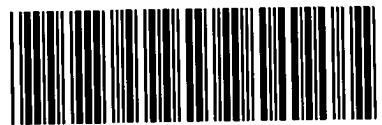




LCMCS

A family for all children

THURSDAY



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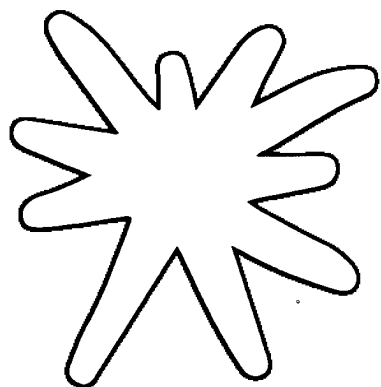
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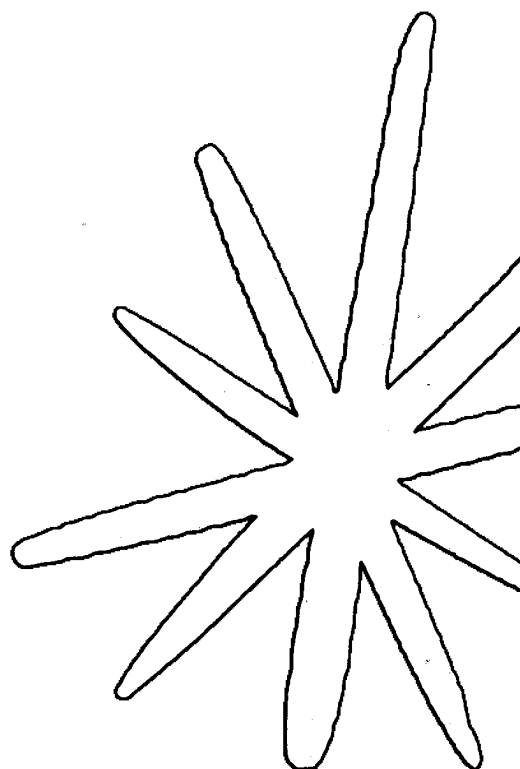
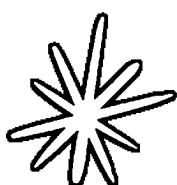
ANNUAL REPORT

2022



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FOREWORD

Welcome to the 2022 Lumos Annual Report.

The world continues to be volatile and uncertain. Heightened conflict, economic crises and the ongoing impact of Covid-19 have had a disproportionate effect on the most vulnerable children. Lumos's mission to protect children from family separation and institutionalisation has never been more important.

The Russian invasion of Ukraine has brought to light for many the harrowing cost of conflict for children and families. While Lumos has been able to reunite many children with their families, others – many with disabilities – remain trapped in institutions or at risk from the conflict as refugees. The indictment of Vladimir Putin on war crime charges specific to children has highlighted the degree to which the international community recognises that children are being forcibly taken from their families in contravention of international law – and indeed that children belong in families.

Lumos, with its longstanding programmes in Ukraine and neighbouring Moldova, rapidly responded to the crisis in Ukraine. We assisted both governments in making emergency assessments of children living in institutions, providing immediate lifesaving supplies, setting up emergency foster care and relocating children living in institutions to safer areas, as well as continuing our ongoing work to influence change at all levels.

Lumos itself has faced challenges to its programmes, operations and fundraising. In February 2022 we put in place a two-year transition plan to streamline and improve the effectiveness of our programmes and organisation. We reviewed our strategies in Colombia, Kenya, Ukraine and Moldova. We centralised our EU liaison and advocacy work in London, closing our Brussels office.

In June 2022 we brought to an end Lumos's two 5-year programmes in Haiti: the joint USAID/Lumos programme on the prevention of trafficking into and out of institutions, and the Lumos deinstitutionalisation project – reuniting children with their families and communities. We are proud of what we have achieved in Haiti, including the permanent closure of 15 orphanages and the reintegration of over 300 children with their families.

As we refocus and consolidate, we have inevitably had to say goodbye to staff around the world and in the UK, some of whom have been with Lumos for many years. We would like to pay tribute to them all for their commitment and hard work. Their legacy will live on through the countless numbers of children's lives they've changed for the better.

In 2022 we also bid farewell to three long-serving and respected Trustees: Danny Cohen, Tanya Motie and Di Moore. All three have provided exceptional support and expertise to Lumos and will be missed. We were delighted to welcome to the Board the expertise of Doreen Mulenga, Kate Willis and Usman Ali.

Finally, a heartfelt thank you to everyone who has contributed to our impact in 2022. In the face of an incredibly challenging year, we're proud of all that we've achieved and we stand ready and more determined than ever to further our mission fighting for every child's right to a safe and loving family.

Carol Copland, Chair of Trustees

KEY STATS

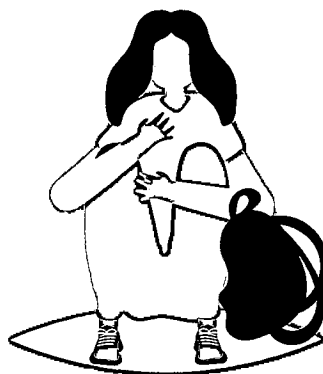
13,925

In early 2022, we rapidly pivoted our work in Ukraine to provide emergency humanitarian assistance to enable vulnerable children and families to stay together. Throughout the year, we provided 13,925 children and 5,971 families with emergency aid.



2,200

In Moldova, we developed tools to enable local authorities to conduct rapid needs assessments for more than 2,200 Ukrainian refugees. Following these assessments, we distributed a total of 2,025 humanitarian aid packages including food, medicine, hygiene supplies, clothing and school items. We also supported 1,302 refugee children to access education, social and health services.



177

In Colombia, as part of our work supporting the Michin Foundation to reunite families, we conducted 177 home visits and provided psycho-social support to 53 children and 76 care-givers.

10,958

10,958 children and 3,582 parents and carers have benefited from psycho-social support delivered in Ukraine. Our 'Training of Trainers' programme saw us train 95 mental health practitioners and 380 community social workers from all 25 regions of Ukraine to provide effective support.

7,451

The war in Ukraine has disrupted the daily lives of children and families. In Ukraine, we delivered education kits to 7,451 children, as well as donating £22,000 worth of specialist equipment to 28 Inclusive Resource Centres, to support the learning of children with special educational needs.

10,549

In the Florești district in Moldova, 268 children under 5 years old were reached by early intervention programmes, with 10,549 individual assistance sessions conducted (including occupational, speech and physical therapy sessions).

58

In Kenya, as part of our mission to support the implementation of the National Care Reform Strategy, we provided training to the directors of 58 residential institutions that host over 8,000 children, as well as delivering awareness training on care reform to 30 organisations.

36

Lumos continued to support the deinstitutionalisation of Jordan's care system for children and adults with disabilities, and trained 36 practitioners to assess the needs of such individuals, and to develop individual transition plans so they can move into family or community-based care.



17

We work hard to amplify the voices of young people, supporting their fundamental right to play an active role in care reform. We developed a new manual on this topic in collaboration with Lumos self-advocates and partners, with the online launch being attended by young people and practitioners from 17 countries.

200

As well as having an on-the-ground presence in a number of countries, we also provide training and technical support. Nearly 200 public officials and civil society practitioners from 14 countries completed our online training programme about care reform in the diverse contexts of Latin America and the Caribbean.



OUR VISION

Our vision is a world in which all children grow up in safe and loving families.

OUR MISSION

To fight for every child's right to a family by transforming care systems around the world.

OUR VALUES

Children are at the heart of everything we do. They drive us forward in our vision and underpin every aspect of our work and strategy, helping us bring about the very best outcomes for the children we serve.

At Lumos, we fight for every child's right to a family by preventing family separation, protecting children and promoting the transformation of care systems around the world. We do this without discrimination, upholding the rights of every child. The children we work with are disproportionately likely to experience inequality and exclusion, so it is vital that our work be rooted in anti-discriminatory practice. This means ensuring that no child is deprived of help regardless of age, sex, disability, gender identity or expression, race, religion, sexual orientation, or economic status.

We strive to create an inclusive environment where all our staff feel safe, heard and valued. We respect and value the diverse perspectives of our employees and we ensure the freedom of expression of all individuals. This provides the foundation for delivering on our vision of ensuring that all children have a safe and loving family.

WHAT WE DO FOR CHILDREN

Lumos is fighting for every child's right to a family by transforming care systems around the world. We are an international charity striving for a future where every child is raised in a safe, loving home, supported by family to help them thrive. On average more than 80% of children in orphanages have a living parent, and research proves that these institutions can harm a child's growth and development. Yet there are still an estimated 5.4 million children trapped in institutions globally. Lumos sheds light on the root causes of family separation – poverty, conflict and discrimination – and demonstrates that children can safely be united with families. By pressing governments to reform care systems, and by building global expertise and capacity with partners, we ensure no child is forgotten.

Founded by author J.K. Rowling, we are lighting a path to a brighter future where all children can grow up in a safe and loving family. We believe in a family for all children.

CHANGING THE SYSTEM FOR CHILDREN

Thanks to the efforts of Lumos and our partners, the harms of institutionalisation are now more widely understood. Backed by better evidence, there's growing consensus that no child belongs in an institution. Separated from their families and communities, children living in institutions are deprived of the love, attention and opportunities they need to thrive. In diverse countries and contexts, we've worked hard to prove change is possible. With careful planning and management, child protection systems can be transformed to ensure all children enjoy their right to grow up in a safe and loving family. Our strategy builds on our rich heritage to ensure thousands more children and families can benefit from our work and that we achieve an impact greater than the sum of our parts. The children trapped in institutions are deprived of their basic rights, their liberty and the chance to reach their full potential. Every child taken away from their family and consigned to an institution tears the very fabric of a happy and healthy society.

We cannot afford to lose another generation of children to institutions.

INTERNAL CHANGES

2022 was a challenging year for Lumos. The implementation of the recommendations of the 2020 organisational review was delayed by the Covid pandemic. These organisational change recommendations were reviewed and recalibrated in 2022. This review led to several major changes to the organisation: downsizing, the consolidation of the three programme areas into one group, accelerating the closeout of programmes and offices in the Czech Republic, Haiti, Brussels and Bulgaria, an organisation-wide systems and processes review and a simplification of the organisation's governance mechanisms.

Notwithstanding the challenges of the reorganisation, and the loss of long-standing staff members due to the restructuring, much was achieved in 2022.

The simplification of the organisation's governance continued in 2022, to reflect the changed priorities and size of the organisation. Three longstanding Trustees rotated off the Board, and three new Trustees were recruited. The Board committee structure was altered with the formal Programme and Fundraising and Engagement Committees changed to become advisory groups from January 2023. A move towards dashboard reporting is underway with the intent of reducing narrative reports and making Board reporting shorter and sharper, with a stronger emphasis on impact and accountability.

The war in Ukraine required Lumos to rapidly scale up its emergency programmes in response in both Ukraine and Moldova. 2022 saw the development of multi-year strategic frameworks for our country programmes in Moldova, Kenya and Colombia and continued provision of the new model of remote support in Jordan and Panama. Lumos focused on improving the quality, effectiveness and implementation of our programme work and strengthened programme management, monitoring, and reporting. Added emphasis was given to increasing our collaborative work with partners and increasing our global and country level advocacy work.

Staff recruitment, retention and wellbeing remain a challenge given the post-Covid context, global financial situation, work overload and recent downsizing. Lumos's progressive policy on working from home, flexible work arrangements and core mission provide some mitigation. A critical focus was to recruit, retain and nurture a thriving workforce committed and aligned to the organisation's values, principles, and culture.

In addition, given the challenging global financial crisis, Lumos sought to diversify its income streams with a focus on institutional funding. This process is underway; several proposals have been submitted which have seen some initial success.

In conclusion, though much has been achieved in 2022, much remains to be done and there are significant risks ahead. However, 2023 provides an opportunity to stabilise the organisation, consolidate the changes made in 2022 and create an organisation that is smaller, more agile, and more purposeful and effective in its mission to prevent children being separated from their families and reuniting them when they are.

EMBEDDING A SAFEGUARDING CULTURE

Lumos prioritises safeguarding in all activities, helping ensure children, adults at risk and the wider community are protected, wherever we work. During 2022, Lumos continued its work advancing the organisational understanding of safeguarding, embedding safeguarding practice as an essential element of our culture and values, and addressing identified gaps to safely support strategic shifts in direction and delivery. We developed and implemented a safeguarding strategy and framework for our Ukraine Emergency Response, delivered refresher training and targeted workshops for all staff, worked with Designated Safeguarding Leads and the Executive Leadership Team to support and monitor safeguarding awareness and implementation, and developed an Implementing Safeguarding Toolkit for staff and partners. We also conducted targeted work with delivery partners to strengthen safeguarding approaches, ensure timely reporting and escalation, and to improve the quality of identification and response to safeguarding incidents. Our annual update of the Safeguarding Policy and training materials reflected our work in humanitarian settings, including strengthening focus on protection from sexual exploitation and abuse, accountability to communities and reporting and feedback mechanisms.



