

Registered number: 07515832

Transforming Lives Educational Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2022



Transforming Lives Educational Trust
(A Company Limited by Guarantee)

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Transforming Lives Educational Trust
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Reference and Administrative Details

Members	P Davis S Jardine G Mati (resigned 26 March 2022) N Snook L Howard
Trustees	S Jardine, Chair of Trustees (resigned as Chair 13 September 2022) G J French, Chair of Trustees (appointed as Chair 13 September 2022) S Crosson N S Watson V Armeson J Thomas C Keady (appointed 14 September 2021) K Zardin (appointed 13 September 2022) R Walker-Green (appointed 13 September 2022) S Rose (appointed 13 September 2022) M Hopkins (appointed 8 March 2022)
Company registered number	07515832
Company name	Transforming Lives Educational Trust
Registered office	c/o Houlton School Signal Drive Houlton Rugby Warwickshire CV23 1ED
CEO and Accounting Officer	J E Higham

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Reference and Administrative Details (continued)
For the Year Ended 31 August 2022

Senior management team

M A Goodey, CFO, Transforming Lives Educational Trust
A Wright, Business Operations and Estates Manager, Transforming Lives Educational Trust
S Evans, Principal, Ashlawn School
E Cheney, Vice Principal, Ashlawn School (resigned 31.08.2021)
S McKim, Vice Principal, Ashlawn School
S Urding, Vice Principal, Ashlawn School (resigned 31.05.2022)
S Cranmer, Vice Principal, Ashlawn School
C Cooke, Assistant Principal, Ashlawn School (appointed 01.09.2021)
J Delves, Senior Vice Principal, Ashlawn School
A Phillips, Vice Principal, Ashlawn School (appointed 01.09.2022)
L Pountey, Assistant Principal, Ashlawn School
J Higham, CEO, Transforming Lives Educational Trust
K Smith, Assistant Principal, Ashlawn School
F Edwards, Principal, Henry Hinde Infant School
M Mcculley, Principal, Houlton School (appointed 01.09.21)
J Stewart, Vice Principal, Henry Hinde Junior School
R O'Neill, Assistant Principal, Henry Hinde Infant School
J Nurse, Principal, Henry Hinde Junior School
J Stewart, Assistant Principal, Henry Hinde Junior School (resigned 31.10.2021)
E Swidryk, Assistant Principal, Henry Hinde Junior School (appointed 01.01.2021)
M Mcculley, Principal, Houlton School (appointed 01.09.2021)
C Buckenham, Assistant Principal, Houlton School (appointed 01.09.2021)
N Ellis, Assistant Principal, Houlton School (appointed 01.09.2022)
A Lancini, Assistant Principal, Houlton School (appointed 01.09.2022)

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
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Trustees' Report
For the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2021 to 31 August 2022. 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 (from 1 September 2021)
- TLET Professional Learning Limited (formerly Innovation Learning and Leadership Alliance Limited)

These financial statements for the period ended 31 August 2022 relate to the operation 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'.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

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 Partners, 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

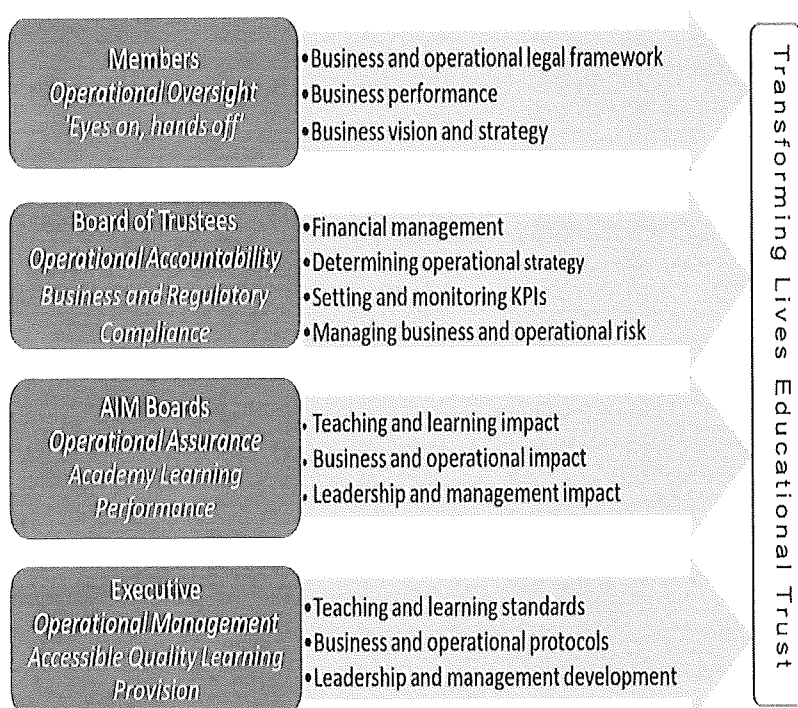
The organisational structure of the Transforming Lives Educational Trust consists of the Members, Trustees, local governance Academy Improvements Management (AIM) Boards and the Executive strand (including the Trust Executive, the Central Team and the respective Academy leadership teams). All are pivotal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

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Trustees' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

f. Organisational structure (continued)



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

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

AIM Board members have the designation of 'governing partner'. This designation acknowledges that AIM Boards are 'partnering' the academies via proactive support and challenge of operational performance and development, and in so doing, 'partnering' the Trust Board in the execution and delivery of their published strategy.

The Principals of each academy report to the CEO and the AIM Board. 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).

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Trustees' Report (continued)
For the Year Ended 31 August 2022

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 an Operation Standards Committee to advise the Board on matters relating to the Trust's staff and pay structures. The main duties and responsibility of the remuneration 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)

Employees have been consulted on issues of concern by way of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the AIM Boards.

Transforming Lives Educational Trust has, through the offices of the AIM Boards, implemented a number of detailed policies in relation to all aspects of personnel matters.

The Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

In accordance with the Group and the Trust's equal opportunities policy, the Group and the Trust have long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Trust's offices.

