759C499...
Mr J Jackson
Company Secretary

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Opinion

We have audited the financial statements of London Grid for Learning Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011, Companies Act 2006, Employment Rights Act 1996, Tax Legislation and the Data Protection Act 2018 We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

- We understood how the Company is complying with those legal and regulatory frameworks by making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.

- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify any issues in this area.

- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:- posting of fraudulent journals, the authorisation, processing, and payment of fraudulent expenses, fictitious employees and manipulation of revenue recognition.

- Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Challenging assumptions and judgments made by management in its significant accounting estimates;
  - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
  - Reviewing expenditure payments; and
  - Reviewing the timing of income recognition.

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON GRID FOR LEARNING TRUST

Use of our report

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

DocuSigned by:
Janice Matthews
634F24DE92A4471...

Janice Matthews FCA (Senior statutory auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
36 Station Road
Egham
Surrey
TW20 9LF

31 January 2022

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

	Note	Unrestricted funds 2021 £000	Total funds 2021 £000	*As restated Total funds 2020 £000*
Income from:				
Charitable activities	5	**44,389**	**44,389**	*22,225*
Other trading activities	6	**-**	**-**	*4,884*
Investments		**-**	**-**	*47*
Total income		**44,389**	**44,389**	*27,156*
Expenditure on:				
Raising funds	7	**-**	**-**	*4,735*
Charitable activities	8	**46,560**	**46,560**	*24,651*
Total expenditure		**46,560**	**46,560**	*29,386*
Net movement in funds before other recognised gains/(losses)		**(2,171)**	**(2,171)**	*(2,230)*
Other recognised gains/(losses):				
Actuarial (losses)/gains on defined benefit pension schemes	25	**(1,184)**	**(1,184)**	*967*
Net movement in funds		**(3,355)**	**(3,355)**	*(1,263)*
Reconciliation of funds:				
Total funds brought forward (as restated)		**5,209**	**5,209**	*6,472*
Net movement in funds		**(3,355)**	**(3,355)**	*(1,263)*
Total funds carried forward		**1,854**	**1,854**	*5,209*

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

The notes on pages 31 to 53 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
REGISTERED NUMBER: 04205579

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £000		*As restated 2020 £000*
Fixed assets					
Intangible assets	13		**977**		*1,282*
Tangible assets	14		**10,204**		*9,936*
			11,181		*11,218*
Current assets					
Debtors	16	**7,004**		*3,848*	
Cash at bank and in hand		**9,996**		*7,920*	
		17,000		*11,768*	
Creditors: amounts falling due within one year	17	**(20,554)**		*(12,170)*	
Net current liabilities			**(3,554)**		*(402)*
Total assets less current liabilities			**7,627**		*10,816*
Creditors: amounts falling due after more than one year	18		**(2,788)**		*(4,081)*
Net assets excluding pension liability			**4,839**		*6,735*
Defined benefit pension scheme liability	25		**(2,984)**		*(1,526)*
Total net assets			**1,855**		*5,209*

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CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note		2021 £000		As restated 2020 £000
Charity funds					
Restricted funds	19		-		-
Unrestricted funds					
Designated funds	19	**350**		*388*	
General funds	19	**4,489**		*6,347*	
Unrestricted funds excluding pension asset	19	**4,839**		*6,735*	
Pension reserve	19	**(2,984)**		*(1,526)*	
Total unrestricted funds	19		**1,855**		*5,209*
Total funds			**1,855**		*5,209*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Paul Robinson
70BE24F27C604AF...
Mr P Robinson
Trustee

DocuSigned by:
John Jackson
D6C19478759C499...
Mr J Jackson
Secretary

Date: 31 January 2022

The notes on pages 31 to 53 form part of these financial statements.