SUPPORTING CHILDREN AROUND THE WORLD

RESPONDING TO URGENT NEED IN UKRAINE AND MOLDOVA

Within days of the Russian invasion of Ukraine, we launched an urgent fundraising appeal to help us deliver emergency aid to Ukrainian children and families affected by the war, including refugees arriving in Moldova. We were overwhelmed by the generous response from our supporters, from individuals and communities to partners including Comic Relief UK, Comic Relief Red Nose Day and UBS Optimus Foundation. Our supporters have been really inspiring in their fundraising efforts, from creating beautiful artwork, to bake sales and dance-a-thons – it's been fantastic hearing your fundraising stories and seeing your pictures. We are also extremely grateful to our Founder and Life President J.K. Rowling for matching the fundraising of our emergency appeal up to £1 million, making every penny raised go further towards protecting the children and families of Ukraine.

AN INCREDIBLE £2.3M WAS RAISED IN TOTAL, INCLUDING THE MATCH FUNDING

All donations to Lumos are backed by our 100% pledge, which means that every penny from public donations goes towards our vital work supporting children around the world and not to administrative costs.


Find out more about our 100% pledge.
<https://www.wearelumos.org/get-involved/100-pledge/>

RAISING AWARENESS IN COLOMBIA

We are dedicated to raising awareness of the harms of institutions and the benefits of family and community-based care around the world. In 2022 we partnered with the BBC World Service for an episode of their 'Raising Awareness on Colombia' podcast series called 'Demonstrating and Advocating for Change' which featured our work in Colombia. Sisters Fernanda* (11) and Luisa* (13) shared their story of how Lumos helped to reunite them with their mother and how we're continuing to support them, like so many other families around the world, to thrive together where they belong – at home. We're grateful to Latin America Children's Trust and Comic Relief Red Nose Day who are key funders for our Colombia programme.

DEMONSTRATING AND ADVOCATING FOR CHANGE

Lumos was a key partner in developing the National Care Reform Strategy launched by the Kenyan Government in June 2022, and we will continue to support local and national authorities with its implementation. As well as beginning our pilot programme in Embu County, we have continued high-level national advocacy and contributed to key legislation including the Children's Act 2022. Our programme of advocacy, training and technical support plays a key role in creating lasting, sustainable change to the children's care system in Kenya and beyond. Part of this work was generously supported by the Jaspas Foundation and others.



**"TODAY I SEE A FAMILY
THAT HAS ADAPTED TO A NEW
LIFE AND IS DOING WELL.
THAT'S WHAT OUR GOAL IS:
TO GET FAMILIES INTO A
POSITION WHERE THEY'RE
OKAY ON THEIR OWN"**

**NATALIE, PSYCHOLOGIST SUPPORTING
FERNANDA AND LUISA**

***NAMES CHANGED.**

AMPLIFYING YOUNG PEOPLE'S VOICES

We worked with Lumos self-advocates to create our new manual, 'Putting Children and Youth Participation at the Heart of Care Reform'. The manual sets out how children can and should be involved in care reform, from making decisions about their own care, through to having a say in global policy. The voices of young people are at the heart of all we do, and we are working on a new child and youth participation strategy that will build on our work with young people around the world in 2023 and beyond.

WHAT WE DO FOR CHILDREN

At Lumos we work to protect children, to prevent the separation of families, and to promote the transformation of care systems. In 2022 we shared a new short film that explains our mission and vision for every child to live in a safe and loving family.

Watch the film here.

CHILDREN AT THE HEART OF EVERYTHING

"I THINK IT IS EXTREMELY IMPORTANT FOR YOUNG PEOPLE TO LEARN HOW TO BE PART OF THE DECISIONS THAT ARE GOING TO AFFECT US. OFTEN PSYCHOLOGISTS AND SOCIAL WORKERS BELIEVE THEY ARE DOING THE RIGHT THING, BUT MANY TIMES THEY DO NOT ASK THEMSELVES WHETHER WE FEEL COMFORTABLE OR NOT. SO, IT'S IMPORTANT TO INVOLVE US SO THAT WE CAN DIRECTLY INFLUENCE THE PROCESS AND NOT TO SIMPLY INFORM YOUNG PEOPLE WHEN IT IS ALREADY DONE."

MARIO, YOUTH ADVOCATE, BOLIVIA

Children and young people don't just have a right to be included in decisions that affect their lives – they are the experts on their own lives, and care reform is more successful with their involvement.

That's why we put children and young people with lived experience of institutions and care systems at the heart of our work, including them in decision-making and supporting young self-advocates and youth networks to play a central role in our advocacy and campaigns.

PUTTING CHILDREN AND YOUTH PARTICIPATION AT THE HEART OF CARE REFORM

Our new manual, 'Putting Children and Youth Participation at the Heart of Care Reform', was published in May 2022, with young people and practitioners from 17 countries attending the online launch. The manual, which was co-produced by Lumos's international child and youth participation team, partners and Lumos self-advocates and is available in four languages, sets out how children and young people can and should be involved in care reform, from making decisions about their own care, through to having a say in global policy. It aims to challenge practitioners worldwide to give children and young people a leading role in identifying and delivering the changes that they want to see in care policy and practice.

SUPPORTING YOUNG PEOPLE TO LEAD THE WAY

During the year we set up a new Youth Advisory Group with participants from Moldova, Kenya and Colombia, and worked with them to raise awareness of two main areas: redirecting funding away from institutional care into family care and foster care, and tackling institution-related trafficking. We developed our alumni scheme for self-advocates to encourage networking and enable us to continue to draw on their experience and expertise, and worked with former self-advocates to create a bridge between them and young people currently involved in Lumos's work. During the year, we carried out a comprehensive internal audit of our approach to children and young people's participation, bringing together staff members and self-advocates to identify strengths, weaknesses and opportunities. Insights and learning from the audit will inform a new Lumos strategy and underpin a strengthened organisational commitment to child and youth participation in 2023 and beyond.

WORKING DIRECTLY WITH YOUNG PEOPLE

We ensure meaningful participation in our country programmes by working directly with young people. In 2022 we worked closely with Ukrainian refugee and host children in Moldova and learned from young care leavers in Kenya about their experiences and views on orphanage trafficking and exploitation, supporting them to produce advocacy posters for their peers around the world. In Colombia we ran workshops on participation skills for children and young people from our partner the Michin Foundation's family integration programme. Participants shared that they enjoyed connecting with other young people and learning new ways of expressing themselves, with one young participant adding that the activities "help us strengthen ourselves as people in society". We also held a number of meetings with children and young people to discuss their concerns and priorities, and carried out a mapping exercise of child and youth participation groups with a view to strengthening the network of voices advocating for transformation of the childcare system across Colombia.





CASE STUDY

TOGETHER WE ARE STRONGER

"Since Lumos started to work with [Ukrainian] refugees in Moldova," says Eugenia Godoroja, Child and Youth Participation Advisor, **"Refugee children and young people have been involved in participatory activities both locally and nationally, as well as within Lumos initiatives."** This included organising events for refugee and host children to encourage social cohesion, such as trips to the National Museum and circus, an International Children's Day event in June, and a summer school for children aged between 12 and 15 years old.

The summer school was an opportunity for children to get to know each other, learn about using their voices to advocate, get involved in various activities, and make new friends. Former Lumos Youth Advisory Board members acted as trainers and moderators, supported by Lumos staff. **"The Moldovan children could speak no Ukrainian, and the Ukrainian children no Romanian, but they found ways to communicate,"** explains Marcel Straton, Communication and Advocacy Specialist.

The young people participated in various trust and team-building exercises, and were also introduced to 'mobile journalism', learning how to become news reporters using smartphones. Split into groups, they were tasked with making a video on any subject they chose. Without consultation, each group chose the same topic: together we are stronger. As one of the participants said during the closing feedback session:

"WE UNDERSTOOD THAT NO MATTER THE LANGUAGE WE SPEAK AND THE COUNTRY WE COME FROM, TOGETHER WE ARE STRONG AND CAN OVERCOME ANY BARRIERS!"



INFLUENCING CARE REFORM

DEINSTITUTIONALISATION IS NOT ONLY ABOUT CLOSING INSTITUTIONS AND MOVING CHILDREN OUT OF THEM, BUT IT IS ALSO ABOUT TRANSFORMATION OF THE CARE SYSTEM: REDUCING ITS DEPENDENCE ON RESIDENTIAL CARE CENTRES AND DESIGNING SERVICES WHICH SUPPORT CHILDREN TO LIVE IN FAMILIES AND IN THE COMMUNITY.

BISSER SPIROV, SENIOR TECHNICAL ADVISOR

Lumos draws on knowledge and experience from our country programmes to influence and support the much-needed reform of care systems around the world. We work with governments and partners to transform care systems, using proven evidence-based approaches, and provide technical support and training for policymakers and practitioners to design and implement reform. Throughout the process, we draw on the opinions and ideas of young people with lived experience of institutionalisation, and support local care reform champions to advocate for change and lead the way to care systems that put children's rights first.

PROVIDING TRAINING FOR POLICYMAKERS AND PRACTITIONERS

In partnership with the Inter-American Children's Institute, we developed an online training programme tailored to the diverse contexts of Latin America and the Caribbean, where more than 350,000 children live in institutional care and thousands more live in boarding schools. The course aims to raise awareness among policymakers and practitioners of the importance of meaningful child and youth participation in care reform and the delivery of support services. Videos and other course materials were developed by youth advocates from the Latin American Care Leavers Network, and Maicol and Tatiana, two young people from the network, also served as presenters, guiding participants through the course and sharing their perspectives on different areas of reform. Nearly 200 public officials and civil society practitioners from 14 countries completed the programme.

TRANSFORMING FOSTER CARE SYSTEMS

Lumos has been working with UNICEF in Panama since 2018 to reform the child protection system and to promote the rights of children in Panama to live in a family. During the last year, we supported the National Secretariat for Children, Adolescents and Family (SENNIAF) to develop and transform the government's approach to foster care. Following a review of Panama's protection system, analysis of foster care models from Colombia, Uruguay and Costa Rica as well as consultations with children, young people and families involved in foster care in Panama, the government has now designed and published a new foster care programme. Representatives of national and regional government bodies, SENNIAF protection officers and NGOs involved in the provision of institutional care received training on technical guidelines alongside analysis of case examples and practical exercises on specific activities involved in the foster care programme. A pilot project particularly focusing on supporting unaccompanied migrant children is now being implemented in the province of Chiriquí to demonstrate how the programme will work in practice, and based on learning from the pilot, the programme will then be rolled out to other provinces.

STRENGTHENING FAMILY AND COMMUNITY-BASED CARE SERVICES

Lumos works in Colombia to strengthen family and community-based care services with the aim of preventing children from being placed in residential institutions, and supporting those already in institutions to move back to living with families. Our approach involves advocacy to promote children's rights and instigate long-term change; collaborating with government and civil society organisations on practical reforms, such as for including a family strengthening programme to reduce the risk of children being separated from families and entering the child protection system; and developing strategies to enable children who have been under protective measures to effectively reintegrate back into their families. In 2022 we worked with the Colombian Family Welfare Institute, other government ministries and regional authorities that offer social services to implement an evidence-based Action Plan for holistic care reform in Colombia. We conducted a needs assessment to understand the gaps in the foster care system and identify opportunities to strengthen it. We undertook a comprehensive strategic review of the childcare and protection system, which included collecting and analysing data on the experiences of 1,580 children in Cundinamarca and Bogotá. A training programme was developed to strengthen the capacities of government professionals and foster care service providers to recruit and support foster families. Training was also delivered to 52 foster mothers and 75 government professionals and private service providers from four regions: Bogotá, Cundinamarca, Antioquia and Tolima. One foster mother reported that the training helped her to put herself in the place of the children and **"to improve my role as a foster mother"**, while one of the officials who attended said that the training should be conducted for all professionals: **"I learned to improve my communication with foster parents and to guide them in developing secure attachments."**

PUTTING PARTNERSHIP INTO PRACTICE

In Colombia, we also continued to work with the Michín Foundation, supporting their transition from institutional care provider to being the operator of a foster care programme. In order to prevent children from entering or re-entering institutional care, we worked with Michín to develop a prevention programme for families at high risk, including providing training and guidance to 215 children and 167 caregivers on topics such as resilience, life skills, emotion management, parenting skills and access to services. To support children's reintegration with their families, 177 home visits were carried out, and psycho-social support was provided to 53 children and 76 family carers. Data collected showed a 51% increase in positive family interactions six months after family reintegration. A reintegration strategy was developed and shared with local government and private operators, and training on family reintegration was delivered to 32 practitioners from Bogotá's Social Integration Secretariat. A new recruitment strategy led to the successful recruitment of 23 new foster families who are being supported to care for 74 children. Sandra, who attended the Michín Foundation's foster care training programme and now provides foster care for three children aged six and under, says: **"For me this is a vocation and I do it from the heart."**



CASE STUDY

THE WARMTH OF A HOME

You can feel the warmth of Viviana's home the minute you see her face. She lives in a house in the west of Bogotá, Colombia with her husband, her three adult children, a number of pets and, more recently, three young children whom she took into her care as a foster mother.


