

Registered number: 07515832

**Transforming Lives Educational Trust**

Trustees' Report and Financial Statements

For the year ended 31 August 2023



**Transforming Lives Educational Trust  
(A Company Limited by Guarantee)**

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**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Reference and Administrative Details**

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<b>Members</b>	P Davis L Howard S Jardine N Snook
<b>Trustees</b>	S Jardine, Chair of Trustees (resigned as Chair 13 September 2022) G J French, Chair of Trustees (appointed as Chair 13 September 2022) V Armeson (resigned 31 August 2023) S Crosson C Keady S Rose (appointed 13 September 2022) J Thomas (resigned 31 August 2023) R Walker-Green (appointed 13 September 2022) N S Watson (resigned 31 August 2023) K Zardin (appointed 13 September 2022) M Hopkins (resigned 18 May 2023)
<b>Company registered number</b>	07515832
<b>Company name</b>	Transforming Lives Educational Trust
<b>Registered office</b>	c/o Houlton School Signal Drive Houlton Rugby Warwickshire CV23 1ED
<b>CEO and Accounting Officer</b>	J E Higham

**Transforming Lives Educational Trust**  
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**Reference and Administrative Details (continued)**  
**For the Year Ended 31 August 2023**

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**Senior management  
team**

M A Goodey, CFO, Transforming Lives Educational Trust  
S Hartle, Director of Education, Transforming Lives Educational Trust (appointed 17.04.2023)  
S Evans, Principal, Ashlawn School (resigned 31.12.2022)  
J Delves, Senior Vice Principal, Ashlawn School  
A Phillips, Vice Principal, Ashlawn School (appointed 01.09.2022)  
S McKim, Vice Principal, Ashlawn School  
C Cooke, Assistant Principal, Ashlawn School  
L Pountney, Assistant Principal, Ashlawn School  
A Wright, Business Operations and Estates Manager, Transforming Lives Educational Trust  
P Brockwell, Principal, Ashlawn School (appointed 01.03.2023)  
J Harris, Assistant Principal, Ashlawn School  
F Edwards, Principal, Henry Hinde Infant School  
J E Higham, CEO, Transforming Lives Educational Trust  
R O'Neill, Assistant Principal, Henry Hinde Infant School  
J Nurse, Principal, Henry Hinde Junior School  
E Swidryk, Assistant Principal, Henry Hinde Junior School  
M McCulley, Principal, Houlton School  
C Buckenham, Assistant Principal, Houlton School  
N Ellis, Assistant Principal, Houlton School  
A Lancini, Assistant Principal, Houlton School

**Independent auditors**

Dains Audit Limited  
15 Colmore Row  
Birmingham  
B3 2BH

**Bankers**

Lloyds Bank plc  
14 Church Street  
Rugby  
Warwickshire  
CV21 3PL

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report**  
**For the Year Ended 31 August 2023**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

**Structure, governance and management**

**a. Constitution**

Transforming Lives Educational Trust (the "Trust") is a charitable company limited by guarantee (registration number 07515832) and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The charitable company known as Transforming Lives Educational Trust is a multi-academy trust and for the period covered by this report the Trust had responsibility for the following entities:

- Ashlawn School
- Henry Hinde Infant School
- Henry Hinde Junior School
- Houlton School
- TLET Professional Learning Limited (formerly Innovation Learning and Leadership Alliance Limited)

These financial statements for the period ended 31 August 2023 relate to the operation of the Trust.

The charitable company's Articles of Association is the primary governing document of the Trust.

The Trustees of Transforming Lives Educational Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year, and to the date these financial statements are approved are included in the Reference and administrative details on page 1.

**b. Members' liability**

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

**c. Trustees' indemnities**

In accordance with normal commercial practice, the Trust has purchased insurance to protect its Members, Directors, Academy Representatives and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The professional indemnity insurance cover is unlimited and is provided by the Department for Education under their 'Risk Protection Arrangement'.

**Transforming Lives Educational Trust**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

The management of the Trust and the group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Members of Transforming Lives Educational Trust may appoint and/or remove Trustees and the Trustees appoint/remove those in positions of governance of the academies, known as Governors, both in accordance with the Trust's selection and recruitment policy and procedures.

The minimum number of Trustees allowed at any time is three.

**e. Policies and procedures adopted for the induction and training of Trustees**

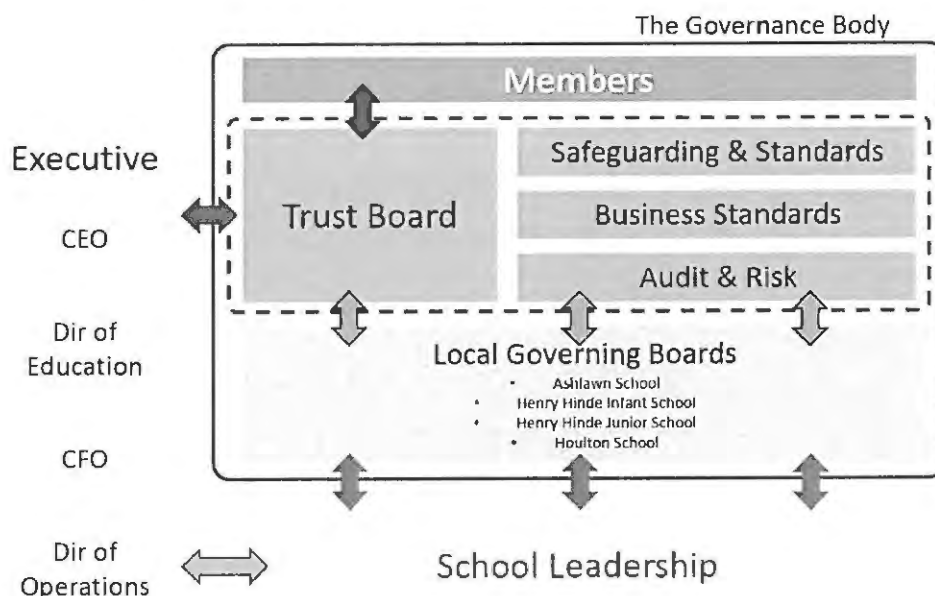
Trustees and governance partners are appointed, in line with the Trust's recruitment policies and safer recruitment practice, on the basis of skills needed, with all Trustees and Partners being annually assessed through self-assessment against the National Governors' Association (NGA) skills audit framework. Induction and CPD for those in a position of governance is reflective of the sector and identified assessed needs and delivered using independent expert supplier of services such as ECM Educational Consultants, the NGA, The Key and Warwickshire Education Services. Trustees and Partners are all subject to Disclosure and Barring Service checks.

**f. Organisational structure**

The organisational structure of the Transforming Lives Educational Trust consists of the Members, Trustees, Local Governing Boards (LGB) and the Executive strand (including the Trust Executive, the Central Team and the respective Academy leadership teams). All are pivotal in decision making.

Structure, governance and management (continued)

f. Organisational structure (continued)



Local Governing Boards (LGBs) ensure learning provision at individual academy level is fit for purpose and sustains the Trust's vision as expressed through our core purpose of 'Transforming Tomorrow, Today'. To this end, LGBs operate as sub-committees for the Trust Board.

The authority and powers of LG Boards cascade from the Trust Board and are set out in the Scheme of Delegated Authority (SoDA).

The Principals of each academy report to the Director of Education, CEO and the LGBs. They are responsible for the efficient and effective day-to-day running of the academies, in particular organising staff, curriculum, facilities, and pupils.

g. Arrangements for setting pay and remuneration of key management personnel

The remuneration for key management personnel (including Principals) is aligned to the School Teachers' Pay and Conditions Document (STPCD) leadership range being reflective of role, responsibility and, with regard to the Principals, the group (size) classification of the particular academy. Within the Central Team, including the Executive, a TLET Central Pay Scale has been adopted, which is aligned to the STPCD and the National Joint Council (NJC).

**Transforming Lives Educational Trust**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

**g. Arrangements for setting pay and remuneration of key management personnel (continued)**

Transforming Lives Educational Trust Board of Trustees has a Business Standards Committee to advise the Board on matters relating to the Trust's staff and pay structures. The main duties and responsibility of this committee is to:

- recruit, appoint and set the remuneration of Executive roles, Principals and Senior Leadership teams;
- hold oversight of the pay and terms and conditions of service of all employees in the Trust;
- review and recommend to the Board any significant changes to staffing structures;
- ratify remuneration for the CEO and academy Principals.

Performance appraisals of Principals is supported by external independent reviewers with currency of educational expertise.

**h. Trade union facility time**

The Transforming Lives Educational Trust had no employees who were relevant union officials during the year.

**i. Engagement with employees (including disabled persons)**

The Trust has a single Equality Policy, supported by academy specific equality objectives. We strive to ensure that the recruitment, retention, and ongoing development of staff is undertaken in a fair and equitable manner to support the Trust's vision and values. We have long established fair employment practices detailed in a range of policies in relation to all aspects of personnel matters as a result.

We see all employees and volunteers of the Trust, and wider community, of equal value:

- Whether or not they are disabled;
- Whatever their ethnicity, culture, religious affiliation, national origin or socio-economic circumstances;
- Whichever their gender and sexual orientation; and
- Whatever their age.

Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those of other employees.