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LONDON GRID FOR LEARNING TRUST
REGISTERED NUMBER: 04205579

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note		2021 £000		As restated 2020 £000
Fixed assets					
Intangible assets	13		**977**		*1,282*
Tangible assets	14		**10,204**		*9,936*
			11,181		*11,218*
Current assets					
Debtors	16	**7,466**		*3,623*	
Cash at bank and in hand		**9,548**		*7,623*	
		17,014		*11,246*	
Creditors: amounts falling due within one year	17	**(20,554)**		*(11,634)*	
Net current liabilities			**(3,540)**		*(388)*
Total assets less current liabilities			**7,641**		*10,830*
Creditors: amounts falling due after more than one year	18		**(2,788)**		*(4,081)*
Net assets excluding pension liability			**4,853**		*6,749*
Defined benefit pension scheme liability	25		**(2,984)**		*(1,526)*
Total net assets			**1,869**		*5,223*
Charity funds					
Restricted funds	19		**-**		-
Unrestricted funds					
Designated funds	19	**986**		*388*	
General funds		**3,867**		*6,361*	
	19				
Unrestricted funds excluding pension liability	19	**4,853**		*6,749*	
Pension reserve	19	**(2,984)**		*(1,526)*	
Total unrestricted funds	19		**1,869**		*5,223*
Total funds			**1,869**		*5,223*

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COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Paul Robinson
70BF24F27C604AF...
Mr P Robinson

DocuSigned by:
Gary Hipple
B6235206B4794E7...
Mr G Hipple

Date: 31 January 2022

The notes on pages 31 to 53 form part of these financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £000	*As restated* *2020* *£000*
Cash flows from operating activities		
Net cash provided by operating activities	**6,560**	*2,889*
Cash flows from investing activities		
Dividends, interests and rents from investments	**-**	*47*
Purchase of intangible assets	**(521)**	*(130)*
Purchase of tangible fixed assets	**(2,701)**	*(2,544)*
Net cash used in investing activities	**(3,222)**	**(2,627)**
Cash flows from financing activities		
Repayments of finance leases	**(1,262)**	*(250)*
Net cash used in financing activities	**(1,262)**	**(250)**
Change in cash and cash equivalents in the year	**2,076**	**12**
Cash and cash equivalents at the beginning of the year	**7,920**	*7,908*
Cash and cash equivalents at the end of the year	**9,996**	*7,920*

The notes on pages 31 to 53 form part of these financial statements

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1. General information

London Grid for Learning Trust (04205579) is a private charitable company limited by guarantee, incorporated in England and Wales. The address of the registered office is disclosed on page 1 and its principal activities described in the Strategic and Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

London Grid for Learning Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements. The loss for the year dealt with in the accounts of the company was £3,158,998, (2020: £2,798,715).

The parent entity satisfies the criteria of being a qualifying entity as defined in FRS102 and as such advantage has been taken not to present a cash flow statement or disclosures in respect of financial instruments for the company or to show separately aggregate remuneration for key management personnel.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2.3 Going concern

The Directors are pleased with the position of the company. The periodic refresh of the systems and infrastructure is complete and there is a stable and expanding customer base for the core broadband service with Schools and local authorities. The Directors anticipate the company to trade profitably for the foreseeable future. There are also sufficient cash reserves. The Directors accordingly consider that the company is a Going Concern for at least twelve months from the date of approval of these financial statements and the accounts are accordingly prepared on the Going Concern basis.

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2. Accounting policies (continued)

2.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income received from Local Authorities and schools for subscriptions and contributions to core activities is recognised in the period to which it relates. Income invoiced in respect of future periods is deferred to that period.

Income received from Local Authorities and schools in respect of Edge connections and services is in respect of the set up and provision of broadband services. Set up charges are recognised as incurred and annual charges are recognised in the period to which they relate. Annual charges in respect of future periods are deferred to that period. Income received in respect of Edge connections and services is expended on infrastructure.

Other project income is recognised as receivable. Commissions receivable are recognised as invoiced.

Income received for activities that will be carried out in future periods is carried forwards as deferred income.