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 the Trust's key stakeholders, customers, employees and suppliers 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. From 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 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 any 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 Education and Skills Funding Agency, Department for Education and Central Government as well as local communities and updates on any consultations held by the Trust.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

Objectives and activities

a. Objects, aims, strategies and objectives

As a Trust, we believe in the transformative power of learning and its singular ability to broaden horizons, deepen perspectives, and extend potential. We want our family of academies to be recognised as the most forward-thinking and innovative organisations within the communities they serve, providing a springboard for our children, young people, and staff so that they become exemplary citizens who strive to stretch their potential and become transformers in a diverse and ever-changing world.

Crucially, our TLET values are the ideal framework for important decision-making. Our values of excellence, bravery and loyalty have helped shape our intentions, and our values of tenacity and kindness have become the common threads that run through our work.

Over the course of this year, and the enduring global pandemic, TLET has not allowed the pressures of responding to the urgent to be a distraction from the important – that being the future life chances of our pupils and students. Put simply, the Trust remains focused unapologetically on keeping the main thing, the main thing in order to transform tomorrow, today.

The Trust's Standards, which run through the work of the organisation, capture our resolve to be the change we want to see. They are intentionally easy to grasp yet articulate TLET's relentless drive to push the horizon of our academies. Uppermost, is our organisation's unity and total commitment as one team, one goal to transform the life chances of others. This is firmly rooted in everyone having the highest expectations of themselves and others all of the time by making sure we deliver the best daily deal, every day. We believe in the continuum of improvement and have confidence in our own agency to affect change and, where improvements can be made, we see it, we own it, we sort it, with no excuses. Crucially, we respond to the needs of the communities we serve, and this is the cornerstone of our decision-making so if it's important to you, it's important to us – we care.

The strategic objectives for the Trust are:

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 at least seven 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. In particular, the furtherance of high-quality education in the opening of an additional academy, Houlton School, which extends the local schooling offer to more families in Rugby.

Strategic report

Achievements and performance

a. Review of activities

During the year, the Transforming Lives Educational Trust comprised 4 academies in Rugby.

The academic year was, like the one before, dominated by the impact of COVID-19. The enduring impact of the pandemic was that attendance rates for pupils, students and staff were negatively affected, as was the case for schools nationally. This led to additional pressure on resources to ensure a consistent staffing level as well as to safeguarding the quality of education and intervention to mitigate pupil and student absence.

The indirect impact of the pandemic was also significant and will continue to be relevant well into the future as seen in the increased levels of social, emotional and mental health needs of our school communities.

As a Trust, we continue to work together to provide the 'best daily deal' for our pupils and students. The Central Team continue to shoulder as much operational responsibility as possible in order to free-up school leaders and other staff members to continue to provide an excellent service in the classroom and beyond.

The Trust has accomplished a number of notable achievements, which include, but are not limited to:

- The Trust has maintained positive relationships with regulatory bodies.
- The Trust has posted an annual surplus since 2020 and in this period.
- The Trust has grown with the addition of Houlton School in September 2021.
- Strengthened governance at central and local levels, including successful recruitment and revised Terms of Reference for AIM Boards, and Trust Board sub-committees.
- An extended offer for TLET academies that now includes collaboration-based school improvement as well as comprehensive provision in strategic leadership and regulatory compliance, as well as core services.
- Leaders within the Trust continue to be eligible for commission as Specialist, Local and National Leaders of Education.
- Trust leadership has been strengthened with the recruitment of several senior leadership roles including a Senior Vice Principal, Vice Principal and Assistant Principals.
- New Special Educational Needs coordination has been strengthened with the appointment of a substantive coordinator at Houlton School and an experienced coordinator leading provision across Henry Hinde Infants and Juniors.
- Further standardisation of a range of trust-wide policies and procedures to further consistency of practice as well as to ease the administrative burden on our academy leaders.
- Improved risk monitoring via local academy risk registers that are aligned to the Trust's Risk Register and strategic aims.
- Identification of principle risks to the Trust's operation has helped to better inform risk management and strategic focus.
- Key achievement and progress outcomes in our academies were at least sustained and typically improved on those achieved in 2019 and/or when compared with national data trends.
- The quality of education has remained strong for those experiencing periods of absence because of our effective Remote Access Learning provision.
- Successful above average recruitment of trainees into Initial Teacher Training.
- Successful programme of capital improvement works across all academies to ensure the quality of accommodation, facilities and safeguarding of pupils and employees, including that funded by additional funding streams.
- Increased the amount of external quality assurance of the Trust's work by commissioning a Challenge Partners' Trust Review.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report (continued)

Achievements and performance (continued)

a. Review of activities (continued)

- Maintained our collaborative trust-wide networks for safeguarding, SEND, and teaching and learning.
- Implemented a new Finance Policy and related procedures.

b. Key performance indicators (KPIs)

Transforming Lives Educational Trust has framed KPIs for the impact of the Trust, which are reported to the Trust Board and to Members within our annual reporting cycle.

This year, the Trust has introduced self-evaluation frameworks at academy and trust level, based on the Nine Characteristics for effective MATs by Sir David Carter. The frameworks contain performance descriptors against ten 'transformers', which are:

Transformer 1	there is a well communicated strategic vision and plan that moves seamlessly from implementation into impact.
Transformer 2	there is a clear accountability framework for the performance of the Trust that all staff understand, including what happens when key staff under-perform.
Transformer 3	there are clear quality assurance systems in place to improve consistency and performance.
Transformer 4	there is a clear delegated framework for governance at Trust Board and local AIM Board level that makes the responsibilities of both the Board and any AIMs explicit.
Transformer 5	there is a Trust-wide improvement strategy that recognises the different interventions needed at different stages of the improvement journey that an academy undertakes.
Transformer 6	there is a systematic programme of school-to-school support that is focused on the need of individual academies.
Transformer 7	there is evidence of skilled management of Trust Risk indicators.
Transformer 8	there is a clear succession plan for the key posts within the Trust.
Transformer 9	there is a Trust-wide commitment to making a contribution to Trust and educational networks beyond the Trust.
Transformer 10	there is an effective culture of safeguarding.