The Trust engages with all members of its academy communities, including its employees. This is done through both formal and informal exercises to allow staff to share their views, along with formal survey opportunities throughout the year.

The Trust also engages with employees through trade union representatives. The Trust has continued to strengthen its relationship with trade unions during the year, recognising their place as partners in our improvement journey.



**Structure, governance and management (continued)**

**j. Engagement with suppliers, customers and others in a business relationship with the Trust**

The Trust Board ensures that all decisions are taken for the long-term, and collectively and individually aims to always uphold the highest standard of conduct. Similarly, the Board recognises that the Trust can only grow and prosper over the long-term if it understands and respects the views and needs of key stakeholders and employees to whom we are accountable, as well as the environment we operate within.

Typically, in a Trust of our size, the Board fulfil their duties partly through a governance framework that delegates day-to-day decision making to the employees of the Trust. The Board recognises that such delegation needs to be part of a robust governance structure, which covers our values, how we engage with our stakeholders, and how the Board assures itself that the governance structure and systems of controls continue to be robust.

The Board recognise that employees are fundamental and core to the delivery of our strategic ambitions. Our success depends on attracting, retaining, and motivating employees. Ensuring that we remain a responsible employer, from pay and benefits, to our health, safety and workplace environment, the Board factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

The Trust continuously assesses the priorities related to suppliers with whom we do business, and the Board engages with the Executive Leadership Team on these topics, for example, within the context of business strategy updates, supplier selection for critical factors such as the selection of senior members of staff, and activities such as internal audit as well as infrastructure investment proposals.

The Chairperson, with the assistance of the Chief Executive Officer, sets the agenda for each Board meeting to ensure that the requirements of section 172 of the Companies Act 2006 are always met and considered through a combination of the following:

- Board papers ensure that stakeholder factors are addressed where these are judged to be relevant.
- Standing agenda points and papers presented at each Board meeting, for example, the CEO presents updates on strategic progress, academic progress, operational progress, and future developments of the Trust. The CFO presents the financial overview of the Trust and highlights and challenges or issues that may arise.
- A rolling agenda of matters to be considered by the Board including a review of the Trust strategic plan supported by a budget for the following year and a 3 year financial plan.
- Regularly scheduled Board presentations and reports, for example the Trust Risk Register, financial reports, and new or amended policies.
- Engagement with the Trust's key stakeholders, the DfE, the Education and Skills Funding Agency (ESFA), and Central Government as well as local communities and updates on any consultations held by the Trust.

The Trust recognises that its external partnerships are critical to our success and, to this end, nurtures positive relationships with key suppliers, ensuring they understand and support the vision, values, and ambitions of the Trust. Whilst always seeking value for money, the Trust seeks to manage risk appropriately and ensure acceptable quality of good services, whilst protecting the reputation of the Trust in its business relationships. Through fair and equitable procurement processes, the Trust ensures all potential suppliers and stakeholders are treated fairly.

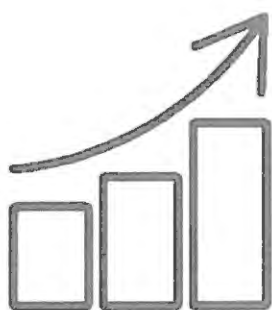
## Objectives and activities

### a. Objects, aims, strategies and objectives

Over the course of this year, the Trust Board and the Executive Team have worked alongside our academy leaders, and other stakeholders, to review and revise our vision and values. This work has drawn on the DfE's Trust Quality Descriptors and its five pillars of quality for multi-academy trusts to ensure we're a strong trust. We have also used the Confederation of School Trusts' (CST) Assurance Framework as an aspirational framing of trust excellence to help us identify our most significant areas of strength and our challenges.

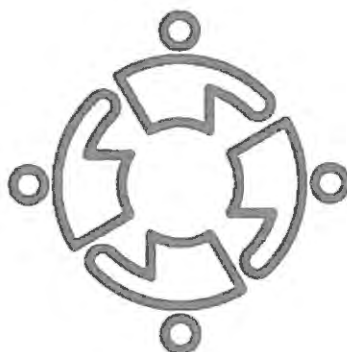
This has led to the creation of 'The TLET Way', which restates our core purpose to 'Transform Tomorrow, Today', and heralds the next phase in TLET's evolution. Building on our strong foundations, 'The TLET Way' signals a new baseline as we continue to progress and improve against our newly conceived strategic ambitions of nurture potential, inspire community, and deliver excellence:

Through the transformative values of courage,  
kindness and loyalty, together we:



NURTURE POTENTIAL

We flourish in the places we create together.



INSPIRE COMMUNITY

We champion each other to make a difference.



DELIVER EXCELLENCE

We strive to achieve our best.

Our culture has evolved as the Trust has developed but it has remained unapologetically ambitious for the futures of the children and staff of TLET and rooted in our values. From these we have built, and sustained, strong relationships throughout the TLET family, creating the right environment in which to flourish and thrive. We aim to be a Trust with one vision made up of many voices; where children and staff alike feel connected to our vision, represented by our ambitions, and inspired by our values – they belong. It's through this sense of shared purpose and partnership that we can be transformative.

This year marks one of transition from our strategic objectives to our new ambitions, which were approved by the Trust Board part way through 2023. An internal quality assurance framework has since been devised so that Trust performance can be systematically measured. Given the introduction of 'The TLET Way' towards the latter part of this year, it remains appropriate, for the purpose of these reported accounts, to refer to our strategic objectives rather than our ambitions for this year.

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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Objectives and activities (continued)**

The strategic objectives for the Trust in 2023 were:

1. Our children achieve more, and make better progress, by attending a TLET academy than would otherwise be expected.
2. Others hold our academies, and the Trust, in the highest regard.
3. Our accommodation and premises are safe, well maintained and with facilities that are constantly improving.
4. Infrastructure and management systems are effective and cohesive, underpinned by sound financial management.
5. Our Trust operates an increasing number of academies, with due regard to growing responsibly, sustainably and with a mix of primary and secondary phased academies.
6. The welfare of our children and staff is promoted effectively in a safe environment where they are protected from harm.

**b. Public benefit**

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The key public benefit delivered by the Trust is the provision of high-quality education to our pupils and students and is particularly well-represented by the sustained or improved performance of our academies. The Trust seeks to provide the cultural, physical, spiritual, as well as academic, development of our pupils and students.

All our academies are used as a resource by the local community. They are used by community groups that serve a wide cross-section of the local population, and our Lettings Policy provides discounted rates for some community groups.

## **Strategic report**

### **Achievements and performance**

#### **a. Review of activities**

The school improvement journey at Transforming Lives Educational Trust has continued to accelerate following the substantial increase in leadership capacity. The central school improvement team is now led by the Director of Education, who brings significant experience of school and system leadership. This new capacity is supplemented by central Education Improvement leads, subject network leads, and the extended Leadership Group of the Trust, which is increasingly ensuring that every pupil and student in the Trust benefits from the best that we have to offer. In addition, new senior leadership roles and appointments have been made this year at all our academies, further strengthening the breadth and capacity of the Trust's leadership. As a result, the pace and focus of school improvement activity has entered the next phase in our Trust-wide offer.

The Trust's self-evaluation framework, based on the CST's Building Strong Trusts Assurance Framework demonstrates the considerable developments and achievements in the last academic year. Nine areas of the framework are now emerging as strengths including strategic governance, expert ethical leadership, workforce resilience, and public benefit and civic duty. Furthermore, a leading strength of the Trust is financial strategy and probity, as well as effective and efficient use of resources. This has been supported by a biennial external review of governance, as part of our ongoing commitment to improvement, that concluded our system of governance is strong, fit-for-purpose, and with the required capacity and expertise to challenge and support the Trust's future development. Improvements identified through the self-evaluation process is demonstrable of the increased capacity within the organisation to improve provision for our children, young people, and staff.

Our academies benefit from high-quality central services which enable school leaders to do what they love – supporting our pupils and students to have a second-to-none school experience. Our centralised approach to core services including finance, HR, estates, safeguarding, and IT has ensured that all academies have equitable access to high-quality support and leadership in these areas, which now act as enablers for school improvement. The net saving of this process of centralisation has been invested in increased capacity for pastoral support and school improvement.

Our funding model has meant that we have been able to address some of the inequalities that exist in the education system. We believe strongly in equity of opportunity for all and that this should not be defined by the size of the school they attend, and our funding model has allowed us to start to remedy this. Our academies have started to benefit from our rolling programme to improve facilities, as well as curriculum-led staffing structures.

Whilst the pandemic continues to offer some significant challenges to schools, we have given careful consideration to the financial implications and, as a result, have mitigated much of the financial risks to date. We have good financial capacity and resources, as well as expert financial leadership and governance, which means that the risk posed by current funding challenges, reflected across the sector, is not significantly affecting the operation of the organisation, nor the pursuit of our ambitions.

#### Ofsted inspections

In March 2023, Henry Hinde Infant School was subject to a Section 8 Ofsted inspection and was judged to remain a Good school where '...staff go 'over and above' to help their children.'

Henry Hinde Junior School was inspected under Section 5 of the Inspection Framework in November 2022. In 2018, the school was judged as Requires Improvement and, indeed, was transferred to our Trust to break the 15 year legacy of less-than-good Ofsted judgements of the school. Trust leaders, and those at the school, have rapidly improved Henry Hinde Junior School and, in November 2022, the school was judged to be a Good school where 'Pupils are happy coming to this rapidly improving school.'