2.5 Expenditure

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

Fundraising costs represent the trading costs of the company's trading subsidiary. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Termination expenditure is recognised a liability and an expense only when the entity is demonstrably committed either: (a) to terminate the employment of an employee or group of employees before the normal retirement date; or (b) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

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2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £NIL 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. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Amortisation is provided on the following basis:

Content and software	-	Over 3 to 5 years straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Fixtures and fittings	- 33.3% straight line
Office equipment	- 33.3% straight line
Computer equipment	- Over 5 to 10 years straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

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2. Accounting policies (continued)

2.9 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the 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 in the Consolidated statement of financial activities as a finance cost.

2.10 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 Pensions

The Group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 2 December 2018.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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3. 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 company 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.

4. 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 company 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.

In the opinion of the Trustees the main estimate and assumption that may have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are in relation to the useful life of fixed assets, which are written off in accordance with the amortisation and depreciation policies set out in note 2.6 and 2.7.

The valuation of the pension scheme assets and liabilities is carried out by the scheme actuary based on various assumptions and estimates. Details are given in Note 25.

5. Income from charitable activities

	Unrestricted funds 2021 £000	**Total funds 2021 £000**	*Total funds 2020 £000*
Main LGfL Income	20,673	**20,673**	*19,922*
LGfL Managed Services Income	598	**598**	*565*
LGL Income	5,849	**5,849**	*1,738*
Bridge the Divide	17,269	**17,269**	-
	44,389	**44,389**	*22,225*
Total 2020	*22,225*	*22,225*	

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6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	*Total funds 2020 £000*
Charity trading income	-	-	*4,884*
Total 2020	*4,884*	*4,884*	

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2021 £000	Total funds 2021 £000	*Total funds 2020 £000*
Direct costs	-	-	*4,472*
Support costs	-	-	*263*
	-	-	*4,735*
Total 2020	*4,735*	*4,735*	

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8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £000	Total funds 2021 £000	*As restated Total funds 2020 £000*
Main LGfL Income	23,318	**23,318**	*23,301*
LGfL Managed Services Income	279	**279**	*228*
LGL Income	5,783	**5,783**	*1,122*
Bridge The Divide	17,180	**17,180**	-
	46,560	**46,560**	*24,651*
Total 2020 as restated	*24,651*	*24,651*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	*As restated Total funds 2020 £000*
Main LGfL Income	21,697	1,623	**23,320**	*23,301*
LGfL Managed Services Income	279	-	**279**	*228*
LGL Income	5,334	449	**5,783**	*1,122*
Bridge The Divide	15,854	1,324	**17,178**	-
	43,164	3,396	**46,560**	*24,651*
Total 2020 as restated	*22,206*	*2,445*	*24,651*	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Main LGfL Income 2021 £000	LGL Income 2021 £000	Bridge The Divide 2021 £000	Total funds 2021 £000	*Total funds 2020 £000*
Net pension scheme finance costs/income	38	-	-	**38**	*51*
Staff costs	623	176	521	**1,320**	*1,378*
Depreciation	-	-	-	**-**	*22*
RBC Joint Activities	-	-	-	**-**	*20*
Rent, Electricity and Rates	237	67	198	**502**	*535*
Other professional fees	421	119	351	**891**	*115*
Repairs and maintenance	26	7	22	**55**	*18*
Other office costs	150	42	125	**317**	*95*
Insurance	21	6	17	**44**	*42*
Other	59	18	50	**127**	*98*
Governance costs	48	14	40	**102**	*71*
	1,623	449	1,324	**3,396**	*2,445*
Total 2020	*2,445*	-	-	*2,445*	

During the year ended 31 March 2021, the company incurred the following Governance costs:

£48k (2020: £71k) included within the table above in respect of Main LGfL Income, £14k in respect of LGL Income and £40k in respect of Bridge The Divide Income.

