

Registered number: 07515832

Transforming Lives Educational Trust

Trustees' Report and Financial Statements

For the year ended 31 August 2024



Transforming Lives Educational Trust
(A Company Limited by Guarantee)

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Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members	P Davis L Howard S Jardine N Snook G J French, Chair of Trustees S Jardine S Crosson C Keady (resigned 31 August 2024) S Rose (resigned 5 October 2024) R Walker-Green K Zardin
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

Transforming Lives Educational Trust
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Reference and Administrative Details (continued)
For the Year Ended 31 August 2024

**Senior management
team**

M A Goodey, CFO, Transforming Lives Educational Trust
S Hartle, Director of Education, Transforming Lives Educational Trust
P Brockwell, Principal, Ashlawn School
J Delves, Senior Vice Principal, Ashlawn School (resigned 17/06/2024)
A Phillips, Vice Principal, Ashlawn School
S McKim, Vice Principal, Ashlawn School (resigned 30/06/2024)
C Cooke, Assistant Principal, Ashlawn School
L Pountney, Assistant Principal, Ashlawn School
A Wright, Director of Operations,
Transforming Lives Educational Trust
N Booth, Vice Principal, Ashlawn School
J Harris, Assistant Principal, Ashlawn School (resigned 31/08/2024)
F Edwards, Principal, Henry Hinde Infant School
J E Higham, CEO, Transforming Lives Educational Trust
R O'Neill, Assistant Principal, Henry Hinde infant School
E Swidryk, Assistant Principal, Henry Hinde Junior School (resigned 07/04/2024)
M Mcculley, Principal, Houlton School
C Buckenham, Assistant Principal, Houlton School
N Ellis, Assistant Principal, Houlton School
A Lancini, Assistant Principal, Houlton School
R Barker, Assistant Principal, Ashlawn School (appointed 01/01/2024)
S Turnbull, HR Manager, Transforming Lives Educational Trust
M Hart, IT Manager, Transforming Lives Educational Trust

Independent auditor

Dains Audit Limited
2 Chamberlain Square
Paradise Circus
Birmingham
B3 3AX

Bankers

Lloyds Bank plc
14 Church Street
Rugby
Warwickshire
CV21 3PL

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 August 2024

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Structure, governance and management

a. Constitution

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

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

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

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

These financial statements for the period ended 31 August 2024 relate to the operation of the Trust.

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

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

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

b. Members' liability

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

c. Trustees' indemnities

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

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

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

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

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

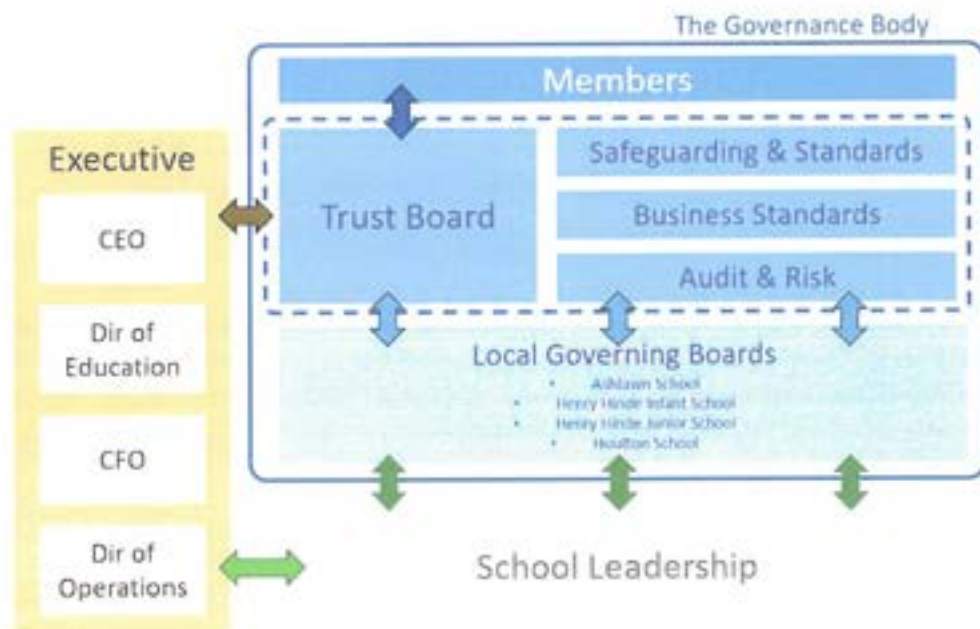
Trustees and governance partners are appointed, in line with the Trust's recruitment policies and safer recruitment practice, on the basis of skills needed, with all Trustees and Partners being annually assessed through self-assessment against the National Governors' Association (NGA) skills audit framework. Induction and training 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, Judicium, and Warwickshire Education Services. Trustees and Partners are all subject to Disclosure and Barring Service checks.

f. Organisational structure and decision making

The organisational structure of the Transforming Lives Educational Trust, and all associated responsibility and accountability, is vested in the Members and Trustees (inc. Local Governing Boards), and the Executive (inc. the Trust Executive, the Central Team, and the respective Academy leadership teams). All are pivotal in decision making.

Structure, governance and management (continued)

f. Organisational structure (continued)



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

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

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

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

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

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Trustees' Report (continued)
For the Year Ended 31 August 2024

Structure, governance and management (continued)

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

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

- recruit, appoint and set the remuneration of Executive roles, Principal(s) 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; and
- ratify remuneration for the CEO and academy Principal(s).