In November 2022, Ashlawn School were subject to a Section 5 Ofsted inspection having not been inspected since 2013. The inspection judged the school Inadequate overall, but that 'Trust leaders know that improvements

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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Strategic report (continued)**

**Achievements and performance (continued)**

are needed. They have the capacity to bring about change.' Ashlawn School has made considerable improvements since the inspection because of targeted trust-led intervention and support. Key indicators, such as stakeholder feedback and academic outcomes, demonstrate rapid progress in the areas for improvement.

**b. Key performance indicators (KPIs)**

The Trustees consider the following to be the key financial performance indicators for the period 1 September 2022 to 31 August 2023:

	<u>2023</u>	<u>2022</u>
Income: Total DfE/ESFA income (excl. capital)	£15,239,085	£13,747,785
Staffing: Total staff costs	£12,918,467	£12,235,870
Staff costs to ESFA income %	84.7%	89.0%
Staff costs to total income %	73.7%	27.2%
Expenditure: Total expenditure (excl. depn)	£16,475,533	£15,089,972
Staff costs to total expenditure %	78.4%	81.1%

Trustees recognise that the 2022 staff costs to total income % appears very low by comparison to 2023. The reason for this is the opening of a new free school and the donation of the associated assets for that school. Otherwise the Trustees consider these KPIs to be in line with expectations and comparable to relevant benchmarking data.

**c. Promoting the success of the company**

Trustees have a duty to promote the success of the Trust to achieve its charitable purposes and, in doing so, are required by Section 172 of the Companies Act 2006 to have regard to the following:

1. The likely consequences of any decision in the long-term therefore all decisions are taken with a view of maintaining or improving the long-term educational, operational, and financial performance of the Trust.
2. The interests of Trust's employees therefore please refer to page 'Engagement with employees (including disabled persons)' on page 6.
3. The need to foster the Trust's business relationships with suppliers, customers, and others therefore please refer to 'Engagement with suppliers, customers, and other business relationships with the Trust' on page 7.
4. The impact of the Trust's operations on the community and the environment therefore the Trust is committed to developing strong community relationships while also considering the environmental impact of its operations with the aim of reducing impact to an absolute minimum.
5. The desirability of the Trust maintaining a reputation for high standards of business conduct therefore the values of the Trust of courage, kindness, and loyalty are key to decision-making in order to protect the Trust's reputation and ensuring high standards of business conduct.
6. The need to act fairly between members of the company therefore our biennial external review of governance supports self-evaluation and confidence in fair treatment within the organization.

**d. Going concern**

After making appropriate enquiries, the Trust Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Trustees are confident that budgets and forecasts adequately account for additional costs relating to government announced funding models, increases in inflation, especially the increased cost of energy, and that there is no material risk to the Trust's ability to continue in operational existence for the foreseeable future. For this reason, the Trust Board continues to adopt the going concern basis in preparing the financial statements.

**Transforming Lives Educational Trust**  
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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Financial review**

**Financial position**

Most of the Trust's income is obtained from the ESFA in the form of recurrent grant, the use of which is restricted to particular purposes and included within the Funding Agreement between the Secretary of State for Education and Transforming Lives Educational Trust.

The grants received from the DfE during the period ended 31 August 2023, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for capital expenditure from the DfE. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019) and the Academies Accounts Direction 2022-2023, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2023, the Trust received income of £15,239,085 (2022 - £13,747,785) from the DfE in respect of General Annual Grant (GAG) and other grants, and £956,790 (2022 - £276,451) in the form of DfE capital and maintenance grants. It also generated its own income of £133,172 (2022 - £134,585).

Total expenditure for the period before actuarial adjustments arising from the Local Government Pension Scheme (LGPS), depreciation and donated assets was £16,354,533 (2022 - £13,998,972).

The net deficit for the period amounted to £313,334, which included £1,334,575 of depreciation and £121,000 of LGPS costs.

As at 31 August 2023, the net book value of fixed assets was £47,228,742. The assets were used exclusively for providing education and the associated support services to the pupils and students of the academies.

The Trust held total fund balances at 31 August 2023 of £48,851,408 comprising a surplus of £1,156,090 on restricted general funds, a surplus of £509,574 on unrestricted general funds and £47,228,744 on the fixed assets funds. The LGPS was in deficit by £43,000 at the period end.

**a. Reserves policy**

The long to medium-term aim is for the Trust's general reserves balance (excluding pension reserve) to be maintained at a level of at least 3% of the combined GAG for all schools. This is the percentage that the Trustees regard as an appropriate level of reserves in the current operating environment.

Each year the Trust sets a balanced budget where the expectation is that each academy will anticipate a surplus of 3% of GAG. On occasion this may be flexed to meet any significant changes in the operational environment that may arise.

The Trust Reserves Policy does not state a maximum level of reserves, but rather seeks to align any Trust reserves with a long-term plan for each academy. Assuming the in-year surplus of around 3% is met then, over time, it is expected that the levels of reserves for the Trust will steadily build up. These reserves will be used to meet the long-term strategic plan for the Trust, in particular around the investments required in the infrastructure of each academy to maintain their physical and technological environment.

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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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The Audit & Risk Committee as approved by the trustees, review the level of reserves of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments, and the nature of reserves.

At the end of the year, free reserves totaled £477,308 which represent 3.49% of combined GAG for all academies.

In the next financial year commitments have already been made to certain projects across the Academies, some of which have commenced in 2022-2023. These projects are:

<b>Project</b>	<b>Academy</b>	<b>Purpose</b>	<b>Value (£)</b>
Kitchen Capacity	Houlton	Improve lunch time for pupils	8,000
Reception	Ashlawn	Improve visitor experience	25,000
Canteen	Ashlawn	Improve lunch time for pupils, increase capacity and flow	20,000
Classroom refurbishment	Ashlawn	Improve pupil experience	30,000
Carpeting	Henry Hinde	Improve pupil experience	14,500

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the LGPS that is provided for our non-teaching staff to a specific restricted reserve. As at 31 August 2023, the deficit on this reserve amounted to £43,000. It should be noted, however, that this does not present the Trust with a current liquidity problem.

**b. Investment policy**

The Trust is firmly committed to ensuring that all funds under its control are administered in such a way as to maximise return while minimizing risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of funds.

Under the Memorandum and Articles of Association the Trustees have the power to deposit or invest any funds not immediately required for the furtherance of its objects (but to invest only after obtaining such advice from an independent financial institution). During the year ended 31 August 2023, no investments were made.

**c. Principal risks and uncertainties**

The Trust is in a secure, stable, and sustainable financial position as a result of effective controls, scrutiny and audit. The Trust's academies are operated effectively, providing sound value for money.

The trustees have assessed the major risks to which the charitable company is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Trust and its finances. The trustees have implemented several systems to assess risks that the Trust faces, especially in the operational areas, and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial controls, to minimize risk. Where significant financial risk remains, they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls.

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**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

The Executive Leadership Team undertakes a comprehensive review of the risks to which the Trust is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Trust. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Trust Executive Leadership Team also consider any risks which may arise as a result of any new area of work being undertaken by the Trust.

A risk register is maintained by the Trust Board, which is reviewed at least annually by trustees and more frequently by the Audit and Risk Committee and the Executive Leadership Team. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Trust and the actions being taken to reduce and mitigate the risks. Risks are prioritized using a consistent scoring system.

The trustees confirm that the major risks to which the Trust is exposed have been reviewed, in particular those relating to teaching, provision of facilities, and other operational areas of the Trust, and its finances. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

Together, these represent the key areas of risk to the Trust and its academies and, as such, adequate mitigating actions have been identified and are reviewed as part of the Trust Board's oversight of the risk register.

The Trustees have assessed the major risks to which it is exposed and are satisfied that its systems of governance and procedures are adequate to mitigate such exposure of risk.

The principal areas of risk to Transforming Lives Educational Trust have been reviewed by the Trust Board. As a result, two principal risks have been identified:

<b>Area of Risk</b>	<b>Causes and evidence</b>	<b>Potential Impact</b>	<b>Mitigation examples</b>
<b>Pupil wellbeing</b>	The aftermath of Covid on physical and emotional health Increasing SEN needs in mainstream cohorts Growing influence of social media on behaviour and emotions The economic situation and its impact on household finances	Impact on pupil behaviour Impact on pupil outcomes Impact of staff wellbeing	Consider level of pastoral / SEN resources Vigilance through safeguarding and pastoral activities Reporting of deteriorating behaviour and wellbeing trends to the Board
<b>Staff wellbeing</b>	The economic situation and impact on household finances Impact of potential industrial action over pay The impact of an extended period of change and exceptional workload as a result of Covid Continued influence of Covid on physical and emotional health Competitive employment market in Rugby	Impact on staff attendance Impact on staff motivation Impact of staff leaving Impact on pupil outcomes	HR strategies and services supporting wellbeing Extra focus on performance management, wellbeing discussions and coaching conversations Maintaining fabric and facilities, but also expectation management of what is possible Monitor and report staff welfare through surveys

The two principal areas of risk extend out to an additional four risks that cover:

- Reputation
- Leadership
- Expenses/Rising Costs
- Growth

Not all factors are within the Trust's control and other factors, not listed above, may also adversely affect the Trust.