10. Auditors' remuneration

	2021 £000	*2020 £000*
Fees payable to the company's auditor for the audit of the company's annual accounts	**28**	*27*
Fees payable to the company's auditor in respect of:		
All non-audit services not included above	**11**	*11*

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11. Staff costs

	Group 2021 £000	*Group 2020 £000*	Company 2021 £000	*Company 2020 £000*
Wages and salaries	**2,218**	*2,452*	**2,218**	*2,447*
Social security costs	**242**	*214*	**242**	*204*
Operating costs of defined benefit pension schemes	**615**	*851*	**615**	*851*
	3,075	*3,517*	**3,075**	*3,502*

Termination costs of £93k (2020: £181k) have been incurred during the year.

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

	Group 2021 No.	*Group 2020 No.*
Administrative staff	**37**	*39*

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

	Group 2021 No.	*Group 2020 No.*
In the band £60,001 - £70,000	**5**	*5*
In the band £70,001 - £80,000	**4**	*1*
In the band £80,001 - £90,000	**2**	*2*
In the band £90,001 - £100,000	**1**	*-*
In the band £140,001 - £150,000	**1**	*1*

Remuneration and benefits received by key management personnel was £1,193k (2020: £875k).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 March 2021, no Trustee expenses have been incurred *(2020 - £NIL)*.

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13. Intangible assets

Group

	Content & Software £000
Cost	
At 1 April 2020	**3,547**
Additions	**521**
At 31 March 2021	**4,068**
Amortisation	
At 1 April 2020 (as previously stated)	**2,223**
Prior Year Adjustment	**42**
At 1 April 2020 (as restated)	**2,265**
Charge for the year	**826**
At 31 March 2021	**3,091**
Net book value	
At 31 March 2021	**977**
At 31 March 2020 (as restated)	*1,282*

The net book value of assets held under finance leases or hire purchase contracts, included above for the group and company, are £545k (2020: £785k).

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13. Intangible assets (continued)

Company

	Content & Software £000
Cost	
At 1 April 2020	**3,543**
Additions	**521**
Transfers intra group	**4**
At 31 March 2021	**4,068**
Amortisation	
At 1 April 2020 (as previously stated)	**2,219**
Prior Year Adjustment	**42**
At 1 April 2020 (as restated)	**2,261**
Charge for the year	**826**
Transfers intra group	**4**
At 31 March 2021	**3,091**
Net book value	
At 31 March 2021	**977**
At 31 March 2020 (as restated)	*1,282*

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14. Tangible fixed assets

Group

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 April 2020 (as previously stated)	**51**	**41**	**26,719**	**26,811**
Prior Year Adjustment	**-**	**-**	**931**	**931**
At 1 April 2020 (as restated)	**51**	**41**	**27,650**	**27,742**
Additions	**6**	**-**	**2,695**	**2,701**
At 31 March 2021	**57**	**41**	**30,345**	**30,443**
Depreciation				
At 1 April 2020 (as previously stated)	**39**	**41**	**18,003**	**18,083**
Prior Year Adjustment	**2**	**-**	**(280)**	**(278)**
At 1 April 2020 (as restated)	**41**	**41**	**17,723**	**17,805**
Charge for the year	**16**	**-**	**2,417**	**2,433**
At 31 March 2021	**57**	**41**	**20,140**	**20,238**
Net book value				
At 31 March 2021	**-**	**-**	**10,205**	**10,205**
At 31 March 2020 (as restated)	*10*	*-*	*9,926*	*9,936*

Company

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 April 2020 (as previously stated)	**51**	**-**	**26,719**	**26,770**
Prior Year Adjustment	**-**	**-**	**931**	**931**
At 1 April 2020 (as restated)	**51**	**-**	**27,650**	**27,701**
Additions	**6**	**-**	**2,695**	**2,701**
Transfers intra group	**-**	**41**	**-**	**41**
At 31 March 2021	**57**	**41**	**30,345**	**30,443**

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14. Tangible fixed assets (continued)

Company (continued)