Performance appraisals of Principals are supported by external independent reviewers with currency of educational leadership expertise. During the period of these financial statements, the BSC was incorporated into the Trust Board who fulfilled this sub-committee's responsibilities.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	994
Total pay bill	14,019,309
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100 %
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Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

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

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

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

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

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

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

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

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

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

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

Structure, governance and management (continued)

Engagement with suppliers, customers and others in a business relationship with the Trust (continued)

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

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

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

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

Objectives and activities

a. Objects, aims, strategies and objectives

Over the course of this year, the Trust Board and the Executive Team have worked alongside our academy leaders, and other stakeholders, to review and revise our vision and values.

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

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



NURTURE POTENTIAL

We flourish in the places we create together.



INSPIRE COMMUNITY

We champion each other to make a difference.



DELIVER EXCELLENCE

We strive to achieve our best.

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

Objectives and activities (continued)

This year marks the first phase of implementing our new strategic ambitions. We've made significant progress, the highlights of which include:

Nurture Potential

- Visible communication of our vision, values, and ambitions across the Trust.
- Developed and documented a whole-Trust people strategy, known as our People Pledge.
- Standardised recruitment and on-boarding processes.
- Introduced a TLET Benefits Policy for employees.
- Expanded our range of professional networks to better meet the development needs of all employees, teaching and non-teaching.
- Facilitated employee uptake in National Professional Qualifications.
- Harnessed software to reduce workload such as via our compliance platform.
- Introduced an annual governance conference.
- Developed and implemented better streamlining and standardisation in governance processes, especially at local governance level.
- Improved channels of reporting with the planned introduction of the Trust Annual Report.

Inspire Community

- Published our Strategic Plan
- Restructured our termly Trust newsletter to better showcase the delivery of our ambitions in everyday Trust life.
- Increased the number and diversity of inter-Trust events, such as the 'TLET's Got Talent' event.
- Conducted a whole staff wellbeing consultation.

Deliver Excellence

- Developed our codified model for school improvement.
- Maintained professional partnerships that contribute to the robustness of our quality assurance processes.
- Developed and implemented internal safeguarding reviews.
- Progressed our governance improvement plan.
- Refined whole-trust tracking and monitoring systems to streamline and standardize target setting, data tracking, and attendance data monitoring.
- Standardised reporting for academy self-evaluation and development planning.
- Agreed TLET curriculum principles.
- Developed a minimum estates and infrastructure model.

Objectives and activities (continued)

b. Public benefit

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

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

Strategic report

Achievements and performance

a. Review of activities

School Improvement

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

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

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

Strategic report (continued)

Achievements and performance (continued)

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

The Trust has needed to be increasingly proactive this year in managing the current funding challenges experienced across the sector. Inflationary costs are not being matched by income streams, exacerbated by national recruitment challenges. The Trust Board and the Executive have worked closely to carefully monitor and scrutinise the impact of this over the course of the past year. Through their work, and the use of Integrated Curriculum Financial Planning, as well as our GAG pooling approach, resources have been effectively distributed and used to ensure our academies thrive.

Ofsted inspections in 2023/2024

In February 2024, Houlton School was subject to a Section 5 inspection of the Inspection Framework having not been previously inspected. The inspection findings judged the school to be Good overall where 'Houlton School is aspirational for all its pupils, including those with special needs and/or disabilities (SEND). It wants all pupils to achieve well academically and be ready for life in the wider world.'

In October 2023, Ashlawn School was subject to a Section 8 Ofsted inspection to determine progress following its inadequate Ofsted inspection judgement in November 2022. Inspectors found that 'Leaders have taken decisive action to help the school move forward. You have wasted no time in addressing the areas that needed to improve.'

Of our four academies, 75% are judged Good or better.

b. Key performance indicators (KPIs)

The Trustees consider the following to be the key financial performance indicators for the period 1 September 2023 to 31 August 2024:

		2024	2023
Income:	Total DfE/ESFA income (excl. capital)	£16,940,502	£15,239,085
Staffing:	Total staff costs	£14,688,238	£12,918,467
	Staff costs to ESFA income %	86.7%	84.7%
	Staff costs to total income %	78.7%	73.7%
Expenditure:	Total expenditure (excl. depn)	£18,622,852	£16,475,533
	Staff costs to total expenditure %	78.9%	78.4%

Strategic report (continued)

Achievements and performance (continued)

c. Promoting the success of the company

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

1. The likely consequences of any decision in the long-term **therefore** all decisions are taken with a view of maintaining or improving the long-term educational, operational, and financial performance of the Trust.
2. The interests of Trust's employees therefore please refer to page 'Engagement with employees (including disabled persons)' on page 7.
3. The need to foster the Trust's business relationships with suppliers, customers, and others therefore please refer to 'Engagement with suppliers, customers, and other business relationships with the Trust' on page 8.
4. The impact of the Trust's operations on the community and the environment **therefore** the Trust is committed to developing strong community relationships while also considering the environmental impact of its operations with the aim of reducing impact to an absolute minimum.
5. The desirability of the Trust maintaining a reputation for high standards of business conduct therefore the values of the Trust of courage, kindness, and loyalty are key to decision-making in order to protect the Trust's reputation and ensuring high standards of business conduct.
6. The need to act fairly between members of the company **therefore** our biennial external review of governance supports self-evaluation and confidence in fair treatment within the organization.

d. Going concern

After making appropriate enquiries, the Trust Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Trustees are confident that budgets and forecasts adequately account for additional costs relating to government announced funding models, increases in inflation, and that there is no material risk to the Trust's ability to continue in operational existence for the foreseeable future.