This self-evaluation framework enables the Trust Board, local AIM Boards and the Executive of the Trust to determine the sustained or improving performance of each academy against a range of indicators. The framework provides the evidence base for the Trust Board's annual review of local governance and academy performance.

b. Key performance indicators (KPIs) (continued)

The Trustees, and by extension, AIM Board Partners, continue to promote the success of the Trust, principally in upholding Nolan's Seven Principles of Public Life and their continued commitment to delivering the Trust's aims, measured through KPI evaluation.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report (continued)

Achievements and performance (continued)

In 2022-23, a Trust-wide external review of governance will take place as part of our cycle of continued improvement.

c. Promoting the success of the company

The directors of the company, as those of all UK companies, must act in accordance with a set of general duties.

These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so, have regard to the likely consequences of any decisions in the long term; the interests of the company's employees; the need to foster the company's business relationships with suppliers, customers and others; the impact of the company's operations on the community and environment; the desirability of the company maintaining a reputation for high standards of conduct; and the need to act fairly as between members of the company.

Details of how our Trustees have fulfilled these duties when dealing with strategic decisions are covered elsewhere in the Trustees' Report.

d. Going concern

The Trustees have prepared forecasts through to 31 August 2024, incorporating expected increased funding from increased pupil numbers. These forecasts demonstrate that the Trust is expected to generate financial surpluses of around 3% of GAG for the foreseeable future.

As at 31 August 2022, the Group had net current assets of £1,727,948 (2021 - £1,099,840) and based on cash flow forecasts is expected to be able 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.

The Trustees of Transforming Lives Educational Trust have therefore determined that its academies have adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report (continued)

Achievements and performance (continued)

Financial review

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 General Annual Grant 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.

In 2021 – 2022 condition surveys have been carried out at each Academy, focusing on the physical environment. From these the long-term strategic plan for each Academy will be developed during 2022 - 2023.

With the opening of a new free school, the Trust has the opportunity to review its entire approach to technology, particularly around the use of a single data centre. This review is underway and once complete, it too will form a part of the long-term strategic plan.

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

The Trust held fund balances at 31 August 2022 of £48,113,742 (2021 - £12,166,183) consisting of £47,701,886 (2021 - £11,956,406) restricted funds and £411,856 unrestricted funds (2021 - £209,777). Included in restricted funds is an amount of £47,380,625 (2021 - £18,416,874) invested in fixed assets and a pension reserve deficit of £931,000 (2021 - £7,217,000). General reserves total £1,664,117 (2021 - £966,309).

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Trustees' Report (continued)
For the Year Ended 31 August 2022

a. Reserves policy (continued)

In the next financial year commitments have already been made to certain projects across the Academies, some of which have commenced in 2021-2022. These projects are:

Project	Academy	Purpose	Value (£)
Refurbishment of Classrooms	Ashlawn	To improve the overall pupil experience in school, bringing classrooms up to date. This is a rolling programme of improvements to the learning environment.	100,000
Reception Area	Ashlawn	To improve the current reception area creating a more welcoming environment whilst increasing safety and useability.	60,000
Access control and CCTV	Ashlawn	To improve the levels of access control and CCTV coverage.	60,000
Roof Works	Henry Hinde Infants School	Replacement of decrepit areas of roof that were continually leaking, causing internal and external damage	160,000

The Trust participates in the Local Government Pension Scheme (LGPS), and as a member of the scheme it recognises either deficits or surpluses in the accounts in accordance with current accounting convention. As these deficits or surpluses relate to the specific activity associated with the pension fund, and as they are inextricably linked to the future activity of the pension fund they neither crystallise at the point of recognition in relation to a deficit nor become available for use within that fund in relation to a surplus.

Our principal funding comes directly from government in the form of the General Annual Grant. This is worked out by a government set standard formula based on the number of pupils in each academy and then flexed on the basis of the deprivation index associated with the location of each Academy.

The funds are used to provide education by the Trust and its Academies.

b. Investment policy

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 2022 no investments were made.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

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 principal areas of risk to Transforming Lives Educational Trust have been reviewed during 2021-22 by the Trust Board. As a result, two principal risks have been identified:

Area of Risk	Causes and evidence	Potential Impact	Mitigation examples
Pupil wellbeing	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
Staff wellbeing	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

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.

d. Fundraising

The Trust does not yet have a distinct policy for fundraising. However, academies within the Trust fundraise by way of funding bids to regulators such as the ESFA; local charities who donate to local business/causes and via Parent-Teacher Association events.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

Streamlined energy and carbon reporting

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

	2022	2021
Energy consumption breakdown (kWh):		
Gas	2,796,302	2,624,410
Electricity	1,139,455	854,623
Transport fuel	8,361	5,599
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption and biomass	516.56	484.41
Owned transport - mini-buses	1.02	0.62
Total scope 1	517.58	485.03
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	265.65	199.25
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	0.84	0.63
Total gross emissions (in tonnes of CO2 equivalent):	784.07	684.91
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	.33	.31

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 2020 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.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

Plans for future periods

Transforming Lives Educational Trust is geared to develop its Schools' Trust status 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 2022/23 we shall be:

- Review the Trust's vision, values and aims to ensure their ongoing currency in the changing sector landscape as well as accurately representing the direction of our developing Trust;
- expanding our Trust-wide Education Improvement Service and seeking to offer this provision to neighbouring schools/academies that are not part of the TLET family;
- continuing to develop and embed effective partnership relationships that support our pursuit of excellence including that with ECM Education Consultants, the Challenge Partners Network and the NGA, as well as with regional and national schools and organisations with demonstrably high impact on pupil outcomes;
- continuing to strengthen the level of performance of our academies;
- launching a corporate guide for our Trust and for those who may be interested in working more closely with or joining the TLET family;
- developing strategic condition improvement plans for all Trust sites and developing a long-term condition and asset improvement plan, and making best use of some of the Trust's reserves to fund capital improvements;
- identifying growth opportunities;
- reviewing and refining asset management processes.