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Depreciation				
At 1 April 2020 (as previously stated)	**39**	**-**	**18,003**	**18,042**
Prior Year Adjustment	**2**	**-**	**(280)**	**(278)**
At 1 April 2020 (as restated)	**41**	**-**	**17,723**	**17,764**
Charge for the year	**16**	**-**	**2,417**	**2,433**
Transfers intra group	**-**	**41**	**-**	**41**
At 31 March 2021	**57**	**41**	**20,140**	**20,238**
Net book value				
At 31 March 2021	**-**	**-**	**10,205**	**10,205**
At 31 March 2020 (as restated)	*10*	*-*	*9,926*	*9,936*

The net book value of assets held under finance leases or hire purchase contracts, included above for the group and company, are £3,471k (2020: £4,181k).

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15. Fixed asset investments

Principal subsidiaries

The following were subsidiary undertakings of the company:

Names	Company number	Registered office or principal place of business	Principal activity
London Grid Limited	05122783	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	Provides the group's surplus broadband capacity to the public sector.
Let's Get Digital Limited	11158329	9th Floor, 10 Exchange Square Primrose Street, London, England, EC2A 2BR	The company has not yet begun trading.

The financial results of the subsidiaries for the year were:

Names	Net assets £000
London Grid Limited	**(14,300)**
Let's Get Digital Limited	**1**

All the fixed asset investments are held in the United Kingdom.

16. Debtors

	Group 2021 £000	*Group 2020 £000*	Company 2021 £000	*Company 2020 £000*
Due within one year				
Trade debtors	**4,507**	*1,406*	**4,507**	*1,069*
Amounts owed by group undertakings	**-**	*-*	**463**	*279*
Other debtors	**31**	*31*	**31**	*31*
Prepayments and accrued income	**1,938**	*1,459*	**1,937**	*1,417*
Tax recoverable	**528**	*952*	**528**	*827*
	7,004	*3,848*	**7,466**	*3,623*

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17. Creditors: Amounts falling due within one year

	Group 2021 £000	*Group 2020 £000*	Company 2021 £000	*Company 2020 £000*
Trade creditors	**10,563**	*4,984*	**10,563**	*4,454*
Other taxation and social security	**64**	*61*	**64**	*61*
Obligations under finance lease and hire purchase contracts	**1,292**	*1,261*	**1,292**	*1,261*
Other creditors	**1,961**	*105*	**1,961**	*106*
Accruals and deferred income	**6,674**	*5,759*	**6,674**	*5,752*
	20,554	*12,170*	**20,554**	*11,634*

	Group 2021 £000	*Group 2020 £000*	Company 2021 £000	*Company 2020 £000*
Deferred income at 1 April 2020	**5,343**	*5,627*	**5,343**	*5,612*
Resources deferred during the year	**5,856**	*5,343*	**5,856**	*5,343*
Amounts released from previous periods	**(5,343)**	*(5,627)*	**(5,343)**	*(5,612)*
	5,856	*5,343*	**5,856**	*5,343*

Deferred income represents amounts invoiced in respect of broadband charges and other services which relate to future periods.

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

	Group 2021 £000	*Group 2020 £000*	Company 2021 £000	*Company 2020 £000*
Net obligations under finance lease and hire purchase contracts	**2,788**	*4,081*	**2,788**	*4,081*

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19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 (as restated) £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 March 2021 £000
Unrestricted funds						
Designated funds						
Pan London Admissions	388	598	(279)	(357)	-	350
General funds						
General Funds	6,361	43,792	(46,007)	357	-	4,503
Non-charitable trading funds	(14)	-	-	-	-	(14)
Pension reserve	(1,526)	-	(274)	-	(1,184)	(2,984)
	4,821	43,792	(46,281)	357	(1,184)	1,505
Total Unrestricted funds	5,209	44,390	(46,560)	-	(1,184)	1,855

The trustees have set aside surpluses generated from the Pan London Admissions activity for the enhancement of this service.