The Trust Board recognised the challenges the Trust faces with regards to the financial uncertainty generated this year by the timing of the general election and the levels of communication from the Department for Education during this time. Careful consideration was given to pupil numbers and the expected levels of income derived from these over the coming years in order for the Board to assure itself of the long-term financial position of the Trust.

For this reason, the Trust Board continues to adopt the going concern basis in preparing the financial statements.

Transforming Lives Educational Trust
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Trustees' Report (continued)
For the Year Ended 31 August 2024

Strategic report (continued)

Achievements and performance (continued)

Financial review

Financial position

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

The grants received from the DfE during the period ended 31 August 2024, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for capital expenditure from the DfE. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019) and the Academies Accounts Direction 2023-2024, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2024, the Trust received income of £16,940,502 (2023 - £15,239,085) from the DfE in respect of General Annual Grant (GAG) and other grants, and £224,301 (2023 - £276,451) in the form of DfE capital and maintenance grants. It also generated its own income of £140,759 (2023 - £133,172).

Total expenditure for the period before actuarial adjustments arising from the Local Government Pension Scheme (LGPS), depreciation and donated assets was £18,793,852 (2023 - £16,354,533).

The net deficit for the period amounted to £1,065,920 (2023 - £313,334), which included £1,115,780 (2023 - £1,334,575) of depreciation and £174,000 of LGPS income (2023 - £163,000 of LGPS costs).

As at 31 August 2024, the net book value of fixed assets was £46,484,787 (2023 - £47,228,742). The assets were used exclusively for providing education and the associated support services to the pupils and students of the academies.

The Trust held total fund balances at 31 August 2024 of £47,654,488 (2023 - £48,851,408) comprising a surplus of £520,848 (2023 - £1,156,090) on restricted general funds, a surplus of £648,853 (2023 - £509,574) on unrestricted general funds and £46,484,787 (2023 - £47,228,744) on the fixed assets funds. The LGPS was in a £Nil position (2023 - deficit position by £43,000) at the period end.

a. Reserves policy

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

Each year the Trust aims to set 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 that 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.

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

At the end of the year, free reserves totaled £616,587 (2023 - £477,308) which represent 4.14% (2023 - 3.49%) of combined GAG for all academies.

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the LGPS that is provided for our non-teaching staff to a specific restricted reserve. As at 31 August 2024, the deficit on this reserve amounted to £Nil. It should be noted, however, that this does not present the Trust with a current liquidity problem.

b. Investment policy

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

Under the Memorandum and Articles of Association the Trustees have the power to deposit or invest any funds not immediately required for the furtherance of its objects (but to invest only after obtaining such advice from an independent financial institution). During the year ended 31 August 2024, deposits were made to the value of £400,000.

c. Principal risks and uncertainties

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

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

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

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

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

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

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

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

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

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

Risks are mitigated in a number of ways, including:

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

d. Fundraising

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

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

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

e. Systems of internal control

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

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

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

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

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

Streamlined energy and carbon reporting

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

	2024	2023
Energy consumption breakdown (kWh):		
Gas	2,459,066	2,945,961
Electricity	1,078,737	1,133,411
Transport fuel	18,617	8,581
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption and biomass	470.86	543.43
Owned transport - mini-buses	2.31	1.02
Total scope 1	<u>473.17</u>	<u>544.45</u>
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	<u>251.50</u>	<u>264.24</u>
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	<u>1.33</u>	<u>0.90</u>
Total gross emissions (in tonnes of CO2 equivalent):	<u>726.00</u>	<u>809.59</u>
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	<u>.29</u>	<u>.32</u>

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

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2024 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:

During the financial year we have made improvements to lighting moving to LED with motion sensors across three sites. Any future improvements beyond this will be dependent on funding.

Plans for future periods

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

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

Specifically, in 2024/25, our main objectives are:

Nurture Potential

- Enhance inter-Trust communication via the design and launch of a TLET intranet for employees.
- Via consultation, define and implement a TLET wellbeing charter for employees, including workload reduction.
- Review and revise the TLET Pay Policy and related procedures to reflect government directives.
- Work with our employees to replace our approach to appraisal with a People Potential Policy focused on the importance of professional growth and separate from performance related pay considerations.
- Document our career pathways for line managers and employees to make best use of when determining professional growth routes.

Inspire Community

- Develop and implement a Trust-wide pupil and student recognition and award event.
- Commission an external review of governance.
- Develop and implement a TLET Attendance Policy.
- Define inclusion for the Trust and explore accreditation.
- Further increase the number of inter-Trust events and collaboration projects to enhance personal development of our pupils and students.
- Publish the first Trust Annual Report.

Deliver Excellence

- Publish our school improvement model.
- Further expand the range of professional networks for our staff.
- Implement quality assurance peer reviews.
- Implement our minimum estates and infrastructure model.
- Further strengthen collaboration with professional partners and other settings.