Lumos is supporting the Michín Foundation's Foster Home Programme, where children are placed in temporary foster care so they can experience the care and love of a family environment while arrangements are made for them to be safely reintegrated into their birth family. Viviana learned about the programme through a friend and decided to join. Her children were grown, she spent a lot of time alone, and she missed caring for others.

"BEING ABLE TO HELP A CHILD WHO IS IN A VULNERABLE SITUATION AND WHO NEEDS CARE IS VERY GRATIFYING TO ME," SHE SAYS. "I THOUGHT THAT IF I HAVE THE TIME, THE DISPOSITION AND THE WILL, WHY NOT?"



It has been a steep learning curve. Sofia* (6 months), Carlos* (12 months) and Sebastian* (3 years) all require different types of care and routines. But the days are filled with laughter and games as well as nursery rhymes such as 'La Vaca Lola' and 'El Sapo Pepe' – with a musical accompaniment from the family cats and dog!

For Viviana, the most rewarding part of being a foster mother is knowing that the children will one day return to their own families. She says she is motivated by knowing that her role is temporary while the children's own home is being transformed into a safe place where they will feel loved and protected.



"THERE ARE MANY CHILDREN WHO NEED THE WARMTH OF A HOME," SAYS VIVIANA. "FAMILY IS THE MOST IMPORTANT THING IN THE WORLD. EVERYONE NEEDS A PARENT, TO KNOW THAT THEY HAVE SOMEWHERE TO GO AND SOMEONE TO TALK TO."

*** CHILDREN'S NAMES CHANGED.**



INFLUENCING CARE REFORM

Building foundations for change

June 2022 saw Lumos's two five-year programmes in Haiti come to a close: the joint Building Enduring Systems to End Trafficking (BEST) programme with USAID on the prevention of trafficking into and out of institutions, and our deinstitutionalisation project reuniting children with their families and communities. The deteriorating security situation in the country, exacerbated in 2021 by the assassination of the President and a 7.2 magnitude earthquake, significantly impacted our Programme delivery and prevented Lumos from conducting meaningful work aligned with our mission. Following a comprehensive analysis of all options, the Lumos Board of Trustees made the decision in December 2021 to responsibly exit from Haiti in 2022.

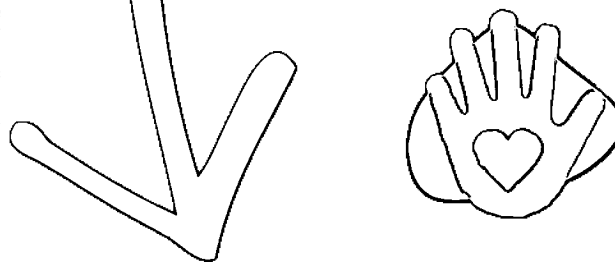
The deinstitutionalisation project was concluded by the end of April 2022, with the live caseload of 208 children securely handed over to the Government, while the closure of the BEST project was completed by the end of June. Since we began working in Haiti in 2015, we have supported the Government to carry out assessments of 571 institutions and to document 25,723 children across the country, as well as to develop and implement a five-year strategy tackling trafficking in persons. We've also assisted with the closure of 15 orphanages and placed 331 children in family and community care. We've delivered training on deinstitutionalisation to 215 stakeholders, as well as training 291 stakeholders on issues related to trafficking and victim support. We've also provided direct support to 297 survivors of trafficking and persons at risk of trafficking, as well as supporting the creation of 13 anti-trafficking taskforces or sub-committees across the country. During our time in Haiti we have produced many reports, organised national conferences, participated in international advocacy and influenced US donors to allocate \$6 million to fund the deinstitutionalisation process in the country.

SUPPORTING A NATIONAL CARE REFORM PROCESS

Nearly half of Kenya's population of 47.6 million is made up of children. Approximately 3.6 million children are classified as orphans or vulnerable children, and around 9.5 million children are deprived of more than three basic rights. Kenya is overly reliant on institutional care, with around 45,000 children living in more than 850, mostly privately funded, residential institutions. However, government and civil society share a commitment to reform the care system, and Lumos is supporting the development and implementation of care reform through advocacy, training and technical support. In June 2022, the Kenyan Government launched the National Care Reform Strategy, in which Lumos played a key developmental role and the implementation of which we are supporting. Over the last year, we have reviewed and contributed to national legislation, regulations and policies – including the Children's Act 2022 - Children's Act 2022 - supported the drafting of a National Parenting Manual; provided awareness training on care reform to 30 organisations; and provided training to the directors of 58 residential institutions which currently host over 3,000 children. We are also implementing a pilot care reform project in Embu County, where we have begun an assessment and mapping of services to support the development of county-level action plans so that children can transition safely from institutions into the community. Grace Mwangi, Senior Technical Advisor, said: **"This [pilot project] is important because we will be able to drill down and develop a proof-of-concept to show how care reform can be carried out in a holistic, safe and systematic way."**

REFORMING CARE FOR CHILDREN WITH DISABILITIES

During 2022, Lumos continued to support the deinstitutionalisation of Jordan's care system for children and adults with disabilities, working with our partner NI-CO. The aim is to move people from long-stay care centres into family or community-based care through the provision of community services such as day care, family support, small group homes, alternative family services, and respite care services. Around 580 children and adults currently living in care centres will be moved out of the centres and placed back in their families or in alternative community-based services. In 2022, Lumos provided bespoke training, workshops and consultations, as well as developing tools, delivering technical guidance and mentoring national teams on the deinstitutionalisation process. This included providing technical support to Al Amal and Karak Care Centres and training 36 practitioners to assess the needs of children and young people with disabilities and develop individual transition plans. In addition, 18 'champions' across Jordan were trained to support the transformation of the care system for children with disabilities and their families. As Bisser Spirov, Senior Technical Advisor explains: **"System reform is a long-term process that depends not only on the experience of foreign experts, but also, to a very large extent, on the activity and expertise of local champions and experts."**



PREVENTING FAMILY SEPARATION THROUGH EARLY INTERVENTION

In Moldova, Lumos is demonstrating an innovative model of care with the aim of preventing family separation. The model is designed to identify vulnerable young children and provide targeted support to them and their families to address their health, social and educational needs. In 2022, we created five new ECD/ECI centres, bringing the national total to 11, enabling more than a thousand additional children and their families (including Ukrainian refugees) to benefit from inclusive, early intervention support. In the Florești district, 268 children under 5 years old were reached, with 10,549 individual assistance sessions conducted (including speech and physical therapy sessions), and training was provided to 1,835 parents or carers of children under 5 years old. One parent said: “We learn from professionals, exchange experiences and opinions with other parents and learn interesting and useful things.”

Following an assessment of their gaps and needs, we conducted training sessions for 1,321 professionals. In October we organised a national conference, ‘Early Intervention: Evolutions, Challenges and Perspectives’ with participation from health and social sector professionals from across the country. Building on this momentum, we held meetings with representatives from Parliament and other NGOs regarding the development of early intervention services. We supported the Ministry of Health to collect and analyse data on the mapping of ECI/ECD services across the country, using the results for targeted advocacy and the development of a National Plan to increase ECI/ECD services, based on Lumos’s model, in 2023-2027.

Domnica Cinu, Moldova Country Director, says: “The importance of these activities and results is that they ensure the creation of a regulatory framework for the countrywide development of the integrated system of ECD/ECI services based on the model created by Lumos.”

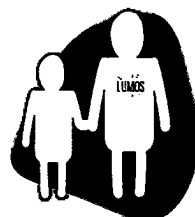
CASE STUDY

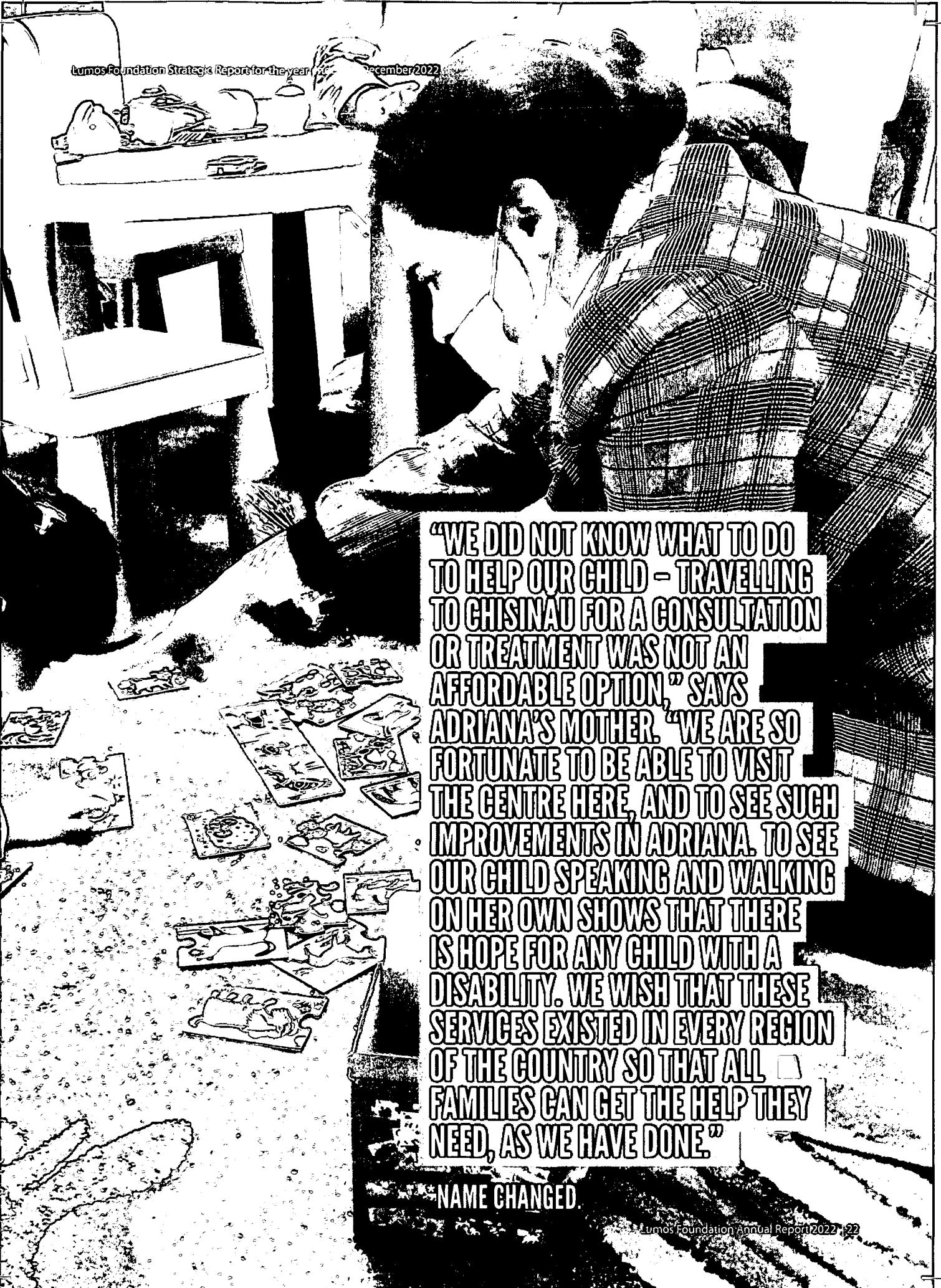
ADRIANA'S STORY

At the age of three-and-a-half, Adriana*, a little girl living in the Florești region of Moldova, could hardly walk. To even conquer just a few steps, she relied on her mother. Adriana was born with cerebral palsy, and in addition to her physical needs, she also has trouble communicating. Without the right support, at this age Adriana's vocabulary matched that of a 16-month-old, and she was unable to pronounce words correctly.

Lumos supported Adriana and her family to seek assistance from the Lumos-supported Early Childhood Intervention Centre in Florești, where after only a few sessions with the speech and physical therapists, Adriana showed great signs of improvement. Specialists from the Centre also supported Adriana's mother, teaching her how to conduct exercises at home.

Today, Adriana is able to walk by herself, and can climb up and down stairs independently. She is even attempting to run! Her speech has also significantly improved; her vocabulary now corresponds to that of a 3-year-old, and she is able to communicate with people outside her immediate family.