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19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £000	*As restated Income £000*	*As restated Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*As restated Balance at 31 March 2020 £000*
Unrestricted funds						
Designated funds						
Pan London Admissions	*373*	*565*	*(193)*	*(357)*	*-*	*388*
General funds						
General Funds	*7,912*	*21,708*	*(23,616)*	*357*	*-*	*6,361*
Non-charitable trading funds	*50*	*4,884*	*(4,948)*	*-*	*-*	*(14)*
Pension reserve	*(1,863)*	*-*	*(630)*	*-*	*967*	*(1,526)*
	6,099	*26,592*	*(29,194)*	*357*	*967*	*4,821*
Total Unrestricted funds	*6,472*	*27,157*	*(29,387)*	*-*	*967*	*5,209*

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 (as restated) £000	**Income £000**	**Expenditure £000**	**Transfers in/out £000**	**Gains/ (Losses) £000**	**Balance at 31 March 2021 £000**
Designated funds	**388**	**598**	**(279)**	**(357)**	**-**	**350**
General funds	**4,821**	**43,792**	**(46,281)**	**357**	**(1,184)**	**1,505**
	5,209	**44,390**	**(46,560)**	**-**	**(1,184)**	**1,855**

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20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2019 £000	*As restated Income £000*	*As restated Expenditure £000*	*Transfers in/out £000*	*Gains/ (Losses) £000*	*Balance at 31 March 2020 £000*
Designated funds	*373*	*565*	*(193)*	*(357)*	*-*	*388*
General funds	*6,099*	*26,592*	*(29,194)*	*357*	*967*	*4,821*
	6,472	*27,157*	*(29,387)*	*-*	*967*	*5,209*

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	**Total funds 2021 £000**
Tangible fixed assets	10,204	**10,204**
Intangible fixed assets	977	**977**
Current assets	17,000	**17,000**
Creditors due within one year	(20,554)	**(20,554)**
Creditors due in more than one year	(2,788)	**(2,788)**
Provisions for liabilities and charges	(2,984)	**(2,984)**
Total	1,855	**1,855**

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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds (as restated) 2020 £000	*Total funds 2020 £000*
Tangible fixed assets	*9,936*	*9,936*
Intangible fixed assets	*1,282*	*1,282*
Current assets	*11,768*	*11,768*
Creditors due within one year	*(12,170)*	*(12,170)*
Creditors due in more than one year	*(4,081)*	*(4,081)*
Provisions for liabilities and charges	*(1,526)*	*(1,526)*
Total	*5,209*	*5,209*

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £000	*Group 2020 £000*
Net expenditure for the year (as per Statement of Financial Activities)	**(2,171)**	*(2,230)*
Adjustments for:		
Depreciation charges	**2,433**	*2,062*
Amortisation charges	**826**	*811*
Decrease/(increase) in debtors	**(3,156)**	*255*
Increase in creditors	**8,353**	*1,408*
Current pension service costs	**615**	*851*
Defined benefit pension scheme contributions paid	**(378)**	*(272)*
Net interest/finance cost	**38**	*51*
Interest receivable	**-**	*(47)*
Net cash provided by operating activities	**6,560**	*2,889*

23. Analysis of cash and cash equivalents

	Group 2021 £000	*Group 2020 £000*
Cash in hand	**9,996**	*7,920*
Total cash and cash equivalents	**9,996**	*7,920*

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24. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£000	£000	£000
Cash at bank and in hand	7,920	2,076	9,996
Finance leases	(5,342)	1,261	(4,081)
	2,578	3,337	5,915

25. Pension commitments

The Group operates a defined benefit pension scheme.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2021	*At 31 March 2020*
	%	*%*
Discount rate	2.05	*2.30*
Future salary increases	3.20	*2.20*
Future pension increases	2.05	*1.80*

The trust is an admitted body to the Royal Borough of Kingston upon Thames Pension Fund, a multi-employer pension fund in which there are many participating employers. The disclosures relate to the funded liabilities within the Royal Borough of Kingston upon Thames Pension Fund (the 'fund') which is part of the local government pension scheme. London Grid for Learning Trust ('LGFL') participates in the fund which provides defined benefits, based on members' final pensionable salary.