**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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Risks are mitigated in a number of ways, including:

- Ensuring the Trust is rigorous in delivering high quality education and training
- A comprehensive marketing/PR programme
- Rigorous monitoring of financial activities ensuring value for money
- Maintenance of a detailed estate condition improvement plan to ensure maximum value is obtained from the Trust's premises
- Robust quality assurance system to ensure systems in place for safeguarding remain effective

**d. Fundraising**

The Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. All fundraising is undertaken at individual academy level and any funds raised remain within the academy which raised them, unless specifically raised for a charitable donation.

In circumstances where fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensure all activities are agreed and monitored at Senior Leadership Team level. Recognised standards are applied to ensure that fundraising is open, honest, and respectful, protecting the public from undue pressure to donate. The Trust does not usually work with professional fundraisers or companies who carry out fundraising on its behalf.

Complaints are handled and monitored through the Trust's complaints procedure. During the year no complaints or issues have arisen as result of the fundraising activities.

**e. Systems of internal control**

The Trust continues to develop and embed the system of internal control, including financial, operational and risk management, which is designed to protect the Trust's assets and reputation.

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. It includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trust Board.
- Regular reviews by the Audit & Risk sub-committee, as approved by the Trustees, of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Mandatory finance and risk reporting frameworks for local governance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The Trust Board continues to determine the need for a specific internal audit function and has appointed Academy Advisory as the Trust's internal auditors.

The internal auditors report to the Trust Board through the Audit & Risk Committee on the operation of the systems of control and on the discharge of the Trust Board's financial responsibilities.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

**Streamlined energy and carbon reporting**

The Group's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
<b>Energy consumption breakdown (kWh):</b>		
Gas	2,945,961	2,796,302
Electricity	1,133,411	1,139,455
Transport fuel	8,581	8,361
<b>Scope 1 emissions (in tonnes of CO2 equivalent):</b>		
Gas consumption and biomass	543.43	516.56
Owned transport - mini-buses	1.02	1.02
<b>Total scope 1</b>	<u>544.45</u>	<u>517.58</u>
<b>Scope 2 emissions (in tonnes of CO2 equivalent):</b>		
Purchased electricity	<u>264.24</u>	<u>265.65</u>
<b>Scope 3 emissions (in tonnes of CO2 equivalent):</b>		
Business travel in employee-owned or rental vehicles	<u>0.90</u>	<u>0.84</u>
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<u>809.59</u>	<u>784.07</u>
<b>Intensity ratio:</b>		
Tonnes of CO2 equivalent per pupil	<u>.32</u>	<u>.33</u>

The Group has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2023 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency:

We have costed plan of actions that could be taken in the future if funds allow.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Plans for future periods**

Transforming Lives Educational Trust is geared to develop its status as a strong schools' trust through the inclusion and incorporation of primary and secondary schools within the Rugby area as well as schools from within an accessible geographical proximity operating to same/similar ethos and values.

Additionally, and with the remit of 'transforming lives', the Trust will increasingly seek to bring on board under-performing schools.

Specifically, in 2023/24, our main objectives are:

- To launch and instill 'The TLET Way' across the Trust and its academies in order to further promote collaboration and partnership in the pursuit of common goals.
- To begin to deliver our new strategic ambitions via Trust-wide 'pledges' that outline our commitment to staff development, community cohesion, and school improvement.
- To continue to embed the central support and school improvement structures, ensuring roles and responsibilities are clear and that the impact on school improvement is demonstrable.
- Develop a sector-leading approach to employee training, professional growth, and well-being so that all our staff have a deep sense of belonging, feel empowered and capable.
- Develop a Trust-wide approach to pupil and student personal development so that our children and young people are better prepared to be the transformers of tomorrow.
- Develop a sector-leading approach to equity so that everyone benefits from the same level of advantage, regardless of the academy they attend or work in.
- Implement our Sustainability Policy to realise the next phase of reducing the Trust's impact on the environment.

**Funds held as custodian on behalf of others**

At 31 August 2023, £20,000 was being held on behalf of Warwickshire County Council Cluster services.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

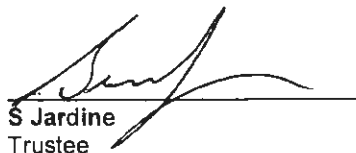
**Auditors**

The auditors, Dains Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2023 and signed on its behalf by:



**G J French**  
Chair of Trustees



**S Jardine**  
Trustee

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Transforming Lives Educational Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Transforming Lives Educational Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
G J French, Chair of Trustees	6	6
S Jardine	5	6
S Crosson	6	6
N Watson	2	6
V Armeson	3	6
J Thomas	4	6
C Keady	3	6
K Zardin	6	6
R Walker-Green	6	6
S Rose	5	6
M Hopkins	4	5

The Audit and Risk sub-committee is a sub-committee of the main Board of Trustees and met on 2 occasions.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Hopkins	0	2
S Jardine	2	2
S Rose	1	2
N Watson	2	2

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**Governance (continued)**

The Business Standards sub-committee met on 3 occasions.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
G French	3	3
C Keady	3	3
J Thomas	2	3
K Zardin	3	3

The Standards & Safeguarding sub-committee met on 3 occasions.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Crosson	3	3
V Armeson	3	3
R Walker-Green	3	3

**Review of value for money**

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

- Supporting close working relationships between Trust academies to enable proactive support and challenge across our academies;
- Commencing and reviewing the procurement of services across our academies to achieve better quality, greater economies of scale and consistent outcomes via Trust-wide central service provision;
- Greater economies of scale and consistent outcomes via Trust-wide central service provision, including, but not limited to the review of copier contracts, catering and IT hardware leasing;
- Consulting appropriate stakeholders before major decisions are made; and promoting fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way; and
- Achieving positive educational outcomes, typically above national averages.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Transforming Lives Educational Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**Capacity to handle risk**

The Trust Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

**The risk and control framework**

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trust Board;
- regular reviews by the Audit and Risk sub-committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ Academy Advisory as internal auditor.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current period included:

- a review of the Trust's Central Capacity;
- a review of the ICT systems and Controls;
- a review of the internal controls and safeguards against identified risks; and
- review of current practices in place to govern risk management including a review of the risk register to provide feedback and suggested improvements.

The internal auditors report to the Trust Board through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Trust Board's financial responsibilities.

On an annual basis, the internal auditor reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the internal auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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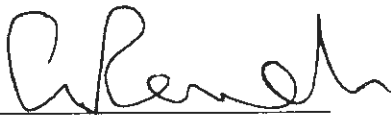
**Review of effectiveness**

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


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

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

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on their behalf by:



**G J French**  
Chair of Trustees



**J E Higham**  
Accounting Officer

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Statement on Regularity, Propriety and Compliance**

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As Accounting Officer of Transforming Lives Educational Trust I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2022.

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



**J Higham**  
Accounting Officer

Date: 7 December 2023



**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Statement of Trustees' responsibilities**  
**For the Year Ended 31 August 2023**

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

Company law requires the Trustees to prepare financial statements for each financial . 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 Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on its behalf by:



**G J French**  
Chair of Trustees

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Transforming Lives Educational Trust**

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**Opinion**

We have audited the financial statements of Transforming Lives Educational Trust (the 'parent Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Trust's affairs as at 31 August 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Trust'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.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Transforming Lives Educational Trust (continued)**

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**Other information**

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

We have nothing to report in this regard.

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

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

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

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

In the light of our knowledge and understanding of the Group and the parent Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Trust 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, the Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Transforming Lives Educational Trust (continued)**

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

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the Academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

**Auditors' responsibilities for the audit of the financial statements (continued)**

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**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Transforming Lives Educational Trust (continued)**

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

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

**Use of our report**

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

*Dains Audit Limited*

**Andrew Morris FCA (Senior Statutory Auditor)**

for and on behalf of  
**Dains Audit Limited**

Statutory Auditor  
Chartered Accountants

Birmingham

7 December 2023

**Transforming Lives Educational Trust  
(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to Transforming Lives Educational Trust and the Education & Skills Funding Agency**

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In accordance with the terms of our engagement letter dated 10 October 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Transforming Lives Educational Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Transforming Lives Educational Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Transforming Lives Educational Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Transforming Lives Educational Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Transforming Lives Educational Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Transforming Lives Educational Trust's funding agreement with the Secretary of State for Education dated 29 September 2015 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

**Transforming Lives Educational Trust  
(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to Transforming Lives  
Educational Trust and the Education & Skills Funding Agency (continued)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Dains Audit Limited*