"WE DID NOT KNOW WHAT TO DO TO HELP OUR CHILD - TRAVELLING TO CHISINAU FOR A CONSULTATION OR TREATMENT WAS NOT AN AFFORDABLE OPTION," SAYS ADRIANA'S MOTHER. "WE ARE SO FORTUNATE TO BE ABLE TO VISIT THE CENTRE HERE, AND TO SEE SUCH IMPROVEMENTS IN ADRIANA. TO SEE OUR CHILD SPEAKING AND WALKING ON HER OWN SHOWS THAT THERE IS HOPE FOR ANY CHILD WITH A DISABILITY. WE WISH THAT THESE SERVICES EXISTED IN EVERY REGION OF THE COUNTRY SO THAT ALL FAMILIES CAN GET THE HELP THEY NEED, AS WE HAVE DONE."

NAME CHANGED

GLOBAL CHALLENGES

“LUMOS HAS BIG AMBITIONS TO TRANSFORM CARE SYSTEMS AROUND THE WORLD. TO MAKE THIS HAPPEN, WE NEED TO KEEP OUR EYES ON THE BIGGER PICTURE: THAT INCLUDES BUILDING OUR KNOWLEDGE OF OTHER ISSUES WHICH RELATE TO INSTITUTIONALISATION, AS WELL AS WORKING WITH NEW AND DIFFERENT STAKEHOLDERS – SUCH AS PHILANTHROPISTS – TO MAKE REAL CHANGE FOR CHILDREN.”

LUCY HALTON, ADVOCACY AND CAMPAIGNS MANAGER

Through our research, advocacy and campaigning, we aim to build evidence on the global drivers of institutional care – and promote the changes needed in policies, practices and priorities so that every child can grow up with the love and support of a family.

GLOBAL THEMATIC REVIEW ON EDUCATION AND INSTITUTIONALISATION

Lack of access to education in the community is one of the main drivers of the institutionalisation of children around the world. Following the publication of our report on institution-related trafficking, ‘Cycles of Exploitation’, at the end of 2021, this Global Thematic Review seeks to build global evidence on the links between institutional care and education, in order to contribute to much-needed policy and practice change in the education and care sectors. In 2022, we conducted three focus groups with 27 participants and completed four case studies (from Moldova, Colombia, the European Union, and, supported by partner organisation Perkins International, Indonesia) to gather concrete and authentic examples of the real-life implications of current education and institutional care policies and practices. A Working Paper, providing an overview of the research covering 30 countries was presented at a launch event in February 2023, with a further pack of information and tools to come later in 2023. We will be holding roundtables with government representatives and education NGOs, as well as holding an event in Moldova. By engaging with a range of relevant actors, including our peers in the care-reform sector along with new partners in the global education sectors, and supporting them to consider the ways that this issue relates to their own work, we hope to ensure the longevity of this piece of work and prevent the project from being simply a report that sits on a shelf unused.

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Redirecting Funding campaign

One of the biggest challenges hindering care reform is the funding that flows into institutions and from all over the world – much of it private funding (including philanthropic spending). This campaign aims to see existing funding, as well as new funding, redirected towards family and community-based services, in order to keep families together and instigate global care reform. To help guide the campaign, Lumos established a Youth Advisory Board with representatives from Colombia, Kenya and Moldova. As Lucy Halton, Advocacy and Campaign Manager, says: **“The participation of young people with lived experience of institutional care is at the heart of this campaign.”** In November 2022, a microsite was launched at a collaborative session with a small group of philanthropists, to seek their input and better understand their experiences. The campaign aims to take high net-worth individuals on a ‘learning journey’ by questioning the view that orphanages and similar institutions are a social good, raising awareness about the harms of institutionalisation, and supporting them to make a public pledge not to fund institutions and to safely and sustainably support family and community-based alternatives. In 2023, the campaign will begin targeted engagement with stakeholders from the wider funding environment to empower them to better facilitate care reform.



UKRAINE EMERGENCY RESPONSE

"THE WAR HAS SUDDENLY BROUGHT AN INCREDIBLY TRAUMATIC EXPERIENCE TO ALL OF US, BUT ONE THAT IS ESPECIALLY TRAUMATIC FOR CHILDREN."

IRINA, PARTICIPANT IN THE LUMOS 'TRAINING OF TRAINERS' PROGRAMME

The war in Ukraine has had a catastrophic impact on Ukraine's people – and especially on children. It is estimated that more than half of Ukraine's children have been displaced by the ongoing hostilities, and education, health and child protection services have been severely disrupted. During 2022, as well as providing humanitarian aid to children and families, we worked with partners to ensure protection and support for some of the most vulnerable children in the Zhytomyr and Odesa regions of Ukraine, and provided practical and psycho-social support to Ukrainian refugees in Moldova.

Providing humanitarian aid

Before the war, Ukraine had one of the highest proportions of children in institutions in Europe, with an ingrained institutional system often viewed as the only solution for children with disabilities and other vulnerabilities. Lumos has been working in Ukraine since 2013 to change this. Following the invasion by Russia in February 2022, Lumos quickly adapted our programme to provide emergency support to children and families in Zhytomyr, and thanks to our new partnership with local NGO Peace Manifest, we later extended our aid programme to Odesa, providing food, hygiene, medical items, education kits, and trauma support. In 2022, we supported 13,925 children (939 with disabilities) and 5,971 families with food and non-food goods, 7,451 children received education kits, and 531 children were supported by educational materials designed to help them – particularly those with special needs – to deal with the emotional impact of the conflict. In addition, we donated educational equipment designed for multisensory learning to 28 Inclusive Resource Centres to support children with additional needs.

Working to protect vulnerable children

During 2022, we worked with partners to ensure vulnerable children (especially children with disabilities, those trapped in institutions, and those who were evacuated rapidly from institutions without proper assessment) do not become the invisible victims of this crisis. We created a coalition of local children's NGOs to strengthen the capacity of civil society to participate in humanitarian actions while continuing to contribute to the care reform process, for example by raising awareness and building international support for child welfare and protection at all levels, including at a UK Parliamentary Briefing we organised in collaboration with the International Bar Association's Human Rights Institute. We maintained partnerships with and provided technical support to government bodies and participated in working groups and networks including the National Child Protection Coordination Committee, contributing to several strategic papers and developing practical guidance on child protection. Despite the disruption caused by the war, we continued our work to transform the residential care system in Zhytomyr to prevent the re-institutionalisation of children who had been returned to their families at the onset of the conflict. An assessment of the situation of 1,300 children found that more than a third of families would not be returning their children to an institution, and one baby home was closed altogether.

Meeting children's mental health needs

The crisis has generated unimaginable traumas (loss of parents, relatives and friends; loss of homes and schools) that children on their own are not able to cope with. At the request of the Ministry of Education and Science, we developed a mental health 'Training of Trainers' programme and during 2022 trained 95 practitioners (from all 25 regions) to train others in providing effective psycho-social support. Inna, a participant in the training, said: "I've acquired priceless knowledge and practice for my work with children and parents. I will train hundreds of specialists in my region so that they will be able to help thousands of children who need urgent psycho-social support." A total of 380 community social workers were trained to provide psycho-social support and case management, benefiting 10,958 children and 3,582 parents and after carers. Additionally, 160 foster carers were trained on psycho-social support and communication with children during the crisis. Galina Bulat, Lumos Ukraine Country Director, said: "The psycho-social support is vital for children's wellbeing and safety. It is essential for caregivers too – they must be healthy to provide appropriate care to their children."

CASE STUDY

EDUCATION NEEDS SAFETY

Sofiya* (17) likes playing sports and reading.

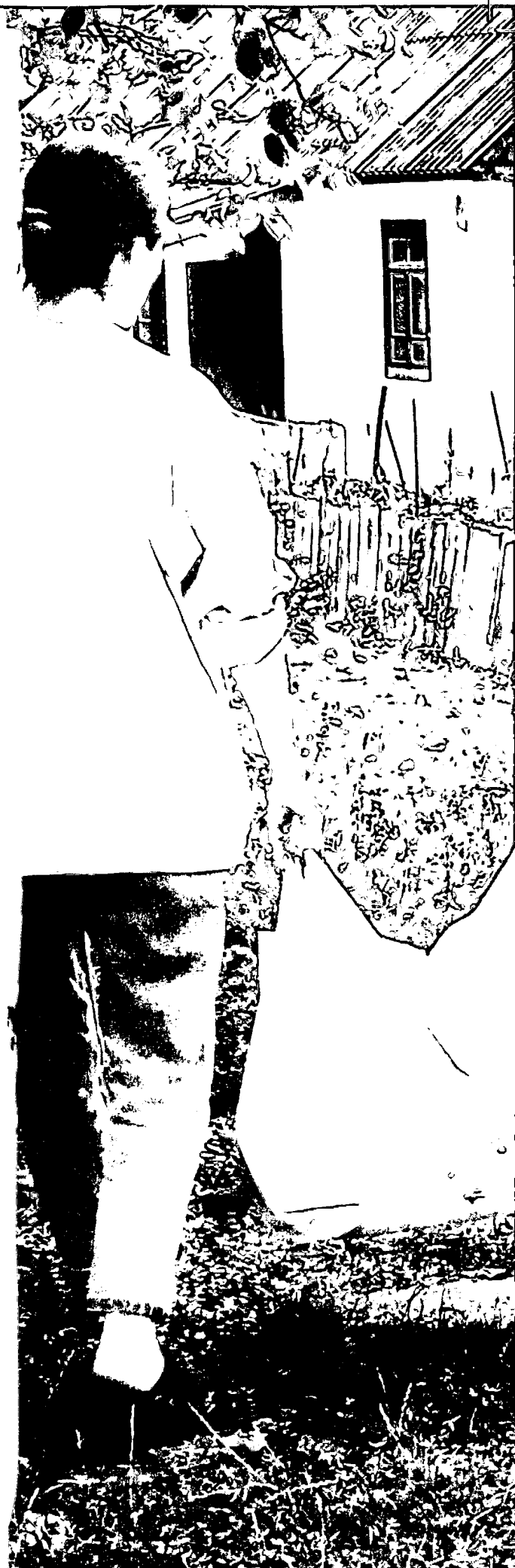
"MY YOUNGER SISTERS ARE MORE CREATIVE," SHE SAYS. "THEY LIKE TO DRAW, TO SING, AND THEY ALSO LIKE KNITTING AND EMBROIDERY. THE BOYS PLAY FOOTBALL – AND MY YOUNGEST BROTHER LIKES LEGO, PLAYING WITH CARS, AND READING ABOUT DINOSAURS."


Sofiya is the oldest of five children, and lives with her family in Ukraine in the same home they lived in before the war began. "We didn't want to move," her mother Vira*, who works in the local hospital, explains.

Before the war, things were calmer. "Children could play in peace, could go camping, visit friends and relatives, but now... for me as a mother, it is very difficult to let them go to school. When rockets fly, we don't know where they will fall. I'm afraid."

For Sofiya, her education is crucial. She is interested in virology and genetic engineering. "I would like to study at the University and learn Biology," she says. "I could work in a school. If I get a PhD I can teach at the University, I could even work in a laboratory. But I don't know my future."

Many of Sofiya's friends left Ukraine when the war started. Some have since returned, but many have stayed abroad – one has gone as far as Australia.





The war has seen prices greatly increase, and the family is struggling. Vira earns a low salary, and her husband, who lost his job when the war began, is still out of work. Lumos has been supporting the family by providing the educational resources Sonya and her siblings need to continue their learning, as well as vital supplies including food and hygiene items. When we visit the family to deliver these packages, we also give them information about additional help that's available, including psychological support.

"WE ARE VERY GRATEFUL TO LUMOS FOR THE CONSTANT SUPPORT, IT HELPS US VERY MUCH," VIRA SAYS. "BECAUSE OF LUMOS'S SUPPORT, WE CAN SURVIVE."

*** NAMES CHANGED.**



UKRAINE EMERGENCY RESPONSE

Supporting self-advocates

Prior to the war, Lumos worked with a network of self-advocates in Ukraine – young people who draw on their lived experience of the care system to advocate for children's rights and care reform. Throughout 2022, we continued to provide regular support to our Ukrainian self-advocates, including financial support for food, evacuation and accommodation as well as psycho-social support. We also supported self-advocates to develop and disseminate advocacy materials (including leaflets, video messages and social media posts) reflecting their attitude to the crisis. Due to the challenges presented by the ongoing conflict, we have had to pause our participatory work with these young people for now, but hope to resume when circumstances allow.

