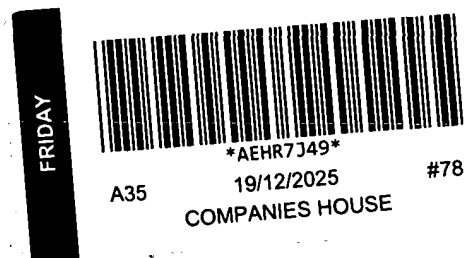


Company registration number: 04205579  
Charity number: 1090412

TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2025

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



**MENZIES**  
BRIGHTER THINKING

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# **LONDON GRID FOR LEARNING TRUST**

## **(A company limited by guarantee)**

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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

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

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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 31 MARCH 2025

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#### CHAIRMAN'S INTRODUCTION

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

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

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

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

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

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

**Paul Robinson**  
Chairman, London Grid for Learning Trust

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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### CEO'S INTRODUCTION

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

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

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

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

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

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

**John Jackson**  
**CEO LGfL - The National Grid for Learning**

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### **LGfL'S OBJECTIVES**

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

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

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

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

#### **PRIORITIES**

LGfL delivers its Objects by focusing on: -

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

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

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

#### **ACTIVITIES**

In furtherance of our Objects, LGfL: -

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

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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

#### STRATEGIC REPORT

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

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

#### ENERGISING TEACHING AND LEARNING

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

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

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

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

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

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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

Other Curriculum Team highlights this year have included:-

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

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

#### KEY OUTCOMES

<b>Energising Teaching and Learning</b>	
Estimated Daily Reach of LGfL Services to Children Teachers and Support Staff	1.8 Million
Peak Internet Transit	160 Gbps
Schools Receiving a Free Bandwidth Upgrade	189
Standard Connection Speed of Secondary Schools to the Internet	1 Gbps
Standard Connection Speed of Primary Schools to the Internet	100 - 500 Mbps
Average Connection Speed of Special Schools to Internet	100 - 300 Mbps
Percentage Availability of the LGfL SuperCloud	99.98 %
Estimated Number of Schools Using LGfL's Bundled Curriculum Products	1300
Training Events Undertaken	233
Delegates Booked	7391



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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### SAVING SCHOOLS MONEY

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

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

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

#### KEY OUTCOMES

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

#### KEEPING CHILDREN SAFE

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

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

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

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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

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

#### KEY OUTCOMES

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

#### KEEPING SCHOOLS SECURE

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

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

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

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### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

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

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

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

#### KEY OUTCOMES

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

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### PROMOTING WELLBEING

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

#### TACKLING INEQUALITY

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

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

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

#### KEY OUTCOMES

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

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### PAN LONDON SHARED SERVICES

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

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

#### THE TRANSFORMATION OF LGfL

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

#### FIT FOR THE FUTURE

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

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

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

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

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

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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### WORKFORCE TRANSFORMATION

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

#### RISK MANAGEMENT

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

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

#### MITIGATING CYBERSECURITY THREATS

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

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

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### TRUSTEES' REPORT (CONTINUED)

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#### RESPONDING EFFECTIVELY TO PANDEMICS

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

#### BREXIT AND GLOBAL TRADE RELATIONS

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

#### MARKET THREATS

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

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

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

#### MANAGING INFLATIONARY PRESSURES

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

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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### MANAGING GROWTH

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

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

#### ENSURING A POSITIVE ORGANISATIONAL CLIMATE

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

#### KEEPING PACE WITH MARKET & TECHNOLOGY CHANGE

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

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

#### SUPPLY CHAIN RESILIENCE

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

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

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



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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

the course of the next financial year, LGfL will be taking continuing steps to ensure that effective governance and application of best practices are applied to the key contracts for VMO2 and Adept given the critical role they have in shaping the perception and success of LGfL delivered services.

#### DISASTER RECOVERY PLANNING AND SIMULATION

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

#### FINANCIAL REVIEW

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

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

#### INCOME

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

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

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

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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### **BALANCE SHEET**

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

#### **PENSION SCHEME**

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

#### **CASHFLOW & LIQUIDITY**

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

#### **PROFIT AND LOSS**

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

#### **MEDIUM TERM POSITION**

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

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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### GOING CONCERN

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

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

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### RESERVES

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

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

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

# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

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

Name	Status
<b>London Grid for Learning Trust</b>	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
<b>London Grid Limited</b>	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.
<b>Let's Get Digital</b>	Private Limited Company Companies House no. 11158329 Wholly owned by London Grid for Learning Trust Currently dormant.

#### APPOINTMENT OF TRUSTEES

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

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

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

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

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

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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

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#### TRUSTEE INDUCTION

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

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

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

#### ORGANISATION

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

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

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

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

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

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

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

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

#### REMUNERATION

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

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

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

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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### RELATED PARTIES

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

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

#### REFERENCE AND ADMINISTRATIVE DETAILS

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

#### Directors and Trustees

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

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

**Company Secretary:** John Jackson

#### Key Management Personnel

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

# LONDON GRID FOR LEARNING TRUST

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## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### Other Relevant Organisations

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

#### EXEMPTIONS FROM DISCLOSURE.

None



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# LONDON GRID FOR LEARNING TRUST

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement Of Recommended Practice (SORP)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; -and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to Show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

#### DISCLOSURE OF INFORMATION TO THE AUDITORS

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

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

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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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### TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### AUDITOR

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

#### STRATEGIC REPORT

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

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

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

Signed by:

*Paul Robinson*

09C24127C804F...