**Dains Audit Limited**

Statutory Auditor  
Chartered Accountants

Date: 7 December 2023

**Transforming Lives Educational Trust**  
(A Company Limited by Guarantee)

**Consolidated Statement of financial activities (incorporating income and expenditure account)**  
**For the Year Ended 31 August 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>						
Donations and capital grants:	4					
Transfer of free school into the Trust		-	-	-	-	29,894,522
Other donations and capital grants		10,897	-	956,790	967,687	307,075
Other trading activities	6	86,666	-	-	86,666	73,141
Investments	7	346	-	-	346	297
Charitable activities:	5					
Trust educational operations		46,506	16,437,569	-	16,484,075	14,769,428
<b>Total income</b>		<b>144,415</b>	<b>16,437,569</b>	<b>956,790</b>	<b>17,538,774</b>	<b>45,044,463</b>
<b>Expenditure on:</b>						
Charitable activities:						
Trust educational operations	9	46,697	16,470,836	1,334,575	17,852,108	16,473,904
<b>Total expenditure</b>		<b>46,697</b>	<b>16,470,836</b>	<b>1,334,575</b>	<b>17,852,108</b>	<b>16,473,904</b>
<b>Net income/(expenditure)</b>		<b>97,718</b>	<b>(33,267)</b>	<b>(377,785)</b>	<b>(313,334)</b>	<b>28,570,559</b>
Transfers between funds	21	-	(225,904)	225,904	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>97,718</b>	<b>(259,171)</b>	<b>(151,881)</b>	<b>(313,334)</b>	<b>28,570,559</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit pension schemes	29	-	1,756,000	-	1,756,000	7,377,000
Derecognition of pension surplus	29	-	(705,000)	-	(705,000)	-
<b>Net movement in funds</b>		<b>97,718</b>	<b>791,829</b>	<b>(151,881)</b>	<b>737,666</b>	<b>35,947,559</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		411,856	321,261	47,380,625	48,113,742	12,166,183
Net movement in funds		97,718	791,829	(151,881)	737,666	35,947,559
<b>Total funds carried forward</b>		<b>509,574</b>	<b>1,113,090</b>	<b>47,228,744</b>	<b>48,851,408</b>	<b>48,113,742</b>

The notes on pages 36 to 72 form part of these financial statements.



Transforming Lives Educational Trust  
(A Company Limited by Guarantee)  
Registered number: 07515832

Consolidated Balance Sheet  
As at 31 August 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	16	47,228,742	47,379,397
		<u>47,228,742</u>	<u>47,379,397</u>
<b>Current assets</b>			
Debtors	18	472,083	335,963
Cash at bank and in hand		2,574,900	2,604,576
		<u>3,046,983</u>	<u>2,940,539</u>
Creditors: amounts falling due within one year	19	(1,379,077)	(1,212,591)
<b>Net current assets</b>		<u>1,667,906</u>	<u>1,727,948</u>
<b>Total assets less current liabilities</b>		<u>48,896,648</u>	<u>49,107,345</u>
Creditors: amounts falling due after more than one year	20	(2,240)	(62,603)
<b>Net assets excluding pension liability</b>		<u>48,894,408</u>	<u>49,044,742</u>
Defined benefit pension scheme liability	29	(43,000)	(931,000)
<b>Total net assets</b>		<u><u>48,851,408</u></u>	<u><u>48,113,742</u></u>
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	21	47,228,744	47,380,625
Restricted income funds	21	1,156,090	1,252,261
Pension reserve	21	(43,000)	(931,000)
<b>Total restricted funds</b>	21	<u>48,341,834</u>	<u>47,701,886</u>
<b>Unrestricted income funds</b>	21	<u>509,574</u>	<u>411,856</u>
<b>Total funds</b>		<u><u>48,851,408</u></u>	<u><u>48,113,742</u></u>

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**  
**Registered number: 07515832**

**Consolidated Balance Sheet (continued)**  
**As at 31 August 2023**

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The financial statements on pages 30 to 72 were approved by the Trustees, and authorised for issue on 7 December 2023 and are signed on their behalf, by:



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**G J French**  
Chair of Trustees

The notes on pages 36 to 72 form part of these financial statements.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**  
**Registered number: 07515832**

**Trust Statement of financial position**  
**As at 31 August 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	16	47,228,742	47,379,397
Investments	17	1	1
		<u>47,228,743</u>	<u>47,379,398</u>
<b>Current assets</b>			
Debtors	18	472,083	335,963
Cash at bank and in hand		2,574,900	2,604,576
		<u>3,046,983</u>	<u>2,940,539</u>
Creditors: amounts falling due within one year	19	(1,379,078)	(1,212,592)
<b>Net current assets</b>		<u>1,667,905</u>	<u>1,727,947</u>
<b>Total assets less current liabilities</b>		<u>48,896,648</u>	<u>49,107,345</u>
Creditors: amounts falling due after more than one year	20	(2,240)	(62,603)
<b>Net assets excluding pension liability</b>		<u>48,894,408</u>	<u>49,044,742</u>
Defined benefit pension scheme liability	29	(43,000)	(931,000)
<b>Total net assets</b>		<u>48,851,408</u>	<u>48,113,742</u>
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	21	47,228,744	47,380,625
Restricted income funds	21	1,156,090	1,252,261
Pension reserve	21	(43,000)	(931,000)
<b>Total restricted funds</b>	21	<u>48,341,834</u>	<u>47,701,886</u>
<b>Unrestricted income funds</b>	21	<u>509,574</u>	<u>411,856</u>
<b>Total funds</b>		<u>48,851,408</u>	<u>48,113,742</u>

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**  
**Registered number: 07515832**

**Trust Statement of financial position (continued)**  
**As at 31 August 2023**

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The financial statements on pages 30 to 72 were approved by the Trustees, and authorised for issue on 07 December 2023 and are signed on their behalf, by:



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**G J French**  
Chair of Trustees

The notes on pages 36 to 72 form part of these financial statements.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Consolidated Statement of Cash Flows**  
**For the Year Ended 31 August 2023**

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	<b>Note</b>	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	<b>257,471</b>	748,778
<b>Cash flows from investing activities</b>	25	<b>(226,784)</b>	(185,748)
<b>Cash flows from financing activities</b>	24	<b>(60,363)</b>	(60,363)
<b>Change in cash and cash equivalents in the year</b>		<b>(29,676)</b>	502,667
Cash and cash equivalents at the beginning of the year		<b>2,604,576</b>	2,101,909
<b>Cash and cash equivalents at the end of the year</b>	26, 27	<b>2,574,900</b>	2,604,576

The notes on pages 36 to 72 form part of these financial statements

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. General information**

Transforming Lives Educational Trust is a private Company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales. The registered number and address of the registered office is given on page 1 of these financial statements.

**2. Accounting policies**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

**2.1 Basis of preparation of financial statements**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Transforming Lives Educational Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in the Trust's functional and presentational currency of GBP (Sterling). They are rounded to the nearest £.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

**2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trustees have prepared forecasts through to 31 August 2025, incorporating expected increased funding from increased pupil numbers and increased staff costs. These forecasts demonstrate that the Trust is expected to generate financial surpluses for years 2023/24 to 2025/26.

As at 31 August 2023, the Group had net current assets of £1,667,906 (2022 - £1,727,948) and based on cash flow forecasts is expected to continue to be able to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

**2. Accounting policies (continued)**

**2.3 Income**

All incoming resources are recognised when the Group has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

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

• **Other income**

Other income, including catering and lettings, is recognised in the year it is receivable and to the extent the Group has provided the goods or services.

• **Transfer of existing academies into the Group**

Where assets and liabilities are received on the transfer of an existing academy into the Group, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Group. An equal amount of income is recognised for the transfer of an existing academy into the Group within 'Income from Donations and Capital Grants' to the net assets acquired.

• **Donated fixed assets (excluding transfers on conversion or into the Group)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Group's accounting policies.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

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

• **Charitable activities**

These are costs incurred on the Group's educational operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.



**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long term leasehold land	- 0.8% straight-line
Long-term leasehold property	- 2% reducing balance
Leasehold improvements	- 4% reducing balance
Fixtures, fittings and equipment	- 20% reducing balance
Computer equipment	- 33.33% reducing balance
Motor vehicles	- 10% reducing balance
Other fixed assets	- 5% reducing balance

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to leasehold land and buildings or leasehold improvements.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

**2.8 Investments**

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

**2.9 Debtors**

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

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2. Accounting policies (continued)**

**2.11 Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.12 Provisions**

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

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

**2.13 Financial instruments**

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

**2.14 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**2. Accounting policies (continued)**

**2.15 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group at the discretion of the Trustees.

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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

**2.16 Pensions**

Retirement benefits to employees of the Group are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**3. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Critical areas of judgement:**

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Trustees to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Trustees believe that the critical accounting policies where judgements or estimating are necessarily applied are summarised below.