Funds held as custodian on behalf of others

At 31 August 2024, £20,000 was being held on behalf of Warwickshire County Council Cluster services.

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2024

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditor

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2024 and signed on its behalf by:



G J French
Chair of Trustees

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.

The Trust Board has delegated the day-to-day responsibility to the CEO, 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 Trust Board any material weaknesses or breakdowns in internal control.

The Trust's internal auditors, appointed during this report period, will support the Accounting Officer in their role, and report their findings and recommendation to the Audit and Risk Committee for review.

Governance

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

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

Trustee	Meetings attended	Out of a possible
G J French, Chair of Trustees	6	6
S Jardine	6	6
K Zardin	5	6
R Walker-Green	4	6
S Rose	3	6
S Crosson	4	6

The Audit and Risk sub-committee is a sub-committee of the main Board of Trustees and met on 4 occasions.

Attendance during the year at these meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Jardine	4	4
S Rose	3	4
K Zardin	4	4

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Standards & Safeguarding sub-committee met on 5 occasions.

Attendance during the year at these meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Crosson	4	5
G French	2	2
R Walker-Green	5	5

Review of value for money

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

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

- Supporting close working relationships between Trust academies to enable proactive support and challenge across our academies, including the sharing of expert staff;
- Continued to review the procurement of services across our academies to achieve better quality;
- Greater economies of scale and consistent outcomes via Trust-wide central service provision, including, but not limited to the review of third-party supplier contracts;
- Consulting appropriate stakeholders before major decisions are made;
- 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 Trust maintains a number of estates asset registers as well as a detailed estate condition improvement strategy, including an asset management plan and a project funding plan, to ensure it has a safe and well-maintained estate that complies with all of the appropriate regulations.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Transforming Lives Educational Trust for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Governance Statement (continued)

Capacity to handle risk

The Trust Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

The risk and control framework

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

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

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

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

- a review of the Trust's system of internal control surrounding HR, recruitment and payroll; and
- a review of premises compliance with additional focus on health and safety procedures and controls in place and whether they sufficiently safeguard against associated risks.

The internal auditor delivered their schedule of work as planned. Key control issues arising as a result of the review work were as follows:

- reports on estates are too narrative and do not include summary information regarding health and safety inspection findings, including RAG ratings. Also, no data driven reporting of health and safety related incidents to the Executive or Trust Board.
- no system for providing central summaries of academy risk assessments to facilitate effective and efficient central team monitoring.

The Trust has taken remedial action to rectify these issues in the form of implementing an "Every" estates software solution to provide summary dashboard health and safety information. Also, the Trust will look to widen the overview of academy risk assessments through the accident/incident reporting process and the use of summary forms across the Trust to report incident-based information to the Executive and the Trust Board.

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

Governance Statement (continued)

The risk and control framework (continued)

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

Review of effectiveness

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

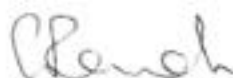
- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the work of the internal auditor;
- the work of the executive leaders within the Trust who have responsibility for the development and maintenance of the internal control framework; and
- the work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

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

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

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 E 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, including for estates safety and management, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2023.

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 2024

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:

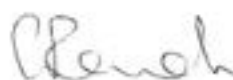
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 10 December 2024 and signed on its behalf by:



G J French
Chair of Trustees

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Independent Auditor's 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 2024 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 2023 to 2024 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 2024 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 2023 to 2024 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 Auditor's 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 Auditor's 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 Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The 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 parent Trust and the group 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 parent Trust and the group, 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.

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

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

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

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

Use of our report

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

10 December 2024

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

In accordance with the terms of our engagement letter dated 10 October 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, 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 2023 to 31 August 2024 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 2023, 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 2023 to 2024. 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 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued March 2024, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety, and estates management.

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

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

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 2023 to 31 August 2024 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: *10th December 2024*

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 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants:	4					
Other donations and capital grants		31,690	-	239,288	270,978	967,687
Other trading activities	6	101,046	-	-	101,046	86,666
Investments	7	26,275	3,000	-	29,275	346
Charitable activities:	5					
Trust educational operations		39,713	18,231,700	-	18,271,413	16,484,075
Total income		198,724	18,234,700	239,288	18,672,712	17,538,774
Expenditure on:						
Charitable activities:						
Trust educational operations	9	59,445	18,563,407	1,115,780	19,738,632	17,852,108
Total expenditure		59,445	18,563,407	1,115,780	19,738,632	17,852,108
Net income/(expenditure)		139,279	(328,707)	(876,492)	(1,065,920)	(313,334)
Transfers between funds	21	-	(132,535)	132,535	-	-
Net movement in funds before other recognised gains/(losses)		139,279	(461,242)	(743,957)	(1,065,920)	(313,334)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	29	-	141,000	-	141,000	1,756,000
Derecognition of pension surplus	29	-	(272,000)	-	(272,000)	(705,000)
Net movement in funds		139,279	(592,242)	(743,957)	(1,196,920)	737,666
Reconciliation of funds:						
Total funds brought forward		509,574	1,113,090	47,228,744	48,851,408	48,113,742
Net movement in funds		139,279	(592,242)	(743,957)	(1,196,920)	737,666
Total funds carried forward		648,853	520,848	46,484,787	47,654,488	48,851,408