Supporting refugee children and families in Moldova

When the war began in February 2022, Lumos immediately began supporting authorities in the Ialoveni and Florești districts to respond to the needs of refugee children and families entering Moldova. The large flow of refugees has increased the number of children at risk in the country, and we have been extending ECD/ECI services to this population. We developed tools to enable local authorities to conduct rapid needs assessments for more than 2,200 Ukrainian refugees. These assessments formed the basis of provision of humanitarian aid and referrals to community services. We distributed a total of 2,025 humanitarian aid packages (to 497 families with 965 children) including food, medicine, hygiene supplies, clothing and school items. We supported 1,302 refugee children to access education, social and health services, including supporting the enrolment of 178 children in local schools, referring 36 refugee children with special educational needs to support services, providing psycho-social support to 277 children and 91 parents, and setting up Romanian language classes for children and families. We also ran 69 training sessions for child protection, education and health professionals on topics including protection of children against any form of violence, protection of the rights of unaccompanied refugee children, and the educational inclusion of refugee children.



Littewielerin

CASE STUDY

A NEW LIFE FOR UKRAINIAN REFUGEES





Elena*, who was heavily pregnant, was initially reluctant to leave her home in Ukraine. When it became clear that her home city of Odesa was going to be attacked, she and her husband Vasili* made the difficult decision that she would flee to Moldova with their four daughters. Vasili* stayed behind to look after an elderly family member.

Shortly after arriving in Moldova, Elena gave birth to a little boy, Bogdan*. The family initially stayed in a placement centre with around 40 other refugees. The children were able to make some friends, but they missed their home terribly.

"We miss our house, our dad, our cats, our dogs, our friends," said Roxolana* (15), the eldest child. "We're glad we managed to flee before the bombing of Odesa started. We've met children who are not that lucky – whenever they hear any loud sound now, they run away looking for a safe place to hide."

The family fled Ukraine with just the clothes on their backs. Along with food, hygiene items and other emergency aid, Lumos has provided the family with clothes for different seasons, as well as a pram for little Bogdan.

The family stayed in Moldova, supported by Lumos, for three months, before Vasili* was able to be reunited with his family – and meet his son for the first time. The family have now relocated to another European country, where Vasili* has found work and the children are going to school once again.

The family is safe, but they think of home every day. "No matter how good it is, I really want to go back to my hometown," Elena says. "I'm eagerly anticipating the end of the war so we can return home. Even if our house is destroyed and we have to rebuild it - I dream of being at home and living in peace."

"WE'D LIKE TO THANK ALL THOSE WHO HAVE HELPED AND WHO CARE ABOUT US, AND SPECIFICALLY LUMOS FOR ALL THEIR SUPPORT. MYSELF AND MY CHILDREN ARE VERY GRATEFUL, AND AS SOON AS THE WAR ENDS AND PEACE IS RESTORED, WE LOOK FORWARD TO YOU VISITING US IN UKRAINE."

***NAMES CHANGED.**

PRINCIPAL RISKS

Statement of risks and uncertainties

Lumos maintains a corporate risk register, prepared in accordance with Charity Commission Guidance. This register is reviewed and updated every six months by the Executive Leadership Team; it is then shared quarterly with the Finance and Risk Committee and the Board. There is dedicated risk session with the Board once a year. Additional risk sessions are included in Board meetings where appropriate.

Lumos Corporate Risk Register (CRR) includes risks across five categories: strategic and reputational, operational, compliance, financial and governance.

As well as the corporate risk register, the Finance and Risk Committee receives quarterly updates on wider risk management activity and explores individual risk areas. The Committee also reviews the charity's overall risk management arrangements on an annual basis.

In 2022, Lumos continued to update risk management arrangements and strengthen internal processes. Lumos continues to build upon good practice in the areas of security and safeguarding. Particular attention has been paid to the additional risks associated with the operations in Ukraine and Moldova given the evident security considerations. Lumos will take further steps to review and update its internal risk management policy to better reflect the inherent risks associated with working in areas of conflict and civil unrest.

The charity has identified the following key risk and uncertainties:

1) Poor fundraising performance and a lack of income diversity

Mitigations: New team structure and capacity to diversify income streams and provide effective line management and support to retain staff. Strengthening of processes to manage restricted funds in line with strategic priorities. Greater scrutiny of and support to fundraising plans and performance by the finance team, executive leaders and the Board of Trustees. Income diversification to include institutional, corporate and major donors. Effective monitoring across all income streams, i.e. monthly reporting against KPIs and variance against budget forecast.

2) Recruitment, retention and managing reduced staff capacity

Mitigations: Employing additional human resources into core functions. Deprioritising non-essential or non-generative activities which sit outside of the core strategic objectives. Development of new policies, systems and procedures, including a new EDI statement.

3) Reputational risks and negative media interest in the charity

Mitigations: stakeholder management and communications. Partner, founder and contractor due diligence with associated compliance, monitoring and reporting processes, crisis response protocols. Increase Lumos's profile as an independent charity/NGO and report on impact and development.

4) Safety and security risks of personnel operating in high risk countries

Mitigations: Regular ongoing security assessments enable rapid analysis of changing circumstances and adaptation of programming, including cessation of activities when appropriate. Regular disbursement of smaller amounts of funds to partners to tighten financial controls. Security Contingency plans regularly updated.

5) Safeguarding risks: the risk of harm to children and adults

Mitigations: Additional capacity provided to safeguarding team and improvements made to safeguarding due diligence guidance and protocols. Review and implementation of the global safeguarding policy and related reporting protocols with associated programme staff and refresher training. Strengthening of integration of safeguarding into programme design and reporting.

FINANCIAL REVIEW

Lumos financial results summary	2022	2021
	£'000	£'000
Total income	7,149	4,944
– Funds from individual giving	2,967	1,178
– Grant income	2,023	1,695
– Income from royalties	1,856	1,820
– Income from trading activities	230	172
– Investment and other income	73	79
Total expenditure	7,410	8,182
– Charitable activities	5,961	6,735
– Cost of raising funds	1,449	1,576
– Release of lease incentive accrual	-	(129)
Other gains	204	113
Net Funds movement	(57)	(3,125)
Reserves carried forward	3,549	3,606
– Unrestricted	2,940	3,246
– Restricted	609	360

A summary of the year's results can be found on page 47 of the attached accounts.

During 2022, Lumos implemented the restructuring of its operation and reduction in headcount as part of the change programme agreed in 2020. The aim was to maintain a sustainable platform for future operations and overall strategy being pursued, and phased implementation in line with resources.

Outside the strategy scope, the war in Ukraine led Lumos to drive an appeal in early February 2022 to provide humanitarian aid and focus resources and activities to support children in Ukraine.

In addition, Lumos successfully delivered the BEST Programme and closed the Haiti offices.

Investment policy and performance

Lumos's funds available for investment are managed by Close Brothers Asset Management (CBAM), who have been carefully selected by the Board and mandated to manage such funds to protect the value of the funds as they are drawn down to fund the planned growth. This is done through investment in a diversified portfolio of equities, bonds and alternative assets. CBAM's positioning and performance are formally reviewed by the Board's Finance & Risk Committee quarterly. The funds held by CBAM are managed in accordance with the charity's Investment Mandate, which is set by the Trustees.

At year end, funds managed by CBAM on behalf of Lumos amounted to £567k. With inflationary pressures exacerbated by Russia's invasion of Ukraine, global Central Bankers embarked on one of the most aggressive interest hiking cycles on record. This significant structural shift was felt acutely across all asset classes: investors in "low risk" government bonds experienced the worst peak to trough drawdown in UK government bond prices and equity markets suffered a material derating to reflect the higher interest rates. The portfolio's focus on shorter duration bonds helped to cushion the decline as did the underweight position in high growth equity sectors. The portfolio benefitted from exposure to the renewable energy sector (wind and solar) and to gold, with Healthcare shares (including AstraZeneca and Bristol Myers Squibb) also providing positive contributions.

Fundraising policy

Lumos ensures compliance with regulations on the protection of donor information and use of personal data. The protection of children at the heart of our mission extends to our supporters and the public, to ensure all individual preferences of donors are upheld, and no one is unduly pressured to donate to Lumos.

We are registered with the Fundraising Regulator and adhere to their Code of Fundraising Practice for all fundraising events, activities and interactions with donors. In 2022, there were no fundraising complaints.

Our income is affected by external factors such as the ongoing war in Ukraine, fluctuations in the economy, royalty payments donated by our Founder, changing donor priorities and public trust in charities, all of which we monitor closely and respond to through our in-year plans.

Reserves policy and going concern

The Trustees balance a prudent reserves policy, which ensures that Lumos has sufficient funds to complete ongoing activities in the event of a significant fall in income and strengthening and increasing the impact of the organisation.

The charity holds sufficient unrestricted funds for the following purposes:

To mitigate the principal financial risks facing Lumos

In terms of income, this includes the risk that income does not match organisational expenditure growth. In addition to fundraising risk, there are also risks of stock market variations, which may negatively impact the value of the investment portfolio and future levels of return.

To enable Lumos to provide emergency response services

There are situations that can arise throughout the year where an immediate response is required before income is received from fundraising activities.

To support working capital funding requirements

In a number of Lumos programmes expenditure is made prior to claiming the expense from the donor, usually on a quarterly basis. Lumos also receives a sizable amount of income in the second half of the year which has an impact on the cash flows of the charity.

To help to protect Lumos work beyond the current year

In the event of a sustained downturn in income, Lumos would require a period of time to make adjustments to programmes in order to minimise any related impacts to children. This includes the established country demonstration programmes in Europe, Latin America and the Caribbean programmes in Haiti and Colombia, and technical support that is provided to a number of countries around the world, where Lumos does not have a physical presence.

Finally, Lumos retains funds to maintain its 100% pledge to the public, so that no portion of their donation is used to fund overhead costs.

Restricted funds £0.6m (2021: £0.4m)

Restricted funds are funds with specific restrictions imposed by donors. These restrictions often relate to a particular geographic region or area of technical expertise and sometimes include a deadline by which time the funds must be spent.

Unrestricted funds £2.9m (2021: £3.2m)

Unrestricted funds includes tangible and intangible fixed assets of £0.1m (2021: £0.3m) and readily realisable free reserves of £2.8m (2021: £2.9m).

Our target base level of free reserves is equivalent to approximately 3 to 6 months operating expenses, which is £1.4m to £2.8m.

Conclusion

Given the level of reserves and the prudent steps taken in 2021 and Spring 2022 to align our operations and resources to our programmatic and financial strategy, the Trustees are satisfied that the charity will remain a going concern in the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and objects

Lumos was incorporated as a charitable company limited by guarantee with no share capital on 3 November 2005 and is based in London. It is registered in England under company number 05611912 and is registered with the Charity Commission under charity number 1112575.

Lumos is governed by its Articles of Association dated 3 November 2005 as reviewed and amended from time to time most recently in December 2021. Lumos's objects as stated in its Memorandum and Articles of Association are as follows:

- The relief of poverty and sickness; the promotion of education; the promotion of child health and development; and the prevention of cruelty to or maltreatment of children in any part of the world.
- Such other exclusively charitable objects as the Trustees in their absolute discretion determine.

As part of the organisational review completed during 2020, the updated mission and vision statements of the Charity were updated as follows: (i) vision: all children grow up in safe and loving families; (ii) mission: to fight for every child's right to a family, by transforming care systems around the world.

Related organisations

Lumos Foundation Operations Limited was incorporated as a private company limited by shares on 18 December 2019 (England and Wales). Its sole member and thus its parent company is Lumos Foundation. Lumos Foundation Operations Limited operates as a trading entity for Lumos Foundation and donates its distributable profits to Lumos Foundation.

Lumos Foundation USA Inc. was incorporated in New York, USA, on 6 November 2015, and obtained 501(c)3 non-profit status on 27 March 2015. Lumos Foundation USA Inc. is included in the consolidated accounts on the basis that Lumos Foundation exercises influence and control over Lumos Foundation USA Inc. in accordance with Financial Reporting Standard 102.

Friends of Lumos USA Ltd was incorporated as a charitable company limited by shares on 20 March 2015 and was dormant until 31 March 2016. The sole member of the company, and thus its parent entity, is Lumos Foundation USA Inc. Friends of Lumos USA Ltd is a dual qualified charity that permits individuals to obtain tax relief in the United States and also in the United Kingdom, thus enabling U.S. citizens and green card holders resident in the United Kingdom to support Lumos's objectives in a tax-efficient manner.

The Lumos Foundation USA Inc. statement of financial activities results for 2022 are a surplus of £739k. During the year, Friends of Lumos USA Ltd was effectively dormant and remains under review.

Trustees

The Board of Trustees of Lumos Foundation administers the charitable company. The Board meets at least four times a year and provides strategic direction to the work of Lumos. The Trustees make decisions by a majority vote.

Trustees give their time freely, receiving no remuneration or other financial benefit.

A Trustee is a member of the Board of Trustees of Lumos and a director for the purposes of the Companies Act 2006. The Trustees who held office during the year are listed at page 71.

All Trustees must be members of the charitable company. The maximum number of Trustees is ten. Following the Governance Review the Trustee recruitment process was strengthened including ensuring external advertising for future appointments. Lumos currently has eight Trustees, selected to provide a mix of skills necessary to Lumos. All Trustees are given an induction programme and are offered opportunities for appropriate training.