**Depreciation and residual value**

Tangible fixed assets are depreciated over the useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**4. Income from donations and capital grants**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted fixed asset funds 2023 £</b>	<b>Total funds 2023 £</b>
<b>Donations</b>			
Donations	10,897	-	<b>10,897</b>
Capital Grants	-	956,790	<b>956,790</b>
	<u>10,897</u>	<u>956,790</u>	<u><b>967,687</b></u>

	<b>Unrestricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>
<b>Donations</b>			
Transfer of new academy into the Trust	-	29,894,522	29,894,522
Donations	30,624	-	30,624
Capital Grants	-	276,451	276,451
	<u>30,624</u>	<u>30,170,973</u>	<u><b>30,201,597</b></u>

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**5. Funding for the Trust's charitable activities**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
<b>Educational Operations</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	13,672,770	13,672,770
Other DfE/ESFA grants			
Start up grant	-	183,500	183,500
PE and Sports Premium	-	32,790	32,790
Pupil Premium	-	524,722	524,722
Teachers pay grant	-	92,760	92,760
Universal Infant Free School Meals grant	-	34,014	34,014
School supplementary grant	-	362,157	362,157
Other DfE/ESFA grants	-	336,372	336,372
	-	15,239,085	15,239,085
<b>Other Government grants</b>			
Special Educational Needs	-	416,352	416,352
Other government grants	-	107,601	107,601
	-	523,953	523,953
<b>Other income from the Trust's educational operations</b>	46,506	585,918	632,424
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Recovery Premium	-	88,613	88,613
	-	88,613	88,613
	46,506	16,437,569	16,484,075

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**5. Funding for the Trust's charitable activities (continued)**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
<b>Educational Operations</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	12,522,335	12,522,335
Other DfE/ESFA grants			
Start up grant	-	215,000	215,000
PE and Sports Premium	-	35,410	35,410
Pupil premium	-	499,760	499,760
Teachers pay grant	-	119,056	119,056
Universal Infant Free School Meals grant	-	29,485	29,485
Other DfE/ESFA grants	-	326,739	326,739
	-	13,747,785	13,747,785
<b>Other Government grants</b>			
Special Educational Needs	-	374,871	374,871
Other government grants	-	37,764	37,764
	-	412,635	412,635
<b>Other income from the Trust's educational operations</b>	61,444	547,564	609,008
	61,444	14,707,984	14,769,428

The Multi Academy Trust received £88,613 (2022 - £Nil) of COVID-19 Recovery/Catch-up Premium. During the year, costs incurred in respect of this funding totalled £88,613 (2022 - £Nil) and therefore a balance of £Nil (2022 - £Nil) is carried forward.

Included in other income from the Multi Academy Trust's educational operations are catering income, educational trips income, teacher training income, music income, clubs income and general sales income.

Transforming Lives Educational Trust  
(A Company Limited by Guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2023

6. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Other trading income	170	170
Lettings	86,496	86,496
	<u>86,666</u>	<u>86,666</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Other trading income	636	636
Lettings	72,505	72,505
	<u>73,141</u>	<u>73,141</u>

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Interest	<u>346</u>	<u>346</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Interest	<u>297</u>	<u>297</u>



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**8. Expenditure**

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Educational Operations:				
Direct costs	11,144,842	896,847	1,830,946	<b>13,872,635</b>
Support costs	1,773,625	999,481	1,206,367	<b>3,979,473</b>
	<u>12,918,467</u>	<u>1,896,328</u>	<u>3,037,313</u>	<u><b>17,852,108</b></u>
	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Educational Operations:				
Direct costs	10,224,560	1,381,244	1,281,505	12,887,309
Support costs	1,935,218	736,754	914,623	3,586,595
	<u>12,159,778</u>	<u>2,117,998</u>	<u>2,196,128</u>	<u>16,473,904</u>

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**9. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>
Educational Operations	46,697	17,805,411	<b>17,852,108</b>

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>
Educational Operations	64,826	16,409,078	<b>16,473,904</b>

**10. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Educational Operations	13,872,635	3,979,473	<b>17,852,108</b>

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Educational Operations	12,887,309	3,586,595	<b>16,473,904</b>

**Transforming Lives Educational Trust**  
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**For the Year Ended 31 August 2023**

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**10. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Pension finance costs	<b>42,000</b>	126,000
Staff costs	<b>11,144,842</b>	10,763,149
Depreciation	<b>896,847</b>	996,014
Educational supplies	<b>370,840</b>	257,662
Examination fees	<b>203,973</b>	102,720
Staff development	<b>270</b>	16,838
Music instruction, sports coaches and swimming lessons	<b>317,306</b>	66,522
Educational consultancy	<b>82,240</b>	77,715
Trips expenditure	<b>440,279</b>	163,075
Other direct costs	<b>95,589</b>	11,282
Recruitment and CPD training	<b>22,646</b>	134,979
Maintenance of equipment	<b>24,855</b>	15,642
Technology costs	<b>230,948</b>	155,711
	<b><u>13,872,635</u></b>	<b><u>12,887,309</u></b>

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**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	1,773,625	1,472,721
Depreciation	437,728	387,918
Printing, postage and stationery	46,666	28,758
Travel and subsistence	13,706	4,088
Other support costs	164,389	200,546
Catering costs	350,263	331,194
Maintenance of premises	492,992	392,055
Maintenance of equipment	11,016	73,485
Rates	79,103	80,703
Energy	315,325	263,995
Insurance	63,415	55,208
Transport	11,819	11,904
Telephone costs	11,437	11,767
Legal, professional and marketing costs	207,989	272,253
	<b>3,979,473</b>	<b>3,586,595</b>

**11. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2023 £</b>	<b>2022 £</b>
Operating lease rentals	48,643	54,876
Depreciation of tangible fixed assets	1,334,575	1,383,931
Fees paid to auditors for:		
- audit	19,100	14,350
- other services	2,875	4,625

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**12. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Multi- Academy Trust 2023 £</b>	<b>Multi- Academy Trust 2022 £</b>
Wages and salaries	9,305,271	8,304,802	9,305,271	8,304,802
Social security costs	937,869	787,036	937,869	787,036
Pension costs	2,183,440	2,799,449	2,183,440	2,799,449
	<u>12,426,580</u>	<u>11,891,287</u>	<u>12,426,580</u>	<u>11,891,287</u>
Agency staff costs	483,887	344,583	483,887	344,583
Staff restructuring costs	8,000	-	8,000	-
	<u>12,918,467</u>	<u>12,235,870</u>	<u>12,918,467</u>	<u>12,235,870</u>

Staff restructuring costs comprise:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Multi- Academy Trust 2023 £</b>	<b>Multi- Academy Trust 2022 £</b>
Redundancy payments	38,050	59,471	38,050	59,471
Severance payments	8,000	-	8,000	-
	<u>46,050</u>	<u>59,471</u>	<u>46,050</u>	<u>59,471</u>

**b. Severance payments**

The Group paid 1 severance payment in the year (2022 - 0), disclosed in the following bands:

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>
£0 - £25,000	<u>1</u>	<u>-</u>

**c. Special staff severance payments**

Included in staff restructuring costs are non-contractual severance payments totalling £8,000 (2022 - £Nil). Individually, the payment was £8,000 (2022 - £Nil).

**Transforming Lives Educational Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**12. Staff (continued)**

**d. Staff numbers**

The average number of persons employed by the Group and the Trust during the year was as follows:

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>
Leadership	15	15
Teachers	134	129
Administration and support	199	199
	<u>348</u>	<u>343</u>

**e. Higher paid staff**

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

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>
In the band £60,001 - £70,000	6	7
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

**f. Key management personnel**

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,806,981 (2022 - £1,303,095).

**Transforming Lives Educational Trust**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**13. Central services**

The Group has provided the following central services to its academies during the year:

- Finance and accounting
- HR and payroll
- Legal, compliance and risk
- Marketing and PR
- Governance
- Estates
- IT
- School improvement
- WES

The Group charges for these services on the following basis:

The Central Charge for 2022/2023 was made based on 8.5% of budgeted income from DfE/ESFA. In detail, this is made up of a 7.5% charge of budgeted DfE income and a further 1% of budgeted DfE income in respect of school improvement support.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Ashlawn School	884,575	857,102
Henry Hinde Infant School	70,555	72,869
Henry Hinde Junior School	114,200	102,818
Houlton School	193,643	110,132
<b>Total</b>	<b>1,262,973</b>	<b>1,142,921</b>

**14. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

**15. Trustees' and Officers' insurance**

The Group has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

**Transforming Lives Educational Trust**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**16. Tangible fixed assets**

**Group and Multi-Academy Trust**

	Long-term leasehold property £	Leasehold improvements £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Other fixed assets £	Assets under construction £	Total £
<b>Cost or valuation</b>								
At 1 September 2022	46,635,283	3,336,568	1,601,053	1,270,127	9,996	148,573	195,892	53,197,492
Additions	-	244,105	13,919	190,576	-	25,579	709,741	1,183,920
Transfers between classes	-	117,030	-	-	-	49,214	(166,244)	-
At 31 August 2023	46,635,283	3,697,703	1,614,972	1,460,703	9,996	223,366	739,389	54,381,412
<b>Depreciation</b>								
At 1 September 2022	3,559,054	725,983	621,639	846,112	5,068	60,239	-	5,818,095
Charge for the year	805,156	95,105	200,829	228,575	493	4,417	-	1,334,575
At 31 August 2023	4,364,210	821,088	822,468	1,074,687	5,561	64,656	-	7,152,670
<b>Net book value</b>								
At 31 August 2023	42,271,073	2,876,615	792,504	386,016	4,435	158,710	739,389	47,228,742
At 31 August 2022	43,076,229	2,610,585	979,414	424,015	4,928	88,334	195,892	47,379,397



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**16. Tangible fixed assets (continued)**

Included in the net book value of property displayed above are the following amounts ascribable to land:

	<b>Group</b>	<b>Group</b>	<b>Multi- Academy Trust</b>	<b>Multi- Academy Trust</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	£	£	£	£
Long-term leasehold land	<b>3,047,706</b>	3,072,352	<b>3,047,706</b>	3,072,352

**17. Fixed asset investments**

<b>Trust</b>	<b>Investments in subsidiary companies £</b>
<b>Cost</b>	
At 1 September 2022	1
At 31 August 2023	1
<b>Net book value</b>	
At 31 August 2023	1
At 31 August 2022	1

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For the Year Ended 31 August 2023