The notes on pages 41 to 79 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 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	16	46,484,787	47,228,742
		<u>46,484,787</u>	<u>47,228,742</u>
Current assets			
Debtors	18	406,309	472,083
Cash at bank and in hand		2,015,894	2,574,900
		<u>2,422,203</u>	<u>3,046,983</u>
Creditors: amounts falling due within one year	19	(1,251,756)	(1,379,077)
Net current assets		<u>1,170,447</u>	<u>1,667,906</u>
Total assets less current liabilities		<u>47,655,234</u>	<u>48,896,648</u>
Creditors: amounts falling due after more than one year	20	(746)	(2,240)
Net assets excluding pension asset / liability		<u>47,654,488</u>	<u>48,894,408</u>
Defined benefit pension scheme asset / (liability)	29	-	(43,000)
Total net assets		<u><u>47,654,488</u></u>	<u><u>48,851,408</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	46,484,787	47,228,744
Restricted income funds	21	520,848	1,156,090
Pension reserve	21	-	(43,000)
Total restricted funds	21	<u>47,005,635</u>	<u>48,341,834</u>
Unrestricted income funds	21	<u>648,853</u>	<u>509,574</u>
Total funds		<u><u>47,654,488</u></u>	<u><u>48,851,408</u></u>

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

Consolidated Balance Sheet (continued)
As at 31 August 2024

The financial statements on pages 35 to 79 were approved by the Trustees, and authorised for issue on 10 December 2024 and are signed on their behalf, by:



G J French
Chair of Trustees

The notes on pages 41 to 79 form part of these financial statements.

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

Trust Statement of financial position
As at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	16	46,484,787	47,228,742
Investments	17	1	1
		<u>46,484,788</u>	<u>47,228,743</u>
Current assets			
Debtors	18	406,309	472,083
Cash at bank and in hand		2,015,894	2,574,900
		<u>2,422,203</u>	<u>3,046,983</u>
Creditors: amounts falling due within one year	19	(1,251,757)	(1,379,078)
		<u>1,170,446</u>	<u>1,667,905</u>
Total assets less current liabilities		47,655,234	48,896,648
Creditors: amounts falling due after more than one year	20	(746)	(2,240)
Net assets excluding pension asset / liability		47,654,488	48,894,408
Defined benefit pension scheme asset / (liability)	29	-	(43,000)
Total net assets		47,654,488	48,851,408
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	46,484,787	47,228,744
Restricted income funds	21	520,848	1,156,090
Restricted funds excluding pension asset / liability	21	<u>47,005,635</u>	<u>48,384,834</u>
Pension reserve	21	-	(43,000)
Total restricted funds	21	47,005,635	48,341,834
Unrestricted income funds	21	648,853	509,574
Total funds		47,654,488	48,851,408

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

Trust Statement of financial position (continued)
As at 31 August 2024

The financial statements on pages 35 to 79 were approved by the Trustees, and authorised for issue on 10 December 2024 and are signed on their behalf, by:



G J French
Chair of Trustees

The notes on pages 41 to 79 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 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	(392,382)	257,471
Cash flows from investing activities	25	(106,261)	(226,784)
		<hr/>	<hr/>
Cash flows from financing activities	24	(60,363)	(60,363)
Change in cash and cash equivalents in the year		(559,006)	(29,676)
Cash and cash equivalents at the beginning of the year		2,574,900	2,604,576
Cash and cash equivalents at the end of the year	26, 27	2,015,894	2,574,900

The notes on pages 41 to 79 form part of these financial statements

1. General information

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

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

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

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

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

2.2 Going concern

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

The Trustees have prepared forecasts through to 31 August 2027, incorporating expected increased funding from increased pupil numbers and increased staff costs. These forecasts demonstrate that the Trust is expected to generate financial surpluses for years 2025/26 to 2026/27.

2. Accounting policies (continued)

2.2 Going concern (continued)

As at 31 August 2024, the Group had net current assets of £1,170,447 (2023 - £1,667,906) and based on cash flow forecasts is expected to continue to be able to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

2.3 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.

2.4 Expenditure

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Taxation

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

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

2.7 Tangible fixed assets

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

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

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

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

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

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

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

2.8 Investments

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

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities

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

2. Accounting policies (continued)

2.12 Provisions

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

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

2.13 Financial instruments

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

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

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

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

2.14 Operating leases

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

2. Accounting policies (continued)

2.15 Fund accounting

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

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

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

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

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

2.16 Pensions

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

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

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

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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 their 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. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values, and plans to dispose of an asset before the previously expected date.

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

4. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Donations	31,690	-	31,690
Capital Grants	-	239,288	239,288
	<u>31,690</u>	<u>239,288</u>	<u>270,978</u>

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

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

5. Funding for the Trust's charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Educational Operations			
DfE/ESFA grants			
General Annual Grant (GAG)	-	12,878,800	12,878,800
Other DfE/ESFA grants			
16-19 core education funding	-	2,010,551	2,010,551
Pupil Premium	-	613,371	613,371
Start up grant	-	152,500	152,500
Teachers' Pay Grant	-	237,893	237,893
Teachers' Pension Grant	-	223,737	223,737
Mainstream Schools Additional Grant (MSAG)	-	464,287	464,287
PE and Sports Premium	-	35,799	35,799
Universal Infant Free School Meals grant	-	35,590	35,590
Others	-	287,974	287,974
	-	16,940,502	16,940,502
Other Government grants			
Special Educational Needs	-	602,333	602,333
Other government grants	-	80,985	80,985
	-	683,318	683,318
Other income from the Trust's educational operations	39,713	607,880	647,593
Total 2024	39,713	18,231,700	18,271,413