Mr P Robinson

Company Chairman

Date: 18-Dec-2025

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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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**MENZIES**  
BRIGHTER THINKING

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

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### Opinion

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

In our opinion the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

We have nothing to report in this regard.

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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

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

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

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

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

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

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

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

#### **Responsibilities of Trustees**

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

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

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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

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#### Auditors' responsibilities for the audit of the financial statements

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

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

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

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

#### Use of our report

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

DocuSigned by:

*Janice Matthews*

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**Janice Matthews FCA (Senior statutory auditor)**

for and on behalf of

**Menzies LLP**

Chartered Accountants

Statutory Auditor

Magna House

18-32 London Road

Staines-Upon-Thames

TW18 4BP

Date: 18-Dec-2025

# LONDON GRID FOR LEARNING TRUST

(A company limited by guarantee)

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

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

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

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

# LONDON GRID FOR LEARNING TRUST

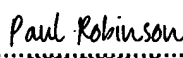
(A company limited by guarantee)  
REGISTERED NUMBER: 04205579

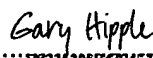
## BALANCE SHEET AS AT 31 MARCH 2025

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

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

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

Signed by:  
  
 .....  
 Mr P Robinson  
 Trustee

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

Date: 18-Dec-2025

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

# LONDON GRID FOR LEARNING TRUST

(A company limited by guarantee)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

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

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



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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

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#### 1. General information

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

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

##### 2.2 Company status

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

##### 2.3 Going concern

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

##### 2.4 Income

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

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

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

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 2. Accounting policies (continued)

##### 2.5 Expenditure

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

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

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

##### 2.6 Intangible assets and amortisation

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

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

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

Amortisation is provided on the following basis:

Content and software	- Over 3 to 5 years straight line
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##### 2.7 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following bases:

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

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# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

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#### 2. Accounting policies (continued)

##### 2.8 Investments

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

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

##### 2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### 2.10 Financial instruments

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

##### 2.11 Finance leases

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

##### 2.12 Pensions

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

##### 2.13 Fund accounting

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

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

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

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

2. Accounting policies (continued)

2.13 Fund accounting (continued)

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

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

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

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

4. Income from donations and legacies

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

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 5. Income from charitable activities

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

#### 6. Analysis of expenditure on charitable activities

##### Summary by fund type

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

# LONDON GRID FOR LEARNING TRUST

(A company limited by guarantee)

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

### 7. Analysis of expenditure by activities

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

### Analysis of support costs

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

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 7. Analysis of expenditure by activities (continued)

##### Analysis of support costs (continued)

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

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

#### 8. Auditors' remuneration

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

#### 9. Staff costs

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

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

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

	2025 No.	2024 No.
Administrative staff	<u>43</u>	<u>43</u>

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

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

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

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

#### 10. Trustees' remuneration and expenses

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

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

#### 11. Intangible assets

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

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



# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 12. Tangible fixed assets

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

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

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 13. Fixed asset investments

##### Principal subsidiaries

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

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

The financial results of the subsidiaries for the year were:

##### Names

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

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 14. Debtors

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

#### 15. Creditors: Amounts falling due within one year

	2025 £000	2024 £000
Trade creditors	3,547	3,219
Other taxation and social security	75	75
Obligations under finance lease and hire purchase contracts	4,454	4,470
Other creditors	141	212
Accruals and deferred income	7,732	9,021
	<u>15,949</u>	<u>16,997</u>
	2025 £000	2024 £000
Deferred income at 1 April 2024	7,517	6,421
Resources deferred during the year	7,240	7,517
Amounts released from previous periods	(7,517)	(6,421)
	<u>7,240</u>	<u>7,517</u>

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

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

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

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

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

	2025 £000	2024 £000
Payable or repayable by instalments	-	5,274
	<u>-</u>	<u>5,274</u>

# LONDON GRID FOR LEARNING TRUST

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

#### 17. Statement of funds

##### Statement of funds - current year

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

##### Designated Funds

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

##### Restricted Funds

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

##### Revaluation reserve

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

# LONDON GRID FOR LEARNING TRUST

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

### 17. Statement of funds (continued)

#### Statement of funds - prior year

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

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 18. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

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

##### Analysis of net assets between funds - prior year

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

# LONDON GRID FOR LEARNING TRUST

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

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

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

#### 20. Analysis of cash and cash equivalents

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

#### 21. Analysis of changes in net debt

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



# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 22. Pension commitments

The company operates a defined benefit pension scheme.

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

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

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

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

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

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

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

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

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 22. Pension commitments (continued)

The company's share of the assets in the scheme was:-

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

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

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

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

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

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

# LONDON GRID FOR LEARNING TRUST

## (A company limited by guarantee)

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

#### 22. Pension commitments (continued)

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

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

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

#### 23. Operating lease commitments

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

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

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

	2025 £000	2024 £000
Operating lease rentals	392	392

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

24. Finance lease commitments

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

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

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

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

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

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

25. Related party transactions

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

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

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