In accordance with Financial Reporting Standard 102 disclosure of certain information concerning assets, liabilities income and expenditure relating to pension schemes is required.

The Employer's regular contributions to the Fund for the accounting period to 31 March 2022 are estimated to be £314,000. In addition, Strain on Fund Contributions may be required.

The latest actuarial valuation of LGFL's liabilities took place as at 31 March 2016. The principal assumptions used by the independent qualified actuaries in updating the latest valuation of the fund for FRS102 purposes are detailed below.

LGFL employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 March 2016.

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25. Pension commitments (continued)

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

	At 31 March 2021 £000	*At 31 March 2020 £000*
Equities	**6,934**	*4,810*
Bonds	**1,444**	*1,415*
Property	**578**	*354*
Cash	**674**	*495*
Total fair value of assets	**9,630**	*7,074*

The actual return on scheme assets was £167k *(2020 - £182k)*.

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

	2021 £000	*2020 £000*
Current service cost	**580**	*821*
Past service cost	**35**	*30*
Interest income	**(167)**	*(182)*
Interest cost	**205**	*233*
Total amount recognised in the Consolidated statement of financial activities	**653**	*902*

Movements in the present value of the defined benefit obligation were as follows:

	2021 £000	*2020 £000*
Opening defined benefit obligation	**8,599**	*9,266*
Current service cost	**580**	*821*
Interest cost	**205**	*233*
Contributions by scheme participants	**163**	*154*
Actuarial losses/(gains)	**3,158**	*(1,775)*
Benefits paid	**(126)**	*(130)*
Past service costs	**35**	*30*
Closing defined benefit obligation	**12,614**	*8,599*

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25. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2021 £000	*2020 £000*
Opening fair value of scheme assets	**7,074**	*7,404*
Expected return on assets	**167**	*182*
Actuarial gains/(losses)	**1,974**	*(808)*
Contributions by employer	**378**	*272*
Contributions by scheme participants	**163**	*154*
Benefits paid	**(126)**	*(130)*
Closing fair value of scheme assets	**9,630**	*7,074*

26. Operating lease commitments

At 31 March 2021 the Group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £000	*Group 2020 £000*
Not later than 1 year	**392**	*39*
Later than 1 year and not later than 5 years	**1,567**	*-*
	1,959	*39*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group 2021 £000	*Group 2020 £000*
Operating lease rentals	**1,959**	*330*

27. Prior year adjustments

Fixed assets for the year to 31 March 2020 have been amended to capitalise all the installation costs in respect of the implementation of the Pledge 2020 network upgrade programme previously written off to the Statement of Financial Activities. The total amount of additional costs capitalised was £931k on which additional depreciation of £60k was charged, increasing the value of funds brought forward by £871k.

A prior year adjustment has also been made for net depreciation and amortisation overcharged in 2020 of £296k, increasing the value of funds brought forward by the same amount.

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28. Related party transactions

Due to the nature of the Trust's operations procuring services on behalf of the Local Authorities and the composition of the Board of Directors drawn from the Local Authorities it is inevitable that transactions take place with organisations in which the directors have an interest. No specific transactions have been identified where a director has an involvement and which should be disclosed as a related party transaction.

At 31 March 2020 the Trust was owed £462k (2020: £279k) by its subsidiary company London Grid Limited. Donations to the Trust by London Grid Limited in respect of the year amounted to £Nil (2020: £nil) and management charges to London Grid Limited by the Trust amounted to £Nil (2020: £524k).

Permission has been obtained from the Charity Commission in order to pay for the professional services of the Chairman (P Robinson). During the year £8,100 including expenses were paid for these services (2020: £7,838). No emoluments or expenses were paid to any other director during the current or preceding year.

The Trust has indemnity insurance and insurance to indemnify the directors and employees of the Trust costing £16k (2020 - £17k) for the period.