

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

LONDON GRID FOR LEARNING TRUST

CONTENTS

	Page
Reference and administrative details of the company, its Trustees and advisers	1
Trustees' report	2 - 22
Independent auditors' report on the financial statements	23 - 26
Consolidated statement of financial activities	27
Consolidated balance sheet	28 - 29
Company balance sheet	30 - 31
Consolidated statement of cash flows	32
Notes to the financial statements	33 - 50

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

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

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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 LGfL Core 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

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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 it is 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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

08C19478759C499...

Mr J Jackson

Company Secretary

LONDON GRID FOR LEARNING TRUST

MENZIES
BRIGHTER THINKING

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.

LONDON GRID FOR LEARNING TRUST

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, 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.

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

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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

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.

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
		<u>10,175</u>	<u>11,181</u>
Current assets			
Stocks		321	-
Debtors	13	3,158	7,004
Cash at bank and in hand		5,748	9,996
		<u>9,227</u>	<u>17,000</u>
Creditors: amounts falling due within one year	14	(12,848)	(20,554)
Net current liabilities		<u>(3,621)</u>	<u>(3,554)</u>
Total assets less current liabilities		<u>6,554</u>	<u>7,627</u>
Creditors: amounts falling due after more than one year	15	(1,522)	(2,788)
Net assets excluding pension liability		<u>5,032</u>	<u>4,839</u>
Defined benefit pension scheme liability	21	(2,047)	(2,984)
Total net assets		<u><u>2,985</u></u>	<u><u>1,855</u></u>

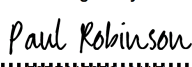
LONDON GRID FOR LEARNING TRUST

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:

 708F24F27C604AF...
Mr P Robinson
 Trustee

21-Dec-2022
 Date:

DocuSigned by:

 D6C19478759C499...
Mr J Jackson
 Secretary

The notes on pages 33 to 50 form part of these financial statements.

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
		<u>10,175</u>	<u>11,181</u>
Current assets			
Stocks		321	-
Debtors	13	3,171	7,466
Cash at bank and in hand		5,748	9,548
		<u>9,240</u>	<u>17,014</u>
Creditors: amounts falling due within one year	14	(12,848)	(20,554)
Net current liabilities		<u>(3,608)</u>	<u>(3,540)</u>
Total assets less current liabilities		<u>6,567</u>	<u>7,641</u>
Creditors: amounts falling due after more than one year	15	(1,522)	(2,788)
Net assets excluding pension liability		<u>5,045</u>	<u>4,853</u>
Defined benefit pension scheme liability	21	(2,047)	(2,984)
Total net assets		<u><u>2,998</u></u>	<u><u>1,869</u></u>

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:

 70BF24F27C604AF...
Mr P Robinson
 Trustee
 Date: 21-Dec-2022

DocuSigned by:

 B623520654794E7...
Mr G Hipple
 Trustee

The notes on pages 33 to 50 form part of these financial statements.

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

LONDON GRID FOR LEARNING TRUST

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.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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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LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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
	<u>35,599</u>	<u>35,599</u>	<u>44,389</u>
<i>Total 2021</i>	<u>44,389</u>	<u>44,389</u>	

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
	<u>36,108</u>	<u>36,108</u>	<u>46,560</u>
<i>Total 2021</i>	<u>46,560</u>	<u>46,560</u>	

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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
	<u>32,075</u>	<u>4,033</u>	<u>36,108</u>	<u>46,560</u>
<i>Total 2021</i>	<u>43,164</u>	<u>3,396</u>	<u>46,560</u>	

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
	<u>2,465</u>	<u>45</u>	<u>572</u>	<u>951</u>	<u>4,033</u>	<u>3,396</u>
<i>Total 2021</i>	<u>1,623</u>	<u>-</u>	<u>449</u>	<u>1,324</u>	<u>3,396</u>	

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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 £000	2021 £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 £000	Group 2021 £000	Company 2022 £000	Company 2021 £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 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Administrative staff	41	37	41	37

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

	Group 2022 No.	<i>Group 2021 No.</i>	Company 2022 No.	<i>Company 2021 No.</i>
In the band £60,001 - £70,000	9	<i>5</i>	9	<i>5</i>
In the band £70,001 - £80,000	4	<i>4</i>	4	<i>4</i>
In the band £80,001 - £90,000	2	<i>2</i>	2	<i>2</i>
In the band £90,001 - £100,000	1	<i>1</i>	1	<i>1</i>
In the band £140,001 - £150,000	1	<i>1</i>	1	<i>1</i>

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
<i>At 31 March 2021</i>	<i>977</i>

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).

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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).

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13. Debtors

	Group 2022 £000	<i>Group 2021 £000</i>	Company 2022 £000	<i>Company 2021 £000</i>
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	<i>7,004</i>	3,171	<i>7,466</i>

14. Creditors: Amounts falling due within one year

	Group 2022 £000	<i>Group 2021 £000</i>	Company 2022 £000	<i>Company 2021 £000</i>
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	<i>20,554</i>	12,848	<i>20,554</i>

	Group 2022 £000	<i>Group 2021 £000</i>	Company 2022 £000	<i>Company 2021 £000</i>
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	<i>5,856</i>	5,929	<i>5,856</i>

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 2022

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

	Group 2022 £000	<i>Group 2021 £000</i>	Company 2022 £000	<i>Company 2021 £000</i>
Net obligations under finance lease and hire purchase contracts	1,522	<i>2,788</i>	1,522	<i>2,788</i>

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.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 (as restated) £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 March 2021 £000</i>
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)
	<u>4,821</u>	<u>43,792</u>	<u>(46,281)</u>	<u>357</u>	<u>(1,184)</u>	<u>1,505</u>
Total Unrestricted funds	<u>5,209</u>	<u>44,390</u>	<u>(46,560)</u>	<u>-</u>	<u>(1,184)</u>	<u>1,855</u>

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
	<u>1,855</u>	<u>35,600</u>	<u>(36,108)</u>	<u>-</u>	<u>1,638</u>	<u>2,985</u>

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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
	<u>5,209</u>	<u>44,390</u>	<u>(46,560)</u>	<u>-</u>	<u>(1,184)</u>	<u>1,855</u>

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		<u>(501)</u>	<u>6,560</u>

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	<u>5,748</u>	<u>9,996</u>

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

20. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£000	£000	£000
Cash at bank and in hand	9,996	(4,248)	5,748
Finance leases	(4,081)	1,286	(2,795)
	<u>5,915</u>	<u>(2,962)</u>	<u>2,953</u>

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	<u>3.15</u>	<u>2.8</u>

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.

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

21. Pension commitments (continued)

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

	2022 £000	2021 £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 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £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 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Operating lease rentals	1,959	1,959	1,959	1,959

LONDON GRID FOR LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.