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

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

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

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

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

6. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £
Other trading income	202	202
Lettings	100,844	100,844
	<u>101,046</u>	<u>101,046</u>

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

7. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Interest	26,275	-	26,275
Pension income	-	3,000	3,000
	<u>26,275</u>	<u>3,000</u>	<u>29,275</u>

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

7. Investment income (continued)

	Unrestricted funds 2023 £	Total funds 2023 £
Interest	346	346

8. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £
Educational Operations:				
Direct costs	12,664,072	895,458	1,987,955	15,547,485
Support costs	2,024,166	1,197,700	969,280	4,191,146
	<u>14,688,238</u>	<u>2,093,158</u>	<u>2,957,235</u>	<u>19,738,631</u>

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Educational Operations:				
Direct costs	11,144,842	896,847	1,830,946	13,872,635
Support costs	1,773,625	999,481	1,206,367	3,979,473
	<u>12,918,467</u>	<u>1,896,328</u>	<u>3,037,313</u>	<u>17,852,108</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Educational Operations	59,445	19,679,187	19,738,632

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

10. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational Operations	15,547,485	4,191,146	19,738,631

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

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Pension finance costs	-	42,000
Staff costs	12,664,072	11,144,842
Depreciation	895,458	896,847
Educational supplies	488,726	370,840
Examination fees	238,216	203,973
Staff development	7,769	270
Music instruction, sports coaches and swimming lessons	216,957	317,306
Educational consultancy	79,357	82,240
Trips expenditure	511,834	440,279
Other direct costs	21,018	95,589
Recruitment and CPD training	155,476	22,646
Maintenance of equipment	11,409	24,855
Technology costs	257,193	230,948
	<u>15,547,485</u>	<u>13,872,635</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	2,024,166	1,773,625
Depreciation	220,322	437,728
Printing, postage and stationery	56,977	46,666
Travel and subsistence	24,637	13,706
Other support costs	236,952	164,389
Catering costs	263,059	350,263
Maintenance of premises	524,670	492,992
Maintenance of equipment	110	11,016
Rates	145,767	79,103
Energy	402,972	315,325
Insurance	76,593	63,415
Transport	5,865	11,819
Telephone costs	16,095	11,437
Legal, professional and marketing costs	192,961	207,989
	<u>4,191,146</u>	<u>3,979,473</u>

11. Net expenditure

Net expenditure for the year includes:

	2024 £	2023 £
Operating lease rentals	78,152	48,643
Depreciation of tangible fixed assets	1,115,780	1,334,575
Fees paid to auditor for:		
- audit	20,550	19,100
- other services	4,550	2,875
	<u>1,218,982</u>	<u>1,405,193</u>

Transforming Lives Educational Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Wages and salaries	10,428,545	9,305,271	10,428,545	9,305,271
Social security costs	1,078,704	937,869	1,078,704	937,869
Pension costs	2,304,903	2,183,440	2,304,903	2,183,440
	13,812,152	12,426,580	13,812,152	12,426,580
Agency staff costs	839,929	483,887	839,929	483,887
Staff restructuring costs	36,157	8,000	36,157	8,000
	14,688,238	12,918,467	14,688,238	12,918,467

Staff restructuring costs comprise:

	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Redundancy payments	22,168	38,050	22,168	38,050
Severance payments	13,989	8,000	13,989	8,000
	36,157	46,050	36,157	46,050

b. Severance payments

The Group paid 1 severance payment in the year (2023 - 1), disclosed in the following bands:

	Group 2024 No.	Group 2023 No.
£0 - £25,000	1	1

12. Staff (continued)

c. Special staff severance payments

Included in staff restructuring costs are non-contractual severance payments totalling £13,989 (2023 - £8,000). Individually, the payment was £13,989 (2023 - £8,000).

d. Staff numbers

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

	Group 2024 No.	Group 2023 No.
Leadership	18	15
Teachers	142	134
Administration and support	208	199
	<u>368</u>	<u>348</u>

e. Higher paid staff

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

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	14	6
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	-	2
In the band £90,001 - £100,000	2	1
In the band £110,001 - £120,000	1	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	2	-
	<u>2</u>	<u>-</u>

12. Staff (continued)

f. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £2,126,580 (2023 - £1,806,981).

13. Central services

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

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

The Group charges for these services on the following basis:

The Central Charge for 2023/2024 was made based on 8.5% of budgeted income from DfE/ESFA. In detail, this is made up of a 7.5% charge of budgeted DfE income and a further 1% of budgeted DfE income in respect of school improvement support.

The actual amounts charged during the year were as follows:

	2024	2023
	£	£
Ashlawn School	893,888	884,575
Henry Hinde Infant School	79,135	70,555
Henry Hinde Junior School	125,852	114,200
Houlton School	292,070	193,643
Total	1,390,945	1,262,973

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - ENIL).

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - ENIL).