Funds held as custodian on behalf of others

At 31 August 2022, £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.

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Trustees' Report (continued)
For the Year Ended 31 August 2022

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 6 December 2022 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

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 7 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
S Jardine, Chair of Trustees (resigned as Chair 13 September 2022)	7	7
G J French, Chair of Trustees (appointed as Chair 13 September 2022)	7	7
S Crosson	6	7
N S Watson	4	7
V Armeson	5	7
J Thomas	7	7
M Hopkins	2	2

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

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
G French, (resigned as Chair 13 September 2022)	4	4
C Keady	2	3
N Watson	4	4
M Hopkins (appointed Chair 13 September 2022)	0	0

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Operation Standards sub-committee met on four occasions.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Crosson, Chair	4	4
J Thomas	2	4
V Armeson	4	4

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 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 ongoing 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 year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

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 ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

Governance Statement (continued)

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

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.

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 and annually 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.

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 external auditors;
- 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.

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.

New academies in the period

The Trust had one new academy in the period, Houlton School, which has been operated and governed in line with the Trust's other academies.

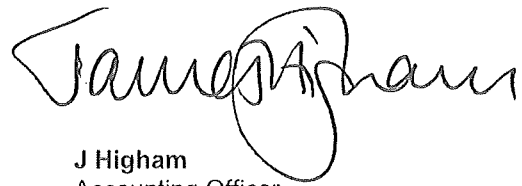
Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

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



G J French
Chair of Trustees



J Higham
Accounting Officer

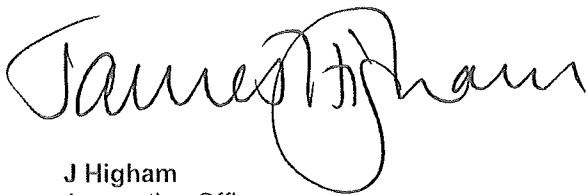
Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

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 received by the Trust, 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 Academies Financial Handbook 2021.

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 Academies Financial Handbook 2021.

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:

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2022

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 year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2021 to 2022;
- 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 6 December 2022 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

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 2022 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 2021 to 2022 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 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 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)

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.

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)

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.

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;

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)

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 2 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;

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

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

Use of our report

This report is made solely to the charitable 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.



Andrew Morris FCA (Senior Statutory Auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

6 December 2022

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 and Skills Funding Agency

In accordance with the terms of our engagement letter dated 8 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, 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 2021 to 31 August 2022 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 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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.

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)

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 2021 to 31 August 2022 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:

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 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants:	3					
Transfer of free school into the Trust		-	-	29,894,522	29,894,522	-
Other donations and capital grants		30,624	-	276,451	307,075	493,011
Other trading activities		73,141	-	-	73,141	35,816
Investments	6	297	-	-	297	226
Charitable activities:						
Trust educational operations		61,444	14,707,984	-	14,769,428	12,820,366
Teaching schools		-	-	-	-	183,448
Total income		165,506	14,707,984	30,170,973	45,044,463	13,532,867
Expenditure on:						
Charitable activities		64,826	15,025,146	1,383,932	16,473,904	13,295,411
Teaching schools		-	-	-	-	159,012
Total expenditure		64,826	15,025,146	1,383,932	16,473,904	13,454,423
Net income/(expenditure)		100,680	(317,162)	28,787,041	28,570,559	78,444
Transfers between funds	19	101,399	(278,109)	176,710	-	-
Net movement in funds before other recognised gains/(losses)		202,079	(595,271)	28,963,751	28,570,559	78,444
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	27	7,377,000	-	-	7,377,000	(1,123,000)
Net movement in funds		7,579,079	(595,271)	28,963,751	35,947,559	(1,044,556)

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
(continued)
For the Year Ended 31 August 2022

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Note					
Reconciliation of funds:					
Total funds brought forward	209,777	(6,460,468)	18,416,874	12,166,183	13,210,739
Net movement in funds	7,579,079	(595,271)	28,963,751	35,947,559	(1,044,556)
Total funds carried forward	7,788,856	(7,055,739)	47,380,625	48,113,742	12,166,183

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 37 to 73 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 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	47,379,397	18,406,310
		<u>47,379,397</u>	<u>18,406,310</u>
Current assets			
Debtors	16	335,963	317,666
Cash at bank and in hand		2,604,576	2,101,909
		<u>2,940,539</u>	<u>2,419,575</u>
Creditors: amounts falling due within one year	17	(1,212,591)	(1,319,735)
Net current assets		<u>1,727,948</u>	<u>1,099,840</u>
Total assets less current liabilities		<u>49,107,345</u>	<u>19,506,150</u>
Creditors: amounts falling due after more than one year	18	(62,603)	(122,967)
Net assets excluding pension liability		<u>49,044,742</u>	<u>19,383,183</u>
Defined benefit pension scheme liability	27	(931,000)	(7,217,000)
Total net assets		<u><u>48,113,742</u></u>	<u><u>12,166,183</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	47,380,625	18,416,874
Restricted income funds	19	1,252,261	756,532
Pension reserve	19	(931,000)	(7,217,000)
Total restricted funds	19	<u>47,701,886</u>	<u>11,956,406</u>
Unrestricted income funds	19	<u>411,856</u>	<u>209,777</u>
Total funds		<u><u>48,113,742</u></u>	<u><u>12,166,183</u></u>

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

Consolidated Balance Sheet (continued)
As at 31 August 2022

The financial statements on pages 30 to 73 were approved by the Trustees, and authorised for issue on 7 December 2021 and are signed on their behalf, by:



G J French
Chair of Trustees

The notes on pages 37 to 73 form part of these financial statements.