During 2022, in addition to Board meetings, Lumos Trustees undertook considerable work through the following Committees:

- Finance & Risk Committee
- People Committee
- Programmes and Safeguarding Committee
- Fundraising Committee

A system of Trustee appraisal operates via the People Committee. A periodic Board skills audit is carried out to determine the range of skills and experience which would be required to fill existing gaps. The last such audit was in Q4 2020.

Organisation

The Chief Executive Officer and Executive Leadership Team provide the Board with advice on the strategic direction of the charity and manages operations on behalf of the Board and with the Board's guidance. The Chief Executive Officer is responsible for monitoring all aspects of Lumos's work and regularly reporting progress to the Board.

Related parties and cooperation with other organisations

None of the Trustees receive remuneration or other benefits from their work with the charity. Any connection between a Trustee or senior manager of the charity with any related party is disclosed to the full Board of Trustees. Related party disclosures take place annually as part of the external audit process and any conflicts of interest are declared at each Board meeting.

Grant-making policy

Whilst Lumos is not primarily a grant-making organisation, the charity does issue grants occasionally to further its charitable objects. These grants tend to be in countries where Lumos does not have a permanent base, or a sub-grant of a grant received by Lumos.

Grants are issued only where an opportunity has been identified, where funding exists and when due diligence has been carried out on the ability of the grantee to deliver against the grant. All grants follow Lumos's standard internal procedures, opportunities are assessed by the Executive Team and approved by the Chief Executive Officer and/or the Trustees in line with Lumos's procedures.

Investment powers and restrictions

Under its Articles of Association, Lumos has the power to invest in ways that the Trustees see fit. The Trustees have appointed investment managers, Close Brothers, to manage Lumos's investment funds. Investment performance is managed by the Finance and Risk Committee.

Pay policy for senior staff

The Trustees consider that the Board of Directors (who are the charity's Trustees), together with the Executive team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts, notes 11 and 20 respectively.

Public benefit

The main activities undertaken by the charity to further its objects for the public benefit are described further in this Report. Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Fraud

In early 2022, Lumos was the victim of phishing fraud relating to prior year income which had been accrued for. Lumos has insurance in place to cover for such events and received compensation in June 2022.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of the Lumos Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP (FRS 102)
- 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Disclosure of Information to auditors

Insofar as each of the Trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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

The Trustees' Report, including the Strategic Report, was approved by order of the Board of Trustees.

DocuSigned by:

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Carol Copland
Chair of Trustees
Lumos Foundation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUMOS FOUNDATION

Opinion

We have audited the financial statements of Lumos Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, balance sheets, consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 41, the Trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees, communication with component auditors and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

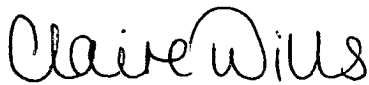
As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the parent 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 parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness

Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

Date: 04 September 2023

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (including income and expenditure account) for the year ended 31 December 2022

	Notes	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
		£'000	£'000	£'000	£'000
Income from:					
Royalties		1,856	—	1,856	1,820
Donations and Gift Aid	1	1,303	1,664	2,967	1,178
Charitable activities					
Grant income	2,18	106	1,917	2,023	1,695
Investment income		21	—	21	35
Income from Trading activities		230	—	230	172
Other income		5	47	52	44
Total income		3,521	3,628	7,149	4,944
Expenditure on:					
Raising funds:	4				
Raising funds and donor communication costs		1,444	—	1,444	1,562
Investment management costs		5	—	5	14
Release of lease incentive		—	—	—	(129)
Charitable activities	5	2,582	3,379	5,961	6,735
Total expenditure		4,031	3,379	7,410	8,182
Net (expenditure)/income		(510)	249	(261)	(3,238)
Other recognised (losses)/gains:					
Net (loss)/gain on investments	14	(91)	—	(91)	91
Exchange rate gains		295	—	295	22
Net movement in funds		(306)	249	(57)	(3,125)
Reconciliation of funds:					
Total funds brought forward		3,246	360	3,606	6,731
Total funds carried forward	19	2,940	609	3,549	3,606

All the charity's activities are derived from continuing operations during the two financial periods. The charity has no recognised gains or losses other than those shown above.

Consolidated balance sheets as at 31 December 2022

	Notes	Group 2022 £'000	Charity 2022 £'000	Restated Group 2021 £'000	Charity 2021 £'000
Fixed assets:					
Tangible assets	13	135	135	235	235
Intangible assets	13	15	15	62	62
Investments	14	567	567	1,645	1,645
		717	717	1,942	1,942
Current assets and liabilities:					
Debtors	15	1,447	1,492	1,740	1,580
Short-term deposit		9	—	9	—
Cash at bank and in hand		2,547	2,180	690	516
		4,003	3,672	2,439	2,096
Creditors:					
Amounts falling due within one year	16 a)	(852)	(3,875)	(664)	(2,702)
Net current assets		3,151	(203)	1,775	(606)
Total assets less current liabilities		3,868	514	3,717	1,336
Amounts falling due in more than one year	16 b)	(124)	—	(111)	—
Provisions for liabilities and charges	17	(195)	(195)	—	—
Net assets		3,549	319	3,606	1,336
Funds:					
Restricted funds	18	609	584	360	345
Unrestricted funds	19	2,940	(265)	3,246	991
Total funds		3,549	319	3,606	1,336

As permitted by section 408 of the Companies Act 2006, a Statement of Financial Activities for the charity has not been presented.

The Lumos Foundation charity statement of financial activities results for 2022: £1,021k deficit (2021: £3,768k deficit).

Approved and authorised for issue by the Board of Trustees and signed on their behalf by:

DocuSigned by:

 Carol Copland
 Trustee
 Date: 06 July 23

DocuSigned by:

 Nitin Pasricha
 Trustee

Consolidated statement of cash flows for the year ended 31 December 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	A	1,047	(1,853)
Cash flows from investing activities:			
Dividends and interest from investments		21	35
Purchase of tangible fixed assets		(2)	(25)
Proceeds from the disposal of investments		960	101
Purchase of investments		(69)	(103)
Net cash provided by investing activities		910	8
Change in cash and cash equivalents in the year		1,957	(1,845)
Cash and cash equivalents at 1 January 2022	B	811	2,747
Change in cash and cash equivalents due to exchange rate movements		(196)	(91)
Cash and cash equivalents at 31 December 2022	B	2,572	811

Notes to the statement of cash flows for the year to 31 December 2022

A) Reconciliation of net movement in funds to net cash used in operating activities

	2022 £'000	2021 £'000
Net movement in funds (as per the statement of financial activities)	(57)	(3,125)
Adjustments for:		
Depreciation charge	149	209
Exchange rate loss	196	91
Losses/(gains) on investments	91	(91)
Dividends and interest from investments	(21)	(35)
Grant of fixed assets	-	660
Decrease in debtors	293	949
Increase/(decrease) in creditors	201	(511)
Increase in provision for liabilities and charges	195	-
Net cash provided by/(used in) operating activities	1,047	(1,853)

B) Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	2,547	690
Cash held as current asset short-term deposits	9	9
Cash held by investment managers	16	112
Total cash and cash equivalents	2,572	811

C) Analysis of changes in net debt

	At 31 December 2021 £'000	Cash flows £'000	Foreign exchange movements £'000	At 31 December 2022 £'000
Cash at bank and in hand	579	1,844	-	2,423
Cash equivalents	121	(97)	1	25
Loans falling due after more than one year	111	-	13	124
Total	811	1,747	14	2,572

PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The financial statements of Lumos Foundation, which is a public benefit entity under Financial Reporting Standard 102, have been prepared on a going concern basis under the historical cost convention, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, Financial Reporting Standard 102 (FRS102), the Charities Statement of Recommended Practice (FRS 102), the Charities Act 2011 and the Companies Act 2006. The Consolidated Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The prior year balance sheet has been restated to split out the creditor due in over one year. The accounts are rounded to the nearest thousand and the functional currency is Great British Pounds. The principle accounting policies, which have been applied consistently in the year, are set out below.

Consolidation

The results of the subsidiaries are consolidated on a line-by-line basis. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. The Charity has also taken the exemption under FRS102 1.12(b) not to include a parent only cash flow statement in these accounts.

The Board of Lumos Foundation USA Inc. exercises discretion and control over all funds received by Lumos Foundation USA Inc. There is a concurrence of purpose between Lumos Foundation USA Inc. and Lumos. There is also an agreement between Lumos and Lumos Foundation USA Inc. which governs the use of Lumos name and trademark that allows Lumos's strategic influence in, and agreement on certain operational matters of Lumos Foundation USA, Inc. worldwide.

The sole member of Friends of Lumos USA Ltd, and thus its parent entity, is Lumos Foundation USA Inc.

Lumos Foundation Operations Limited operates as a trading entity for Lumos Foundation and donates its distributable profits to Lumos Foundation. Its sole member and thus its parent company is Lumos Foundation.

Group accounts are therefore prepared consolidating Lumos Foundation USA Inc. and Lumos Foundation Operations Limited.

Accounting estimates and areas of judgement

In the application of the Lumos Foundations accounting policies, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees and management, the following are the most significant accounting estimates and areas of judgement:

- The judgement that, subject to evidence to the contrary, all expenditure incurred under a signed funding agreement is recoverable from funders.
- The judgement that there is no provision required for disallowed expenditure under donor funding agreements.
- Decisions around the recoverability of amounts included in debtors connected to royalties or other debtors.
- Judgements relating to the decision as to when a liability should be recognised in relation to grants payable to a third party
- The value of any accruals included in the financial statements
- The basis for allocating costs between activities as disclosed in the financial statements.

Going concern

At 31 December 2022, Lumos had total funds of £3.5m (2021: £3.6m). The level of free reserves (in this case being unrestricted excluding intangible and tangible fixed assets) at 31 December 2022 is £2.8m (2021: £2.9m).

Given the level of reserves and the prudent steps taken in 2021 and Spring 2022 to align our operations and resources to our programmatic and financial strategy, the Trustees are satisfied that the charity will remain a going concern in the foreseeable future.

Fund accounting

Unrestricted funds are funds which are available at the discretion of the Trustees in furtherance of the general objectives of the charitable company, and which have not been designated for other purposes. Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the financial statements. Where grants are received for specific purposes, they are credited to restricted funds. Costs up to the value of the grant relating to this restricted income are allocated against the income when the expenditure is incurred. Unspent balances are carried forward to subsequent years within the relevant fund.

Income recognition

Income is included in the SOFA when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the monetary value of the income can be measured with sufficient reliability. The following specific policies apply to the categories of income:

Royalty income is recognised on an accruals basis in the period to which the earnings relate, provided that the charity is able to estimate the amount receivable prior to the date of approval of the financial statements. Royalty income is stated net of Value Added Tax, overseas withholding taxes, returns provisions and bad debt provisions.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. Gift Aid in respect of donations is accounted for in the year in which the related donation is recognised.

Investment income dividends receivable from the investment portfolio are included in the SOFA in the period in which the charity is entitled to receipt. Interest receivable from cash at bank is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Grant income is recognised as income in the SOFA when receivable. Income is deferred only if the grant was subject to donor-imposed conditions that specified a future time period when the expenditure of the resources should take place.

Investments: listed investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to make a payment 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 accounted for on an accruals basis. Irrecoverable VAT is added to the appropriate underlying expenditure.

Fundraising and publicity costs: expenditure on fundraising includes the costs of seeking all categories of income except those directly associated with charitable activities. Publicity expenditures include the costs of disseminating and publicising the work of the charitable company. Fundraising and communications costs have been allocated to the expenditure categories based on estimates of time spent in the year.

Investment management costs are recognised as they are payable to the investment manager.

Charitable activities are analysed into the major themes of the organisation, and comprise expenditure related to the furtherance of the charitable company's objects. Costs include the direct costs relating to the overseas operations, branches and related projects, and allocated support costs.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees, costs linked to the strategic management of the charitable company and other compliance costs.

Support costs are those costs incurred in connection with the management and administration of the charitable company. In 2021, costs were allocated on the following bases: administration, legal and compliance, human resources, information systems and office services costs were allocated based on head count; finance costs were allocated based on expenditure. From 2022, all support costs have been allocated based on expenditure. The prior year comparatives have not been restated.

Pension costs contributions by the charity in respect of the group personal pension scheme are included in the Statement of Financial Activities when they are payable.

Grant liabilities are recognised once the charity has a constructive or legal obligation to make a payment.