15. Trustees' and Officers' insurance

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

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16. Tangible fixed assets

Group and Multi-Academy Trust

	Long-term leasehold property	Leasehold improvements	Furniture and equipment	Computer equipment	Motor vehicles	Other fixed assets	Assets under construction	Total
	£	£	£	£	£	£	£	£
Cost or valuation								
At 1 September 2023	46,635,283	3,697,703	1,614,972	1,460,703	9,996	223,366	739,389	54,381,412
Additions	-	260,129	10,170	72,945	-	-	28,580	371,824
Transfers between classes	-	739,390	-	-	-	-	(739,390)	-
At 31 August 2024	46,635,283	4,697,222	1,625,142	1,533,648	9,996	223,366	28,579	54,753,236
Depreciation								
At 1 September 2023	4,364,210	821,088	822,468	1,074,687	5,561	64,656	-	7,152,670
Charge for the year	789,613	115,435	163,446	38,908	443	7,935	-	1,115,780
At 31 August 2024	5,153,823	936,523	985,914	1,113,595	6,004	72,591	-	8,268,450

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16. Tangible fixed assets (continued)

Group and Multi-Academy Trust (continued)

	Long-term leasehold property £	Leasehold improvements £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Other fixed assets £	Assets under construction £	Total £
Net book value								
At 31 August 2024	41,481,460	3,760,699	639,228	420,053	3,992	150,775	28,579	46,484,786
At 31 August 2023	42,271,073	2,876,615	792,504	386,016	4,435	158,710	739,389	47,228,742

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

	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Long-term leasehold land	4,949,661	4,990,649	4,949,661	4,990,649

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Notes to the Financial Statements
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17. Fixed asset investments

Trust	Investments in subsidiary companies £
Cost	
At 1 September 2023	1
At 31 August 2024	<u>1</u>
Net book value	
At 31 August 2024	<u>1</u>
At 31 August 2023	<u>1</u>

18. Debtors

	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Due within one year				
Trade debtors	2,925	5,000	2,925	5,000
Other debtors	2,445	1,495	2,445	1,495
Prepayments and accrued income	367,450	350,064	367,450	350,064
VAT recoverable	33,489	115,524	33,489	115,524
	<u>406,309</u>	<u>472,083</u>	<u>406,309</u>	<u>472,083</u>

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19. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Other loans	1,494	60,363	1,494	60,363
Trade creditors	347,007	340,841	347,007	340,841
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	232,658	214,593	232,658	214,593
Other creditors	278,061	234,935	278,061	234,935
Accruals and deferred income	392,536	528,345	392,536	528,345
	<u>1,251,756</u>	<u>1,379,077</u>	<u>1,251,757</u>	<u>1,379,078</u>
	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Deferred income at 1 September 2023	155,225	98,542	155,225	98,542
Resources deferred during the year	65,794	155,225	65,794	155,225
Amounts released from previous periods	(155,225)	(98,542)	(155,225)	(98,542)
	<u>65,794</u>	<u>155,225</u>	<u>65,794</u>	<u>155,225</u>

At the balance sheet date, the Trust was holding funds received in advance for educational visits booked for the 2024-25 academic year and Universal Infant Free Schools grant funding received in advance for the Autumn Term 2024.

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

	Group	Group	Multi- Academy Trust	Multi- Academy Trust
	2024	2023	2024	2023
	£	£	£	£
Other creditors	<u>746</u>	<u>2,240</u>	<u>746</u>	<u>2,240</u>

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

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21. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Designated funds						
Student Inspirational Fund	32,266	-	-	-	-	32,266
General funds						
General Funds	477,308	198,724	(59,445)	-	-	616,587
Total Unrestricted funds	509,574	198,724	(59,445)	-	-	648,853
Restricted general funds						
General Annual Grant (GAG)	1,125,433	14,870,898	(15,173,267)	(335,983)	-	487,081
Start-up grants	-	152,500	(152,500)	-	-	-
Pupil Premium	-	613,371	(613,371)	-	-	-
Other DfE/ESFA grants	-	1,285,280	(1,285,280)	-	-	-
Other government grants	-	683,318	(683,318)	-	-	-
Catering	-	23,609	(227,057)	203,448	-	-
16/19 bursary fund	26,114	18,453	(10,800)	-	-	33,767
Other restricted funds	4,543	584,271	(588,814)	-	-	-
Pension reserve	(43,000)	3,000	171,000	-	(131,000)	-
	1,113,090	18,234,700	(18,563,407)	(132,535)	(131,000)	520,848

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21. Statement of funds (continued)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Restricted fixed asset funds						
Gift from Local Authority and other multi academy trusts	38,711,346	-	(895,458)	-	-	37,815,888
DfE/ESFA capital grants, other fixed asset funding and revenue transfer to capital	1,609,829	198,187	(193,238)	1,012,438	-	2,627,216
Other fixed asset funding	879,903	-	-	(879,903)	-	-
ACMF Funding	1,978,822	-	(10,681)	-	-	1,968,141
Condition Improvement Funding	4,048,844	41,101	(16,403)	-	-	4,073,542
	<u>47,228,744</u>	<u>239,288</u>	<u>(1,115,780)</u>	<u>132,535</u>	<u>-</u>	<u>46,484,787</u>
Total Restricted funds	<u>48,341,834</u>	<u>18,473,988</u>	<u>(19,679,187)</u>	<u>-</u>	<u>(131,000)</u>	<u>47,005,635</u>
Total funds	<u>48,851,408</u>	<u>18,672,712</u>	<u>(19,738,632)</u>	<u>-</u>	<u>(131,000)</u>	<u>47,654,488</u>

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

Restricted general fund

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

Pension reserve

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

Restricted fixed asset funds

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

Transfers between funds

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

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21. Statement of funds (continued)

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 2024.