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

Trust Balance Sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	47,379,397	18,406,310
Investments	15	1	1
		<u>47,379,398</u>	<u>18,406,311</u>
Current assets			
Debtors	16	335,963	317,666
Cash at bank and in hand		2,604,576	2,101,909
		<u>2,940,539</u>	<u>2,419,575</u>
Creditors: amounts falling due within one year	17	(1,212,592)	(1,319,736)
Net current assets		<u>1,727,947</u>	<u>1,099,839</u>
Total assets less current liabilities		<u>49,107,345</u>	<u>19,506,150</u>
Creditors: amounts falling due after more than one year	18	(62,603)	(122,967)
Net assets excluding pension liability		<u>49,044,742</u>	<u>19,383,183</u>
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Total net assets		<u><u>48,113,742</u></u>	<u><u>12,166,183</u></u>
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Pension reserve	19	(931,000)	(7,217,000)
Total restricted funds	19	<u>47,701,886</u>	<u>11,956,406</u>
Unrestricted income funds	19	<u>411,856</u>	<u>209,777</u>
Total funds		<u><u>48,113,742</u></u>	<u><u>12,166,183</u></u>

The financial statements on pages 30 to 73 were approved by the Trustees, and authorised for issue on 06 December 2022 and are signed on their behalf, by:

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

Trust Balance Sheet (continued)
As at 31 August 2022



G J French
Chair of Trustees

The notes on pages 37 to 73 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 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	748,778	1,502,533
Cash flows used in investing activities	23	(185,748)	(488,737)
		<hr/>	<hr/>
Cash flows used in financing activities	22	(60,363)	(60,363)
Change in cash and cash equivalents in the year		502,667	953,433
Cash and cash equivalents at the beginning of the year		2,101,909	1,148,476
Cash and cash equivalents at the end of the year	24, 25	<hr/> 2,604,576 <hr/>	<hr/> 2,101,909 <hr/>

The notes on pages 37 to 73 form part of these financial statements

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

1. 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.

1.1 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

The multi academy trust's functional and presentational currency is GBP. The financial statements 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.

1.2 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 2024, incorporating expected increased funding from increased pupil numbers. These forecasts demonstrate that the Trust is expected to generate financial surpluses for years 2022/23 to 2024/25.

As at 31 August 2022, the Group had net current assets of £1,727,948 (2021 - £1,099,840) 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.

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.3 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.

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Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.4 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.

1.5 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.

1.6 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.

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.7 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 freehold or leasehold land and buildings.

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.

1.8 Investments

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

1.9 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.

1.10 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.

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.11 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.

1.12 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 16. 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 17 and 18. 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.

1.13 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.

1. Accounting policies (continued)

1.14 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.

Notes to the Financial Statements
For the Year Ended 31 August 2022

2. 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 27, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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
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Notes to the Financial Statements
For the Year Ended 31 August 2022

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations			
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>30,201,597</u>

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations			
Transfer of new academy into the Trust	-	-	-
Donations	4,484	9,000	13,484
Capital Grants	-	479,527	479,527
	<u>4,484</u>	<u>488,527</u>	<u>493,011</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

4. Funding for the Trust's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Educational Operations			
DfE/ESFA grants			
General Annual Grant (GAG)	-	12,522,335	12,522,335
Other DfE/ESFA grants			
Start up grant	-	215,000	215,000
Teachers pay grant	-	119,056	119,056
Pupil Premium	-	499,760	499,760
Universal free school meals	-	29,485	29,485
PE & Sports Grant	-	35,410	35,410
Other DfE/EFSA grants	-	326,739	326,739
	-	13,747,785	13,747,785
Other Government grants			
Special Educational Needs	-	374,871	374,871
Other government grants	-	37,764	37,764
	-	412,635	412,635
Other funding			
Income from Educational Visits	-	159,773	159,773
Catering	-	226,780	226,780
Other income	31,995	161,011	193,006
Department sales	29,449	-	29,449
	61,444	547,564	609,008
	61,444	14,707,984	14,769,428
	61,444	14,707,984	14,769,428

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

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

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Educational Operations			
DfE/ESFA grants			
General Annual Grant (GAG)	-	10,647,556	10,647,556
Other DfE/ESFA grants			
Start up grant	-	235,270	235,270
Teachers pay grant	-	550,288	550,288
Pupil premium	-	395,416	395,416
Universal free school meals	-	37,125	37,125
PE & Sports grants	-	34,176	34,176
Other DfE/EFSA grants	-	135,379	135,379
	-	12,035,210	12,035,210
Other Government grants			
Special Educational Needs	-	232,695	232,695
Other government grants	-	78,006	78,006
	-	310,701	310,701
Other funding			
Income from Educational Visits	-	25,653	25,653
Catering	-	107,390	107,390
Other income	36,161	91,575	127,736
Department saes	20,876	-	20,876
	57,037	224,618	281,655
COVID-19 additional funding (non-DfE/ESFA)			
Catch up premium & mass testing grant	-	192,800	192,800
	-	192,800	192,800
	57,037	12,763,329	12,820,366
	57,037	12,763,329	12,820,366

The Multi Academy Trust received £nil (2021 - £144,200) of COVID-19 Catch up premium and £nil (2021 - £48,600) of grant money for Mass Testing of COVID-19. During the year, all grant monies were spent and therefore there is a £nil (2021 - £nil) carry forward from both grants.

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Other trading income	636	636
Lettings	72,505	72,505
	<u>73,141</u>	<u>73,141</u>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Other trading income	883	883
Lettings	34,933	34,933
	<u>35,816</u>	<u>35,816</u>

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Interest	297	297
	<u>297</u>	<u>297</u>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Interest	226	226
	<u>226</u>	<u>226</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Educational Operations:				
Direct costs	10,224,560	1,381,244	1,612,699	13,218,503
Support costs	1,935,218	736,754	583,429	3,255,401
Teaching school	-	-	-	-
	<u>12,159,778</u>	<u>2,117,998</u>	<u>2,196,128</u>	<u>16,473,904</u>
	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Educational Operations:				
Direct costs	8,901,356	464,768	1,438,057	10,804,181
Support costs	1,782,884	550,452	157,894	2,491,230
Teaching school	84,086	-	74,926	159,012
	<u>10,852,412</u>	<u>1,015,220</u>	<u>1,670,877</u>	<u>13,538,509</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Educational Operations	<u>13,218,503</u>	<u>3,255,401</u>	<u>16,473,904</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

8. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Educational Operations	10,804,181	2,491,230	13,295,411

Analysis of direct costs

	<i>Total funds 2022 £</i>	<i>Total funds 2021 £</i>
LGPS finance costs	126,000	98,000
Staff costs	10,763,149	9,376,463
Depreciation	996,014	381,177
Educational supplies	257,662	203,714
Examination fees	102,720	189,698
Staff development	16,838	7,270
Music instruction, sports coaches and swimming lessons	66,522	45,784
Educational consultancy	77,715	61,880
Trips expenditure	163,075	66,894
Other direct costs	11,282	6,518
Catering costs	331,194	194,445
Recruitment and CPD training	134,979	60,886
Maintenance of equipment	15,642	22,625
Transport	-	8,094
Technology costs	155,711	80,733
	<u>13,218,503</u>	<u>10,804,181</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	1,472,721	1,344,088
Depreciation	387,918	83,591
Printing, postage and stationery	28,758	27,354
Travel and subsistence	4,088	2,989
Other support costs	200,546	169,054
Maintenance of premises	392,055	298,107
Maintenance of equipment	73,485	38,508
Rates	80,703	55,242
Energy	263,995	197,103
Insurance	55,208	50,520
Transport	11,904	-
Telephone costs	11,767	8,683
Legal, professional and marketing costs	272,253	215,991
	<u>3,255,401</u>	<u>2,491,230</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	54,876	26,313
Depreciation of tangible fixed assets	1,383,931	464,764
Fees paid to auditors for:		
- audit	14,350	11,300
- other services	4,625	4,200
	<u>1,452,782</u>	<u>506,577</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2022 £	Group 2021 £	Multi- Academy Trust 2022 £	Multi- Academy Trust 2021 £
Wages and salaries	8,304,802	7,774,785	8,304,802	7,711,815
Social security costs	787,036	717,465	787,036	711,016
Pension costs	2,799,449	2,149,906	2,799,449	2,135,239
	<u>11,891,287</u>	<u>10,642,156</u>	<u>11,891,287</u>	<u>10,558,070</u>
Agency staff costs	344,583	158,195	344,583	158,195
Staff restructuring costs	-	4,286	-	4,286
	<u>12,235,870</u>	<u>10,804,637</u>	<u>12,235,870</u>	<u>10,720,551</u>

Staff restructuring costs comprise:

	Group 2022 £	Group 2021 £	Multi- Academy Trust 2022 £	Multi- Academy Trust 2021 £
Redundancy payments	59,471	-	59,471	-
Severance payments	-	4,286	-	4,286
	<u>59,471</u>	<u>4,286</u>	<u>59,471</u>	<u>4,286</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2022

10. Staff (continued)

b. Staff numbers

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

	Group 2022 No.	<i>Group 2021 No.</i>
Leadership	15	15
Teachers	129	133
Administration and support	199	187
	<u>343</u>	<u>335</u>

c. Higher paid staff

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

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £60,001 - £70,000	7	5
In the band £70,001 - £80,000	3	4
In the band £80,001 - £90,000	2	-
In the band £100,001 - £110,000	1	2
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

d. 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 £1,303,095 (2021 - £1,297,182).

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2022

11. 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 2021/2022 was made bas on 7.5% of budgeted income from DfE/ESFA.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Ashlawn School	857,102	736,008
Henry Hinde Infant School	72,869	64,848
Henry Hinde Junior School	102,818	88,572
Houlton School	110,132	-
Total	1,142,921	889,428

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. 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 2022

14. 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 £
Cost or valuation								
At 1 September 2021	17,825,283	3,302,720	481,028	685,108	9,996	148,573	387,766	22,840,474
Additions	28,810,000	33,848	1,120,025	197,253	-	-	195,892	30,357,018
Transfers between classes	-	-	-	387,766	-	-	(387,766)	-
At 31 August 2022	46,635,283	3,336,568	1,601,053	1,270,127	9,996	148,573	195,892	53,197,492
Depreciation								
At 1 September 2021	2,738,127	628,784	375,639	631,503	4,521	55,590	-	4,434,164
Charge for the year	820,927	97,199	246,000	214,609	547	4,649	-	1,383,931
At 31 August 2022	3,559,054	725,983	621,639	846,112	5,068	60,239	-	5,818,095
Net book value								
At 31 August 2022	43,076,229	2,610,585	979,414	424,015	4,928	88,334	195,892	47,379,397
At 31 August 2021	15,087,156	2,673,936	105,389	53,605	5,475	92,983	387,766	18,406,310

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Notes to the Financial Statements
For the Year Ended 31 August 2022

15. Fixed asset investments

	Investments in subsidiary companies £
Trust	
Cost or valuation	
At 1 September 2021	1
At 31 August 2022	1
Net book value	
At 31 August 2022	1
At 31 August 2021	1

16. Debtors

	Group 2022 £	Group 2021 £	Multi- Academy Trust 2022 £	Multi- Academy Trust 2021 £
Due within one year				
Trade debtors	9,000	-	9,000	-
Other debtors	2,326	-	2,326	-
Prepayments and accrued income	215,419	209,116	215,419	209,116
VAT recoverable	109,218	108,550	109,218	108,550
	<u>335,963</u>	<u>317,666</u>	<u>335,963</u>	<u>317,666</u>

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17. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Multi- Academy Trust 2022 £	Multi- Academy Trust 2021 £
Other loans	60,363	60,363	60,363	60,363
Trade creditors	339,265	488,426	339,265	488,426
Amounts owed to group undertakings	-	-	1	3,750
Other taxation and social security	189,908	187,749	189,908	187,749
Other creditors	203,320	216,869	203,320	216,869
Accruals and deferred income	419,735	366,328	419,735	362,579
	1,212,591	1,319,735	1,212,592	1,319,736

	Group 2022 £	Group 2021 £	Multi- Academy Trust 2022 £	Multi- Academy Trust 2021 £
Deferred income at 1 September 2021	121,475	193,832	121,475	193,832
Resources deferred during the year	98,542	121,475	98,542	121,475
Amounts released from previous periods	(121,475)	(193,832)	(121,475)	(193,832)
	98,542	121,475	98,542	121,475

Included within deferred income are amounts received for educational visits in advance and funding received from the DfE/ESFA in advance.