18. Debtors

	Group 2023 £	Group 2022 £	Multi- Academy Trust 2023 £	Multi- Academy Trust 2022 £
<b>Due within one year</b>				
Trade debtors	5,000	9,000	5,000	9,000
Other debtors	1,495	2,326	1,495	2,326
Prepayments and accrued income	350,064	215,419	350,064	215,419
VAT recoverable	115,524	109,218	115,524	109,218
	<u>472,083</u>	<u>335,963</u>	<u>472,083</u>	<u>335,963</u>

19. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Multi- Academy Trust 2023 £	Multi- Academy Trust 2022 £
Other loans	60,363	60,363	60,363	60,363
Trade creditors	340,841	339,265	340,841	339,265
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	214,593	189,908	214,593	189,908
Other creditors	234,935	203,320	234,935	203,320
Accruals and deferred income	528,345	419,735	528,345	419,735
	<u>1,379,077</u>	<u>1,212,591</u>	<u>1,379,078</u>	<u>1,212,592</u>

**Transforming Lives Educational Trust**  
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**Notes to the Financial Statements**  
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**19. Creditors: Amounts falling due within one year (continued)**

	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>Multi- Academy Trust</b> <b>2023</b> £	Multi- Academy Trust 2022 £
	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>Multi- Academy Trust</b> <b>2023</b> £	Multi- Academy Trust 2022 £
Deferred income at 1 September 2022	<b>98,542</b>	121,475	<b>98,542</b>	121,475
Resources deferred during the year	<b>155,225</b>	98,542	<b>155,225</b>	98,542
Amounts released from previous periods	<b>(98,542)</b>	(121,475)	<b>(98,542)</b>	(121,475)
	<b>155,225</b>	98,542	<b>155,225</b>	98,542

At the balance sheet date, the Trust was holding funds received in advance for educational visits booked for the 2023-24 academic year, Universal Infant Free Schools grant funding received in advance for the Autumn Term 2023, and sustainable capital grant funding received for projects taking place in the 2023-24 academic year.

**20. Creditors: Amounts falling due after more than one year**

	<b>Group</b> <b>2023</b> £	Group 2022 £	<b>Multi- Academy Trust</b> <b>2023</b> £	Multi- Academy Trust 2022 £
Other loans	<b>2,240</b>	62,603	<b>2,240</b>	62,603

Included within other loans payable in more than one year are loans received from the ESFA for capital projects which are payable over seven and eight years respectively.

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Notes to the Financial Statements  
For the Year Ended 31 August 2023

21. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Student Inspirational Fund	32,266	-	-	-	-	32,266
<b>General funds</b>						
General Funds	379,590	144,415	(46,697)	-	-	477,308
<b>Total Unrestricted funds</b>	<b>411,856</b>	<b>144,415</b>	<b>(46,697)</b>	<b>-</b>	<b>-</b>	<b>509,574</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	1,216,301	13,658,616	(13,201,761)	(547,723)	-	1,125,433
Start-up grants	-	183,500	(183,500)	-	-	-
Pupil Premium	-	524,722	(524,722)	-	-	-
Other DfE/ESFA grants	-	858,093	(858,093)	-	-	-
Other government grants	-	523,953	(523,953)	-	-	-
Catering	-	59,475	(342,947)	283,472	-	-
16/19 bursary fund	35,960	14,154	(24,000)	-	-	26,114
Other restricted funds	-	526,443	(560,247)	38,347	-	4,543
COVID-19 funding	-	88,613	(88,613)	-	-	-
Pension reserve	(931,000)	-	(163,000)	-	1,051,000	(43,000)
	<b>321,261</b>	<b>16,437,569</b>	<b>(16,470,836)</b>	<b>(225,904)</b>	<b>1,051,000</b>	<b>1,113,090</b>

**Transforming Lives Educational Trust**  
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**21. Statement of funds (continued)**

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Restricted fixed asset funds</b>						
Gift from Local Authority and other multi academy trusts	39,611,297	-	(899,951)	-	-	38,711,346
DfE/ESFA capital grants and revenue transfer to capital	1,482,932	296,321	(395,328)	225,904	-	1,609,829
Other fixed asset funding	890,378	-	(10,475)	-	-	879,903
ACMF Funding	1,990,219	-	(11,397)	-	-	1,978,822
Condition Improvement Funding	3,405,799	660,469	(17,424)	-	-	4,048,844
	<u>47,380,625</u>	<u>956,790</u>	<u>(1,334,575)</u>	<u>225,904</u>	<u>-</u>	<u>47,228,744</u>
<b>Total Restricted funds</b>	<u>47,701,886</u>	<u>17,394,359</u>	<u>(17,805,411)</u>	<u>-</u>	<u>1,051,000</u>	<u>48,341,834</u>
<b>Total funds</b>	<u><u>48,113,742</u></u>	<u><u>17,538,774</u></u>	<u><u>(17,852,108)</u></u>	<u><u>-</u></u>	<u><u>1,051,000</u></u>	<u><u>48,851,408</u></u>

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

**Restricted general fund**

This fund represents grants and other income received for the Trust's operational activities and development.

**Pension reserve**

The pension reserve included within restricted general funds represents the Trust's share of the pension liability arising on the LGPS pension fund.

**Restricted fixed asset funds**

These funds represents grants received from the DfE and ESFA to carry out works of a capital nature.

**Transfers between funds**

Transfers between funds represent a contribution to capital made from revenue at the agreement of the Trustees.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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**21. Statement of funds (continued)**

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Student Inspirational Fund	34,929	-	(2,663)	-	-	32,266
<b>General funds</b>						
General Funds	174,848	165,506	(62,163)	101,399	-	379,590
<b>Total Unrestricted funds</b>	<b>209,777</b>	<b>165,506</b>	<b>(64,826)</b>	<b>101,399</b>	<b>-</b>	<b>411,856</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	707,036	12,503,366	(11,883,293)	(110,808)	-	1,216,301
Start-up grants	-	215,000	(215,000)	-	-	-
Pupil Premium	-	499,760	(499,760)	-	-	-
Other DfE/ESFA grants	-	391,635	(277,629)	(114,006)	-	-
Other government grants	-	412,635	(412,635)	-	-	-
Catering	-	226,780	(331,194)	104,414	-	-
16/19 bursary fund	49,496	18,969	(32,505)	-	-	35,960
Other restricted funds	-	320,783	(163,074)	(157,709)	-	-
Teachers pay grants	-	119,056	(119,056)	-	-	-
Pension reserve	(7,217,000)	-	(1,091,000)	-	7,377,000	(931,000)
	<b>(6,460,468)</b>	<b>14,707,984</b>	<b>(15,025,146)</b>	<b>(278,109)</b>	<b>7,377,000</b>	<b>321,261</b>

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**21. Statement of funds (continued)**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Restricted fixed asset funds</b>						
Gift from Local Authority and other multi academy trusts	10,873,445	29,894,522	(1,156,670)	-	-	39,611,297
DfE/ESFA capital grants and revenue transfer to capital	1,219,464	276,451	(189,693)	176,710	-	1,482,932
Other fixed asset funding	897,502	-	(7,124)	-	-	890,378
ACMF Funding	2,002,390	-	(12,171)	-	-	1,990,219
Condition Improvement Funding	3,424,073	-	(18,274)	-	-	3,405,799
	<u>18,416,874</u>	<u>30,170,973</u>	<u>(1,383,932)</u>	<u>176,710</u>	<u>-</u>	<u>47,380,625</u>
<b>Total Restricted funds</b>	<u>11,956,406</u>	<u>44,878,957</u>	<u>(16,409,078)</u>	<u>(101,399)</u>	<u>7,377,000</u>	<u>47,701,886</u>
<b>Total funds</b>	<u><u>12,166,183</u></u>	<u><u>45,044,463</u></u>	<u><u>(16,473,904)</u></u>	<u><u>-</u></u>	<u><u>7,377,000</u></u>	<u><u>48,113,742</u></u>

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**21. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Ashlawn School	1,921,038	1,697,646
Henry Hinde Infant School	(180,744)	(78,888)
Henry Hinde Junior School	127,150	113,711
Houlton School	159,046	75,842
Central Services	(360,826)	(144,194)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,665,664	1,664,117
Restricted fixed asset fund	47,228,744	47,380,625
Pension reserve	(43,000)	(931,000)
	<hr/>	<hr/>
<b>Total</b>	<b>48,851,408</b>	<b>48,113,742</b>
	<hr/> <hr/>	<hr/> <hr/>

The following funds are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Central Services	360,826
Henry Hinde Infant School	180,744
	<hr/> <hr/>



**21. Statement of funds (continued)**

The Trust is moving to a GAG pooling model from the 1st September 2023.

The Central Services deficit represents an increased position from last year. The Trust is at a point in its growth where there is a need to invest in Central Services in order to have the capacity which is required for growth. In 2022/2023 Central Services was subject to an Internal Audit to better understand our direction of travel and capacity to grow. The executive summary of this report stated:

“Put simply, most other MATs will employ a central team of executive leaders and trust-wide managers, overseeing teams that are budgeted for, and in most cases, co-managed locally with constituent academies. TLET employ a different approach and one that is being increasingly adopted across the MAT sector; truly centralised teams providing consistently applied and managed support services.”