Other accounting policies

Tangible and intangible fixed assets: the charitable company capitalises all assets with a cost in excess of £1,000 that are to be held for continuing use. Land is not depreciated. Depreciation is provided on all other tangible and intangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Buildings	30 to 50 years
Office equipment	5 to 10 years
Fixtures and fittings	5 years
Computer equipment	3 years
Leasehold improvements	Over the lease term until the break clause
Motor vehicles	7 years
Software	5 years

Foreign currencies: monetary assets and liabilities denominated in foreign currencies are retranslated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

Lease commitments: rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term. The benefit of a rent-free period is spread evenly across the lease term.

Debtors: trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Current asset – short-term deposit: current asset investments include cash on deposit and cash equivalents with a maturity of less than one year held for investment purposes rather than to meet the short-term cash commitments of the charity as they fall due.

Cash at bank and in hand includes cash and short-term cash commitments of the charity as they fall due, rather than for investment purposes.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the financial statements

1) Donations and gift aid

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000
Donations	965	1,621	2,586	884	–	884
Gift aid	266	41	307	4	–	4
Gift in kind	72	2	74	290	–	290
Total	1,303	1,664	2,967	1,178	–	1,178

Gift in kind comprises of governance and legal support for the group and the provision of office space for Lumos USA.

2) Grant income

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000
Trusts and foundations	102	377	479	34	562	596
Changing the Way We Care	–	3	3	–	74	74
United States Agency for International Development (USAID)	–	678	678	–	999	999
Ukraine Emergency Response – Ukraine and Moldova	–	807	807	–	–	–
Grants from other governments and public bodies	–	52	52	9	–	9
Other grants	4	–	4	–	17	17
Total	106	1,917	2,023	43	1,652	1,695

3) Subsidiaries

The activities of Lumos Foundation USA Inc. (557 Broadway, New York NY, 10012, USA, IRS Reference number 47-2301085) and its subsidiary Friends of Lumos USA Ltd (3rd floor, 86-90 Paul Street, London EC2A 4NE, UK, charity registration number 1170023, UK (England and Wales) company registration number 09502092) are consolidated into the accounts of Lumos Foundation. The net income for Friends of Lumos USA Ltd of £175 is included within the consolidated summary financial performance of Lumos Foundation USA Inc. below:

3) Subsidiaries (continued)

	2022 £'000	2021 £'000
Income	1,358	1,553
Expenditure	(739)	(851)
Surplus for the year	619	702
Opening reserves	2,316	1,589
Gain on foreign exchange	297	25
Opening reserves after gain on foreign exchange	2,613	1,614
Closing reserves	3,232	2,316
Reconciliation of funds		
Current assets	3,472	2,571
Current liabilities	(240)	(255)
Net current assets	3,232	2,316

During the period, Lumos Foundation provided a grant to Lumos Foundation USA Inc. of £451k (2021: £640k) to cover administration and overhead costs in 2022. Lumos Foundation USA Inc. provided a grant to Lumos Foundation of £160k for the Ukraine Emergency Response programme (2021: nil).

Lumos Foundation provided donated services of £25k (2021: £19k) to Lumos Foundation USA Inc.

At the year-end an amount of £2,999k (2021: £2,218k) was due to Lumos Foundation USA Inc. and Friends of Lumos USA Ltd owed to Lumos Foundation £18k (2021: £15k).

The activities of Lumos Foundation Operations Limited (3rd floor, 86-90 Paul Street, London EC2A 4NE, UK, company registration number 12369753) are consolidated into the accounts of Lumos Foundation. Activities started during 2021.

The summary financial performance of Lumos Foundation Operations Limited is below:

	2022 £'000	2021 £'000
Income	230	184
Expenditure	(23)	(12)
Gift Aid to Lumos Foundation	(207)	172
Position for the year	-	-
Closing reserves	-	-
Reconciliation of funds		
Current assets	131	187
Current liabilities	(131)	(187)
Net current assets	-	-

3) Subsidiaries (continued)

During the year, Lumos Foundation charged administrative expenses to Lumos Foundation Operations Limited totalling £12k (2021: £12k).

At the year-end an amount of £121k (2021: £187k) was due to Lumos Foundation, £207k is the Gift Aid payable for 2022 (2021: £172k).

4) Raising funds

	2022 Total Funds £'000	2021 Total Funds £'000
Raising funds and donor communication		
Fundraising costs	1,007	1,130
Donor communication costs	81	41
Support costs (note 7)	356	391
	1,444	1,562
Investment management fees	5	14
Total	1,449	1,576

5) Charitable activities

	Activities Undertaken Directly £'000	Support Costs (note 7) £'000	2022 Total Funds £'000	Activities Undertaken Directly £'000	Support Costs (note 7) £'000	2021 Total Funds £'000
Deinstitutionalisation in Europe	712	263	975	1,481	504	1,985
Deinstitutionalisation in LAC	1,076	523	1,599	1,752	644	2,396
Global Deinstitutionalisation	1,925	847	2,772		1	1
Advocacy, training and research	427	188	615	1,770	583	2,353
Total	4,140	1,821	5,961	5,003	1,732	6,735

6) Grants payable

	Grants to institutions 2022 Total £'000	Grants to institutions 2021 Total £'000
Peace Manifest	360	–
Catholic Relief Services	88	219
International Association of Women Judges	88	196
Save the Children Haiti	34	43
Moldova – Small Group Homes	–	660
Other	1	4
Total	571	1,122

As part of the Ukraine Emergency Response programme, Lumos made grants to Peace Manifest to provide food and hygiene packages.

Lumos made grants to Catholic Relief Services and International Association of Women Judges as part of the Building Enduring Systems to end Trafficking project in Haiti, which delivers transformative progress on ending human trafficking, with a focus on child trafficking. Lumos made grants to Save the Children to support Lumos Haiti's deinstitutionalisation activities in Haiti.

During 2021, five Small Group Homes in Moldova were donated to local authorities.

7) Support costs

	Fundraising & Donor Communication (note 4) £'000	Charitable Activities (note 5) £'000	2022 Total Funds £'000	Fundraising & Donor Communication (note 4) £'000	Charitable Activities (note 5) £'000	2021 Total Funds £'000
Admin, Legal and Compliance	35	115	150	180	77	257
Finance	112	489	601	78	420	498
Human Resources	71	436	507	22	362	384
Information Technology	11	69	80	8	142	150
Office Services	127	712	839	103	731	834
Total	356	1,821	2,177	391	1,732	2,123

In 2021, the above costs were apportioned between activities based on an estimate of time spent by staff on them. From 2022, all support costs are allocated based on expenditure. The comparative figures have not been restated.

8) Governance costs

	2022 £'000	2021 £'000
Legal and Professional fees	73	84
Other costs	7	1
Total	80	85

9) Net income for the year

Net income for the year is stated after charging:

	2022 £'000	2021 £'000
Group Auditor's remuneration		
Audit services – Group	22	17
Audit services – Friends of Lumos USA	3	3
Audit services – Lumos Foundation Operations Limited	5	3
Advisory services	-	2
Payroll and tax services	2	8
Lumos USA Auditor's remuneration		
Audit services – Lumos USA	10	9
Other services	1	1
Depreciation of owned fixed assets	149	208
Operating lease rentals		
Land and building	130	223

10) Staff costs and remuneration of key management personnel

The staff headcount numbers for the period are as follows:

	2022 No.	2021 No.
Management and administrative staff	22	34
Fundraising and donor communication staff	10	12
Programmes staff	39	72
Total	71	118

10) Staff costs and remuneration of key management personnel (continued)

Staff costs relating to the above persons are as follows:

	2022 £'000	2021 £'000
Wages and salaries	2,909	3,704
Social security costs	398	479
Pension costs	142	177
	3,449	4,360
Agency staff	304	27
Total	3,753	4,387

The number of employees whose emoluments during the year exceeded £60,000 were:

	2022 No.	2021 No.
£60,001–£70,000	2	5
£70,001–£80,000	–	2
£80,001–£90,000	3	3
£90,001–£100,000	–	2
£110,001 - £120,000	1	–
£120,001 - £130,000	1	–
Total	7	12

Pension costs totalling £30k (2021: £45k) were paid in respect of the above employees.

The key management personnel of the Lumos Foundation comprise the Trustees, the Chief Executive Officer and the Executive Team. The total employee remuneration (including benefits) of the key management personnel of the charity was £578k (2021: £696k).

10) Staff costs and remuneration of key management personnel (continued)

During the year the Trustees decided to reduce the number of such staff as part of an organisational restructure and this is reflected in the 2022 results.

During 2022, termination payments were paid of £123k (2021: £37k). There was an increase for 2022 as a result of the restructure and closure of the Haiti office.

11) Trustees' expenses and remuneration

No Trustee, nor any persons connected with them, received any remuneration from the charitable company during the year (2021: £nil).

Expenses incurred by the Trustees and reimbursed by the charitable company amounted to £89 for two Trustees' travel expenses (2021: £nil).

12) Taxation

Lumos Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income and gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

13) Tangible and intangible fixed assets of Charity and Group

	Intangible Fixed Assets	Tangible Fixed Assets	Tangible Fixed Assets	Tangible Fixed Assets	Tangible Fixed Assets	Tangible and Intangible Fixed Assets
	Software £'000	Land and Buildings £'000	Leasehold Improvements £'000	Furniture, Fittings and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost						
At 1 January 2022	236	125	376	348	25	1,110
Additions	–	–	–	2	–	2
Disposal	–	–	(376)	(166)	–	(542)
At 31 December 2022	236	125	–	184	25	570
Depreciation						
At 1 January 2022	174	14	301	305	19	813
Charge for the year	47	3	75	20	4	149
Disposal	–	–	(376)	(166)	–	(542)
At 31 December 2022	221	17	–	159	23	420
Net book value						
At 31 December 2022	15	108	–	25	2	150
At 31 December 2021	62	111	75	43	6	297

Lumos Foundation Land and Buildings' opening position represents one property in Moldova, the construction of which was funded by Lumos to support the delivery of children's care services by local authorities there. It has always been the intention of the Trustees to transfer the asset to Moldovan authorities for the furtherance of the charity's objects, and to meet contractual commitments provided at the time of funding. The grant of the property is planned for 2024.

14) Investments of Charity and Group

	2022 £'000	2021 £'000
Listed investments		
Market value at 1 January	1,533	1,440
Additions at cost	69	103
Disposals proceeds	(960)	(101)
Net investment (losses)/gains	(91)	91
Market value at 31 December	551	1,533
Cash held by investment managers for reinvestment	16	112
Total	567	1,645

Listed investments held at 31 December 2022 were managed on behalf of Lumos by Close Brothers and comprised the following:

	2022 £'000	2021 £'000
UK fixed interest	150	628
UK equity	63	154
Overseas equity	212	560
Commodities	17	22
Property	18	37
Alternatives	75	116
Multi asset	16	16
Market value at 31 December	551	1,533
Cost of listed investments at 31 December	505	1,300

15) Debtors

	Group 2022 £'000	Charity 2022 £'000	Group 2021 £'000	Charity 2021 £'000
Other debtors	111	111	110	110
Prepayments	143	86	122	115
Accrued royalty income	953	953	937	937
Trade debtors and other accrued income	240	136	571	418
Amount due from subsidiary undertaking	—	206	—	—
Total	1,447	1,492	1,740	1,580

16) Creditors:**a) Amounts falling due within one year**

	Group 2022 £'000	Charity 2022 £'000	Restated Group 2021 £'000	Charity 2021 £'000
Trade creditors	119	102	162	156
Taxation and social security	36	36	4	4
Accruals	75	50	151	132
Amounts due to subsidiary undertakings	—	3,065	—	2,063
Other creditors	115	115	291	291
Deferred income	507	507	56	56
Total	852	3,875	664	2,702

b) Amounts falling due in more than one year

	Group 2022 £'000	Charity 2022 £'000	Restated Group 2021 £'000	Charity 2021 £'000
Loan	124	—	111	—
Total	124	—	111	—

The £124k (2021: £111k) falls due after more than five years. This consists of a COVID-19 Economic Injury Disaster loan taken up by Lumos Foundation USA Inc. The prior year has been restated owing to this being included in amounts falling due within one year in 2021.

c) Analysis of deferred income

	Group 2022 £'000	Charity 2022 £'000
At 1 January 2022	56	56
Recognised as income in year	(49)	(49)
Deferred in year	500	500
At 31 December 2022	507	507

The £507k at 31 December 2022 (2021: £56k) consists of income received in the year that relates to the following year. The income deferred in 2022 relates to a donation, the income deferred in 2021 relates to royalty income.

17) Provisions for liabilities and charges

	Group 2022 £'000	Charity 2022 £'000
At 1 January 2022	—	—
Charges in Consolidated Statement of Financial Activities	195	195
At 31 December 2022	195	195

Provisions include estimated probable future costs in respect of dilapidations. These are subject to negotiations in 2023.