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

	Group 2022 £	Group 2021 £	Multi- Academy Trust 2022 £	Multi- Academy Trust 2021 £
Other loans	62,603	122,967	62,603	122,967

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.

19. Statement of funds

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19. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
Student Inspirational Fund	34,929	-	(2,663)	-	-	32,266
General funds						
General Funds	174,848	165,506	(62,163)	101,399	-	379,590
Total Unrestricted funds	209,777	165,506	(64,826)	101,399	-	411,856
Restricted general funds						
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)
	(6,460,468)	14,707,984	(15,025,146)	(278,109)	7,377,000	321,261

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19. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Gift from Local Authority and other multi academy trusts	10,873,445	29,894,522	(1,156,670)	-	-	39,611,297
Devolved capital grants and revenue donations 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>
Total Restricted funds	<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>
Total funds	<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>

19. Statement of funds (continued)

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 2022.

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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
Designated funds						
Student Inspirational Fund	34,929	-	-	-	-	34,929
General funds						
General Funds	208,008	97,563	(29,324)	(101,399)	-	174,848
Total Unrestricted funds	242,937	97,563	(29,324)	(101,399)	-	209,777
Restricted general funds						
General Annual Grant (GAG)	205,776	10,647,556	(10,112,623)	(33,673)	-	707,036
Start-up grants	-	235,270	(235,270)	-	-	-
Pupil Premium	-	395,416	(395,416)	-	-	-
Other DfE/ESFA grants	-	182,273	(145,148)	(37,125)	-	-
Other government grants	-	310,701	(310,701)	-	-	-
Catering	-	107,390	(194,445)	87,055	-	-
Teaching school	(8,178)	183,448	(159,013)	(16,257)	-	-
16/19 bursary fund	51,488	24,407	(26,399)	-	-	49,496
Other restricted funds	-	117,228	(117,228)	-	-	-
Teachers pay grants	-	550,288	(550,288)	-	-	-
COVID-19 funding	-	192,800	(192,800)	-	-	-
Pension reserve	(5,573,000)	-	(521,000)	-	(1,123,000)	(7,217,000)
	(5,323,914)	12,946,777	(12,960,331)	-	(1,123,000)	(6,460,468)

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19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Gift from Local Authority and other multi academy trusts	11,073,505	-	(200,060)	-	-	10,873,445
Devolved capital grants and revenue donations to capital	1,350,162	91,761	(222,459)	-	-	1,219,464
Other fixed asset funding	409,214	396,766	(9,877)	101,399	-	897,502
ACMF Funding	2,015,494	-	(13,104)	-	-	2,002,390
Condition Improvement Funding	3,443,341	-	(19,268)	-	-	3,424,073
	<u>18,291,716</u>	<u>488,527</u>	<u>(464,768)</u>	<u>101,399</u>	<u>-</u>	<u>18,416,874</u>
Total Restricted funds	<u>12,967,802</u>	<u>13,435,304</u>	<u>(13,425,099)</u>	<u>101,399</u>	<u>(1,123,000)</u>	<u>11,956,406</u>
Total funds	<u>13,210,739</u>	<u>13,532,867</u>	<u>(13,454,423)</u>	<u>-</u>	<u>(1,123,000)</u>	<u>12,166,183</u>

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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Ashlawn School	1,697,646	836,718
Henry Hinde Infant School	(78,888)	114,253
Henry Hinde Junior School	113,711	83,999
Houlton School	75,842	-
Central Services	(144,194)	(68,661)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,664,117	966,309
Restricted fixed asset fund	47,380,625	18,416,874
Pension reserve	(931,000)	(7,217,000)
	<hr/>	<hr/>
Total	48,113,742	12,166,183

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

	Deficit £
Central Services	144,194
Henry Hinde Infant School	77,888
	<hr/>

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Notes to the Financial Statements
For the Year Ended 31 August 2022

19. Statement of funds (continued)

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. This position has been planned over the coming years, peaking in the financial year 2023/2024 and then decreasing year on year to a break-even point in 2026/2027. Whilst making this investment the Trust is aware that it is still required to budget an overall surplus position, and these investments are being made from revenue surpluses in year as opposed to reserves.

The Trust recognises that each Academy and Central Services are separate entities and as such need to be accounted for individually, whilst recognising that the benefits of being a Trust relate to the ability to smooth the ebb and flow of each element's finances within the Trust as a whole.

Henry Hinde Infant School has moved from a surplus position to one of a deficit this year. There are two major factors influencing this, the lower-than-usual pupil numbers in this area of Rugby, and the replacement of a major section of the roof at the school. The Trust has been aware that the predicted pupil numbers in this area of Rugby have been less than the number of pupil places for some time now, and each year we have made plans that reflect this, both in terms of building a surplus over the past few years and future plans to mitigate its impact. Although the lower-than-usual pupil numbers are expected to ease over the coming years a full restructure of the learning support team has been undertaken in order to reduce costs at the school in the next year. The Trust applied for funding to replace the roof at the school but was unsuccessful. The Trust completed a full survey of the roof and continued patching was not deemed to be a suitable long-term solution. On this basis the Trust took the decision to invest in a new section of roof for the long-term benefit of the school, with the knowledge that as a Trust there were sufficient reserves to continue to post an overall surplus. Over time the school will be expected to bring its position back to one of a surplus.