And:

“At TLET specialist leaders manage specialist practitioners, whilst in our experience of the MAT sector often non-specialist local headteachers are heavily involved in the management of such staff despite having no specialist knowledge in their field.”

The Henry Hinde Infant School deficit also represents an increased position from last year. The major factor influencing this is the lower-than-usual pupil numbers in this area of Rugby. Whilst this is creating pressure on this single academy, the Trust position of support during these challenging times aligns with our strategic plan, specifically our Equity Pledge. The Trust is also in the process of developing a model for the management of Henry Hinde Infant and Henry Hinde Junior to create efficiencies across the two academies that will support the education of the children at the schools in a more holistic manner.

This position has been planned over the coming years, with the revenue reserves of the Trust remaining in surplus but utilising a proportion of reserves in both 2023/2024 and 2024/2025 to achieve our strategic objectives, returning to an in-year revenue surplus in 2025/2026.

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**21. Statement of funds (continued)**

**Total cost analysis by academy**

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £
Ashlawn School	7,114,286	989,846	403,825	1,501,191	<b>10,009,148</b>
Henry Hinde Infant School	719,479	47,194	29,775	225,524	<b>1,021,972</b>
Henry Hinde Junior School	972,545	40,332	69,942	276,367	<b>1,359,186</b>
Houlton School	1,532,513	146,620	111,842	621,037	<b>2,412,012</b>
Central Services	848,019	549,633	6,095	311,468	<b>1,715,215</b>
<b>Trust</b>	<b>11,186,842</b>	<b>1,773,625</b>	<b>621,479</b>	<b>2,935,587</b>	<b>16,517,533</b>

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £
Ashlawn School	7,660,695	837,843	261,762	1,274,693	10,034,993
Henry Hinde Infant School	826,213	105,387	20,554	175,180	1,127,334
Henry Hinde Junior School	969,584	32,831	27,562	224,048	1,254,025
Houlton School	868,552	96,046	65,901	316,107	1,346,606
Central Services	573,618	400,613	3,286	349,497	1,327,014
<b>Trust</b>	<b>10,898,662</b>	<b>1,472,720</b>	<b>379,065</b>	<b>2,339,525</b>	<b>15,089,972</b>

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**22. Analysis of net assets between funds**

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	47,228,742	<b>47,228,742</b>
Current assets	525,609	2,235,902	285,472	<b>3,046,983</b>
Creditors due within one year	(16,035)	(1,079,812)	(283,230)	<b>(1,379,077)</b>
Creditors due in more than one year	-	-	(2,240)	<b>(2,240)</b>
Provisions for liabilities and charges	-	(43,000)	-	<b>(43,000)</b>
<b>Total</b>	<b>509,574</b>	<b>1,113,090</b>	<b>47,228,744</b>	<b>48,851,408</b>

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	47,379,397	47,379,397
Current assets	411,856	2,527,455	1,228	2,940,539
Creditors due within one year	-	(1,212,591)	-	(1,212,591)
Creditors due in more than one year	-	(62,603)	-	(62,603)
Provisions for liabilities and charges	-	(931,000)	-	(931,000)
<b>Total</b>	<b>411,856</b>	<b>321,261</b>	<b>47,380,625</b>	<b>48,113,742</b>

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23. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2023 £	2022 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	<b>(313,334)</b>	28,570,559
<b>Adjustments for:</b>		
Fixed assets received on transfer of Houlton School	-	(29,894,522)
Depreciation	<b>1,334,575</b>	1,383,931
Capital grants from DfE and other capital income	<b>(956,790)</b>	(276,451)
Interest receivable	<b>(346)</b>	(297)
Defined benefit pension scheme cost less contributions payable	<b>121,000</b>	965,000
Defined benefit pension scheme finance cost	<b>42,000</b>	126,000
Increase in debtors	<b>(136,120)</b>	(18,297)
Increase/(decrease) in creditors	<b>166,486</b>	(107,145)
<b>Net cash provided by operating activities</b>	<b>257,471</b>	748,778

24. Cash flows from financing activities

	Group 2023 £	Group 2022 £
Repayments of borrowing	<b>(60,363)</b>	(60,363)
<b>Net cash used in financing activities</b>	<b>(60,363)</b>	(60,363)

25. Cash flows from investing activities

	Group 2023 £	Group 2022 £
Interest receivable	<b>346</b>	297
Purchase of tangible fixed assets	<b>(1,183,920)</b>	(462,496)
Capital grants from DfE/ESFA and other capital income	<b>956,790</b>	276,451

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**26. Analysis of cash and cash equivalents**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Cash in hand and at bank	<b>2,574,900</b>	2,604,576
<b>Total cash and cash equivalents</b>	<b>2,574,900</b>	2,604,576

**27. Analysis of changes in net debt**

	<b>At 1 September 2022 £</b>	<b>Cash flows £</b>	<b>Other non- cash changes £</b>	<b>At 31 August 2023 £</b>
Cash at bank and in hand	2,604,576	(29,676)	-	2,574,900
Debt due within 1 year	(60,363)	60,363	(60,363)	(60,363)
Debt due after 1 year	(62,604)	-	60,363	(2,241)
	<b>2,481,609</b>	<b>30,687</b>	<b>-</b>	<b>2,512,296</b>

**28. Capital commitments**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<b>63,122</b>	661,935

## **29. Pension commitments**

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Warwickshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2022.

Contributions amounting to £231,902 were payable to the schemes at 31 August 2023 (2022 - £198,832) and are included within creditors.

### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £1,165,000 (2022 - £1,063,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

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**29. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £822,000 (2022 - £707,000), of which employer's contributions totalled £651,000 (2022 - £556,000) and employees' contributions totalled £ 171,000 (2022 - £151,000). The agreed contribution rates for future years are 19.5% - 20.5% per cent for employers and 5.5% - 12.5% per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

**Principal actuarial assumptions**

	<b>2023</b>	2022
	%	%
Rate of increase in salaries	<b>3.9</b>	3.9
Rate of increase for pensions in payment/inflation	<b>2.9</b>	3.1
Discount rate for scheme liabilities	<b>5.2</b>	4.2

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

	<b>2023</b>	2022
	Years	Years
Retiring today		
Males	<b>20.6</b>	21.6
Females	<b>24.1</b>	24.1
Retiring in 20 years		
Males	<b>21.7</b>	22.7
Females	<b>25.6</b>	25.9

**Sensitivity analysis**

	<b>2023</b>	2022
	£000	£000
Discount rate +0.1%	<b>(212)</b>	(226)
Discount rate -0.1%	<b>212</b>	226
CPI rate +0.1%	<b>201</b>	212
CPI rate -0.1%	<b>(201)</b>	(212)
Salaries increase rate +0.1%	<b>16</b>	16
Salaries increase rate -0.1%	<b>(16)</b>	(16)

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**29. Pension commitments (continued)**

**Share of scheme assets**

The Group's share of the assets in the scheme was:

	At 31 August 2023 £	At 31 August 2022 £
Equities	5,049,000	4,897,000
Corporate bonds	2,176,000	2,040,000
Property	1,393,000	1,061,000
Cash and other liquid assets	87,000	163,000
<b>Total market value of assets</b>	<b>8,705,000</b>	<b>8,161,000</b>

The actual return on scheme assets was £(81,000) (2022 - £(345,000)).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023 £	2022 £
Current service cost	(737,000)	(1,521,000)
Past service cost	(35,000)	-
Interest income	361,000	135,000
Interest cost	(403,000)	(261,000)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>(814,000)</b>	<b>(1,647,000)</b>

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

	2023 £	2022 £
<b>At 1 September</b>	<b>9,092,000</b>	<b>15,103,000</b>
Current service cost	737,000	1,521,000
Interest cost	403,000	261,000
Employee contributions	171,000	151,000
Actuarial gains	(1,575,000)	(7,857,000)
Benefits paid	(115,000)	(87,000)
Past service costs	35,000	-
<b>At 31 August</b>	<b>8,748,000</b>	<b>9,092,000</b>



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**29. Pension commitments (continued)**

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

	2023 £	2022 £
<b>At 1 September</b>	<b>8,161,000</b>	7,886,000
Interest income	361,000	135,000
Actuarial gains/(losses)	181,000	(480,000)
Employer contributions	651,000	556,000
Employee contributions	171,000	151,000
Benefits paid	(115,000)	(87,000)
Derecognition of pension surplus	(705,000)	-
<b>At 31 August</b>	<b>8,705,000</b>	8,161,000

**30. Operating lease commitments**

At 31 August 2023 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Multi- Academy Trust 2023 £	Multi- Academy Trust 2022 £
Not later than 1 year	78,152	73,184	78,152	73,184
Later than 1 year and not later than 5 years	71,600	228,632	71,600	228,632
	<b>149,752</b>	301,816	<b>149,752</b>	301,816

**31. Members' liability**

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

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**32. Related party transactions**

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account.

**33. Principal subsidiaries**

The following was a subsidiary undertaking of the Trust:

<b>Name</b>	<b>Company number</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
TLET Professional Learning Limited (formerly Innovation Learning and Leadership Alliance Limited)	09325660	Ordinary	100%	Yes

The subsidiary was dormant during the year.

<b>Name</b>	<b>Net assets</b>
	<b>£</b>
TLET Professional Learning Limited (formerly Innovation Learning and Leadership Alliance Limited)	1