18) Restricted funds

	At 1 Jan 2022 £'000	Income £'000	Expenditure £'000	At 31 Dec 2022 £'000
Redirecting philanthropic funding	152	57	101	108
Education and child institutionalisation	94	62	132	24
Deinstitutionalisation – Colombia	48	106	154	—
Early childhood intervention – Moldova	—	148	68	80
Ukraine Emergency Response – Ukraine and Moldova	—	2,441	2,087	354
Building Enduring Systems to end Trafficking (BEST) – Haiti	—	678	678	—
Changing the Way We Care	—	3	3	—
Other	66	133	156	43
Total	360	3,628	3,379	609

	At 1 Jan 2021 £'000	Income £'000	Expenditure £'000	At 31 Dec 2021 £'000
Redirecting philanthropic funding	—	152	—	152
Education and child institutionalisation	—	158	6	94
Child and youth participation – Bulgaria, Czech Republic, Moldova	87	85	172	—
Deinstitutionalisation – Colombia	52	157	161	48
Building Enduring Systems to end Trafficking (BEST) – Haiti	—	999	999	—
Changing the Way We Care	—	74	74	—
Other	102	43	79	66
Total	241	1,668	1,549	360

18) Restricted funds (continued)

Restricted funds are funds with specific restrictions imposed by donors. These restrictions often relate to a particular geographic region or area of technical expertise and sometimes include a deadline by which time the funds must be spent.

- **Redirecting philanthropic funding**

Lumos is running a campaign, funded by UBS Optimus Foundation, that focuses on the funding flows of philanthropy into institutions with the aim to redirect this funding into family strengthening and alternative care services.

- **Education and institutionalisation**

Lumos has undertaken important research that seeks to better understand and raise awareness of the links between education and child institutionalisation, as part of Lumos's work in tackling the drivers of family separation. This research is funded by UBS Optimus Foundation.

- **Deinstitutionalisation - Colombia**

Lumos's programme in Colombia works to influence and support a critical shift from reliance on residential institutions, to the provision of services which enable children to live safely in families and benefit from community-based care. During 2022, the programme received funding from Comic Relief USA, Latin American Children's Trust and a private donor.

- **Early childhood intervention - Moldova**

Working with the Moldovan Government, Lumos is piloting an integrated approach to early childhood intervention (ECI) services in two regions in Moldova. This project seeks to provide vulnerable children and their families with accessible and appropriate care within their communities. This project is co-funded by Aperitivo, the Karl Kahane Foundation, and Fondation Dora.

- **Ukraine Emergency Response - Ukraine and Moldova**

Lumos's Ukraine Emergency Response programme was started in March 2022 following the invasion of Ukraine in February 2022. Lumos has responded to this crisis through programmes in Ukraine and Moldova, working with partner organisations and Government to deliver a humanitarian response to those displaced by the war in Ukraine and refugees in Moldova. Lumos's response has focused on needs assessment, emergency aid (food and basic needs), family reunification and support, child protection and psychosocial support for trauma affected children and families.

- **Building Enduring Systems to end Trafficking (BEST) - Haiti**

Lumos works in Haiti to support the Building Enduring Systems to end Trafficking (BEST) project in Haiti, to deliver transformative progress on ending human trafficking, with a focus on child trafficking. This was funded by a grant from the United States Agency for International Development (USAID). Lumos closed its operations in Haiti in 2022.

- **Changing the Way We Care - Global**

CTWWC is a consortium of Catholic Relief Services, Lumos and Maestral International delivering a programme designed to move the needle on care reform through demonstration projects in three countries alongside global campaigning and advocacy. Lumos's participation in this consortium ended during 2022.

- **Child and youth participation - Bulgaria, Czech Republic, Moldova**

The Karl Kahane Foundation funded important child and youth participation work in Ukraine, Moldova, Bulgaria and Czech Republic, supporting youth advocates in building their life skills and empowering them to influence decisions and bring about change on key issues that affect their lives. The project ended in 2021.

19) Analysis of net assets between funds of Group and Charity

The net assets of the Group analysed between funds are as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000
Tangible fixed assets	135	–	135	235	–	235
Intangible fixed assets	15	–	15	62	–	62
Investments	567	–	567	1,645	–	1,645
Current assets	3,394	609	4,003	2,079	360	2,439
Current and long term liabilities and provisions	(1,171)	–	(1,171)	(775)	–	(775)
Total	2,940	609	3,549	3,246	360	3,606

Included within investments above are cumulative unrealised losses of £91k (2021: gains of £91k).

The net assets of the Charity analysed between funds are as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000
Tangible fixed assets	135	–	135	235	–	235
Intangible fixed assets	15	–	15	62	–	62
Investments	567	–	567	1,645	–	1,645
Current assets	3,088	584	3,672	1,751	345	2,096
Current and long term liabilities and provisions	(4,070)	–	(4,070)	(2,702)	–	(2,702)
Total	(265)	584	319	991	345	1,336

20) Related party transactions

Lumos Foundation recognises Lumos Foundation USA Inc. and other members of the Lumos Foundation group as related parties. Transactions and further details are provided in note 3.

There were no other related party transactions during 2022.

During 2021, the charity reimbursed the Blair Partnership £159 (inclusive of VAT) for the cost of refreshments for an event incurred by the charity but settled by the Blair Partnership. The amount was settled after year end. Neil Blair, who resigned as Chair on 8 December 2021, is the founding partner of the Blair Partnership.

During 2021, the charity received pro bono due diligence services from GPW Ltd to the value of £3,500. The Chair's husband is a shareholder and Managing Partner of GPW Ltd.

21) Financial commitments

At 31 December 2022 the charitable company has total minimum lease commitments under non- cancellable leases as follows:

	2022 £'000	2021 £'000
Within one year	17	175
Between one and five years	–	–
Longer than five years	–	–
Total	17	175

22) Comparative consolidated statement of financial activities

	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000
Income and expenditure			
Income from:			
Royalties	1,820	—	1,820
Donations and Gift Aid	1,178	—	1,178
Charitable activities			
Grant income	43	1,652	1,695
Investment Income	35	—	35
Other income	28	16	44
Total income	3,276	1,668	4,944
Expenditure on:			
Raising funds:			
Raising funds and donor communication costs	1,562	—	1,562
Investment management costs	14	—	14
Release of lease incentive	(129)	—	(129)
Charitable activities	5,186	1,549	6,735
Total expenditure	6,633	1,549	8,182
Net expenditure	(3,357)	119	(3,238)
Other recognised gains/(losses):			
Net gain on investments	91	—	91
Other recognised gains	22	—	22
Net movement in funds	(3,244)	119	(3,125)
Reconciliation of funds:			
Total funds brought forward	6,490	241	6,731
Total funds carried forward	3,246	360	3,606

REFERENCE AND ADMINISTRATIVE DETAILS

President of Lumos Foundation (UK) and Patron, Lumos Foundation USA Inc.
J.K. Rowling

Trustees, Lumos Foundation (UK)
C. Copland (Chair of Trustees)
U. Ali (appointed 8 December 2022)
B. DiMichele
N. Gill
D. Moore (resigned 8 December 2022)
T. Motie (resigned 8 December 2022)
D. Mulenga
N. Pasricha (Treasurer)
J. Paul
K. Wills

Directors, Lumos Foundation USA Inc.
B. DiMichele (Chair)
L. Little (Treasurer)
P. McDermott
L. Robbins

Directors, Lumos Foundation Operations Ltd.
R. Dattani
C. Copland
P. Hellmuth
P. McDermott

Trustees, Friends of Lumos USA Ltd.
C. Deshpande
P. McDermott
P. Hellmuth

Chief Executive Officer, Lumos Foundation (UK)
P. McDermott

Company Secretary, Lumos Foundation (UK)
N. Williams (resigned - 24 May 2022)
C. Rossiter (appointed - 8 December 2022)

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Friends of Lumos USA Ltd
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Lumos Foundation Operations Ltd.
3rd Floor, 86-90 Paul Street, London EC2A 4NE, UK

Lumos Foundation -UK Company registration number
05611912 (England & Wales)

Lumos Foundation -UK Charity registration number
1112575

US IRS reference number
47-2301085

Friends of Lumos USA Ltd – UK Company registration number
09502092 (England & Wales)

Friends of Lumos USA Ltd – UK Charity registration number
1170023

Lumos Foundation Operations Ltd- UK Company registration number
12369753 (England & Wales)

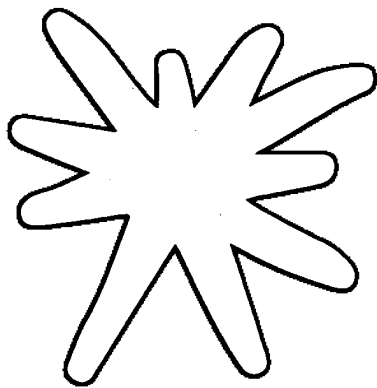
Auditor (UK)
Saffery Champness, 71 Queen Victoria Street, London EC4V 4BE, UK

Bankers (UK)
HSBC Bank plc, The Peak, 333 Vauxhall Bridge Road, Victoria, London SW1V 1EJ, UK

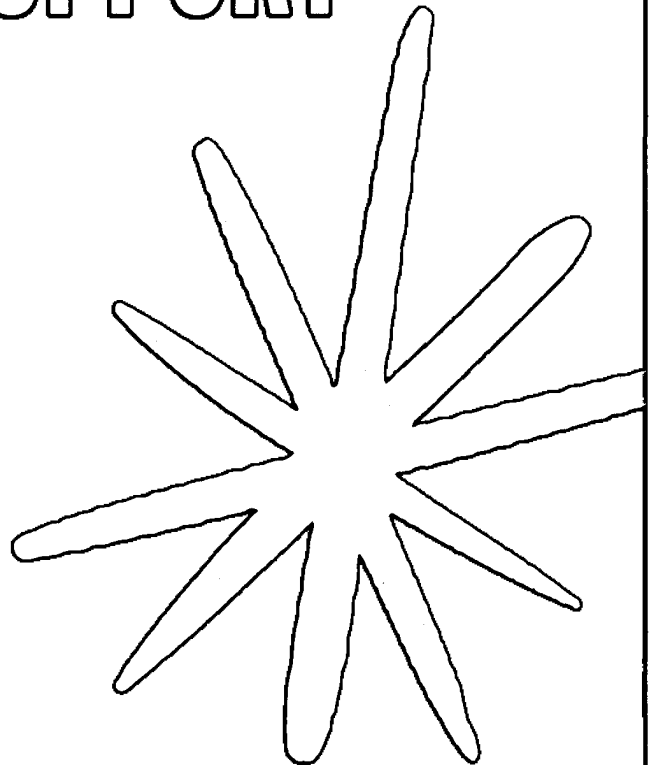
Solicitors (UK)
Farrer & Co LLP, 66 Lincoln's Inn Fields, London WC2A 3LH, UK

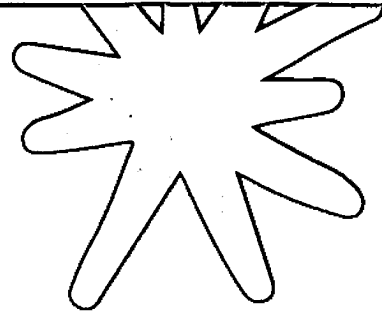
Investment Managers (UK)
Close Brothers, 10 Exchange Square, Primrose Street, London EC2A 2BY, UK

This page forms part of the Trustees' annual report.



THANK YOU 
FOR YOUR SUPPORT





We thank all of our supporters for joining Lumos in the fight for every child's right to a family. In particular, we would like to thank the following organisations and individuals who, alongside many other generous donors, have provided funding during this last year.

MARIO C. BAUER & NATALIA SOBECKA - APERITIVO INTERNATIONAL B.V. | BEECHFIELD BRANDS LIMITED
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BLOOMSBURY | CARLSEN VERLAG GMBH (BONNIER MEDIA) | CASTLE FINE ART | DALE CENDALI | COMIC RELIEF UK
COMIC RELIEF USA | CUSHMAN & WAKEFIELD | FONDATION DORA | EDITIONS GALLIMARD JEUNESSE
THE EQ FOUNDATION | FARRER & CO | THE FUTURE DIRECTIONS FOUNDATION
EVAN GARDNER (IN HONOR OF DEBRA GLAZER) | MR H GRANT | FEDERATED HERMES | KARL KAHANE FOUNDATION
THE KARLSSON JÄTIVA CHARITABLE FOUNDATION | KEVIN KIRK | KIRKLAND & ELLIS
LELEKA SHOWCASE, JACKSONS LANE THEATRE | LIONEL & ARIANE SAUVAGE FUND
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UNICEF PANAMA | UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) | BRIAN VON KLOMPENBERG
WARNER BROS. DISCOVERY | DAVID YATES AND YVONNE WALCOTT-YATES | ZENO FINE ART | ZILLAH BELL GALLERY

**WE'RE GRATEFUL TO ALL OF OUR SUPPORTERS FOR
THEIR CONTRIBUTIONS IN 2022**





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