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 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
Trust	10,898,662	1,472,720	379,065	2,339,525	15,089,972

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

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For the Year Ended 31 August 2022

19. Statement of funds (continued)

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2021 £</i>
Ashlawn School	6,994,095	1,162,792	406,089	952,752	9,515,728
Henry Hinde Infant School	726,924	75,442	24,043	147,632	974,041
Henry Hinde Junior School	856,180	53,909	61,998	177,551	1,149,638
Houlton School	64,278	19,808	46	74,881	159,013
Central Services	422,157	490,740	3,674	274,664	1,191,235
Trust	<u>9,063,634</u>	<u>1,802,691</u>	<u>495,850</u>	<u>1,627,480</u>	<u>12,989,655</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
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20. Analysis of net assets between funds

Analysis of net assets between funds - current 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)
Total	411,856	321,261	47,380,625	48,113,742

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	18,406,310	18,406,310
Current assets	209,777	2,199,234	10,564	2,419,575
Creditors due within one year	-	(1,319,735)	-	(1,319,735)
Creditors due in more than one year	-	(122,967)	-	(122,967)
Provisions for liabilities and charges	-	(7,217,000)	-	(7,217,000)
Total	209,777	(6,460,468)	18,416,874	12,166,183

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Notes to the Financial Statements
For the Year Ended 31 August 2022

21. Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	28,570,559	78,444
Adjustments for:		
Fixed assets received on transfer of Houlton School	(29,894,522)	-
Depreciation	1,383,931	464,768
Capital grants from DfE and other capital income	(276,451)	(91,761)
Interest receivable	(297)	(226)
Defined benefit pension scheme cost less contributions payable	965,000	423,000
Defined benefit pension scheme finance cost	126,000	98,000
(Increase)/decrease in debtors	(18,297)	48,815
(Decrease)/increase in creditors	(107,145)	481,493
Net cash provided by operating activities	748,778	1,502,533

22. Cash flows from financing activities

	Group 2022 £	Group 2021 £
Repayments of borrowing	(60,363)	(60,363)
Net cash used in financing activities	(60,363)	(60,363)

23. Cash flows from investing activities

	Group 2022 £	Group 2021 £
Interest receivable	297	226
Purchase of tangible fixed assets	(462,496)	(580,724)
Capital grants from DfE/ESFA and other capital income	276,451	91,761
Net cash used in investing activities	(185,748)	(488,737)

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Notes to the Financial Statements
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24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand and at bank	2,604,576	2,101,909
Total cash and cash equivalents	2,604,576	2,101,909

25. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,101,909	502,667	2,604,576
Debt due within 1 year	(60,363)	-	(60,363)
Debt due after 1 year	(122,967)	60,363	(62,604)
	1,918,579	563,030	2,481,609

26. Capital commitments

	Group 2022 £	Group 2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	661,935	559,985

Notes to the Financial Statements
For the Year Ended 31 August 2022

27. 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 31 March 2019.

Contributions amounting to £198,832 were payable to the schemes at 31 August 2022 (2021 - £197,925) 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 full-time teachers in academies. 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 next valuation result is due to be implemented from 1 April 2023.

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Notes to the Financial Statements
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27. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,063,000 (2021 - £1,075,000).

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.

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 2022 was £707,000 (2021 - £485,000), of which employer's contributions totalled £556,000 (2021 - £385,000) and employees' contributions totalled £ 151,000 (2021 - £100,000). 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.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.9	3.7
Rate of increase for pensions in payment/inflation (CPI)	3.1	2.9
Discount rate for scheme liabilities	4.2	1.6

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	24.1	24.2
<i>Retiring in 20 years</i>		
Males	22.7	23.0
Females	25.9	26.1

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Notes to the Financial Statements
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27. Pension commitments (continued)

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	(226)	(385)
Discount rate -0.1%	226	385
CPI rate +0.1%	212	107
CPI rate -0.1%	(212)	(107)
Salaries increase rate +0.1%	16	27
Salaries increase rate -0.1%	(16)	(27)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	4,897	4,731
Bonds	2,040	1,972
Property	1,061	1,025
Cash and other liquid assets	163	158
Total market value of assets	8,161	7,886

The actual (loss)/return on scheme assets was £(345,000) (2021 - £1,531,000).

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

	2022 £	2021 £
Current service cost	(1,521,000)	(808,000)
Interest income	135,000	105,000
Interest cost	(261,000)	(203,000)
Total amount recognised in the Consolidated Statement of Financial Activities	(1,647,000)	(906,000)

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Notes to the Financial Statements
For the Year Ended 31 August 2022

27. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	15,103,000	11,530,000
Current service cost	1,521,000	808,000
Interest cost	261,000	203,000
Employee contributions	151,000	100,000
Actuarial (gains)/losses	(7,857,000)	2,549,000
Benefits paid	(87,000)	(87,000)
At 31 August	9,092,000	15,103,000

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

	2022 £	2021 £
At 1 September	7,886,000	5,957,000
Interest income	135,000	105,000
Actuarial (losses)/gains	(480,000)	1,426,000
Employer contributions	556,000	385,000
Employee contributions	151,000	100,000
Benefits paid	(87,000)	(87,000)
At 31 August	8,161,000	7,886,000

28. Operating lease commitments

At 31 August 2022 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Multi- Academy Trust 2022 £	Multi- Academy Trust 2021 £
Not later than 1 year	73,184	57,939	73,184	57,939
Later than 1 year and not later than 5 years	228,632	204,666	228,632	204,666
	301,816	262,605	301,816	262,605

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29. 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.

30. Related party transactions

No related party transactions took place in the period of account other than certain Trustee's expenses already disclosed in note 12.

31. Principal subsidiaries

The following was a subsidiary undertaking of the Trust:

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

The subsidiary was dormant during the year.

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

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Notes to the Financial Statements
For the Year Ended 31 August 2022

32. Teaching school trading account

	2022	2022	2021	2021
	£	£	£	£
Income				
Direct income				
DfE / ESFA grants	-		40,000	
Other government grants	-		143,448	
Total direct income	-		183,448	
Total income		-		183,448
Expenditure				
Direct expenditure				
Direct staff costs	-		84,086	
Curriculum supplies and equipment	-		64,677	
Total direct expenditure	-		148,763	
Other expenditure				
Administrative supplies and equipment	-		1,765	
Total expenditure		-		150,528
Transfers between funds excluding depreciation		-		(16,257)
Surplus from all sources		-		8,178
Teaching school balances at 1 September 2021		-		(8,178)
Teaching school balances at 31 August 2022		-		-