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

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

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21. Statement of funds (continued)

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

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Notes to the Financial Statements
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21. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024	2023
	£	£
Ashlawn School	-	1,921,038
Henry Hinde Infant School	-	(180,744)
Henry Hinde Junior School	-	127,150
Houlton School	-	159,046
Central Services	1,169,701	(360,826)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,169,701	1,665,664
Restricted fixed asset fund	46,484,787	47,228,744
Pension reserve	-	(43,000)
	<hr/>	<hr/>
Total	47,654,488	48,851,408
	<hr/> <hr/>	<hr/> <hr/>

21. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2024 £
Ashlawn School	7,563,208	1,009,771	522,287	1,535,851	10,631,117
Henry Hinde Infant School	835,971	54,666	24,581	203,969	1,119,187
Henry Hinde Junior School	1,066,261	49,575	65,057	294,040	1,474,933
Houlton School	2,496,390	248,535	161,591	741,578	3,648,094
Central Services*	702,243	661,619	10,403	375,256	1,749,521
Trust	12,664,073	2,024,166	783,919	3,150,694	18,622,852

*Costs include all local government pension scheme charges for the Trust.

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

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

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	46,484,787	46,484,787
Current assets	648,853	1,718,285	55,065	2,422,203
Creditors due within one year	-	(1,197,437)	(54,319)	(1,251,756)
Creditors due in more than one year	-	-	(746)	(746)
Total	648,853	520,848	46,484,787	47,654,488

Analysis of net assets between funds - prior year

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

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23. Reconciliation of net expenditure to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	<u>(1,065,920)</u>	<u>(313,334)</u>
Adjustments for:		
Depreciation	1,115,780	1,334,575
Capital grants from DfE and other capital income	(239,288)	(956,790)
Interest receivable	(26,275)	(346)
Defined benefit pension scheme cost less contributions payable	(171,000)	121,000
Defined benefit pension scheme finance cost	(3,000)	42,000
Decrease/(increase) in debtors	65,774	(136,120)
(Decrease)/increase in creditors	(68,453)	166,486
Net cash (used in)/provided by operating activities	<u><u>(392,382)</u></u>	<u><u>257,471</u></u>

24. Cash flows from financing activities

	Group 2024 £	Group 2023 £
Repayments of borrowing	<u>(60,363)</u>	<u>(60,363)</u>
Net cash used in financing activities	<u><u>(60,363)</u></u>	<u><u>(60,363)</u></u>

25. Cash flows from investing activities

	Group 2024 £	Group 2023 £
Interest receivable	26,275	346
Purchase of tangible fixed assets	(371,824)	(1,183,920)
Capital grants from DfE/ESFA and other capital income	239,288	956,790
Net cash used in investing activities	<u><u>(106,261)</u></u>	<u><u>(226,784)</u></u>

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26. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand and at bank	2,015,894	2,574,900
Total cash and cash equivalents	2,015,894	2,574,900

27. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	Other non- cash changes £	At 31 August 2024 £
Cash at bank and in hand	2,574,900	(559,006)	-	2,015,894
Debt due within 1 year	(60,363)	60,363	(1,494)	(1,494)
Debt due after 1 year	(2,240)	-	1,494	(746)
	2,512,297	(498,643)	-	2,013,654

28. Capital commitments

	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	-	63,122	-	63,122

29. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2022.

Contributions amounting to £273,915 were payable to the schemes at 31 August 2024 (2023 - £231,902) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

29. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,724,263 (2023 - £1,435,950).

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust 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 2024 was £965,000 (2023 - £822,000), of which employer's contributions totalled £754,000 (2023 - £651,000) and employees' contributions totalled £ 211,000 (2023 - £171,000). The agreed contribution rates for future years are 21.2 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.6	3.9
Rate of increase for pensions in payment/inflation	2.6	2.9
Discount rate for scheme liabilities	5.0	5.2

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

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29. Pension commitments (continued)

	2024 Years	2023 Years
Retiring today		
Males	20.0	20.6
Females	24.2	24.1
Retiring in 20 years		
Males	21.1	21.7
Females	25.5	25.6

Sensitivity analysis

	2024 £000	2023 £000
Discount rate +0.1%	(237)	(212)
Discount rate -0.1%	237	212
CPI rate +0.1%	233	201
CPI rate -0.1%	(233)	(201)
Mortality assumption - 1 year increase	396	349
Mortality assumption - 1 year decrease	(396)	(349)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2023 £
Equities	5,439,000	5,049,000
Corporate bonds	3,330,000	2,176,000
Property	2,220,000	1,393,000
Cash and other liquid assets	110,000	87,000
Total market value of assets	11,099,000	8,705,000

The actual return on scheme assets was £853,000 (2023 - £(81,000)).

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Notes to the Financial Statements
For the Year Ended 31 August 2024

29. Pension commitments (continued)

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

	2024 £	2023 £
Current service cost	(583,000)	(737,000)
Past service cost	-	(35,000)
Interest income	511,000	361,000
Interest cost	(508,000)	(403,000)
Total amount recognised in the Consolidated Statement of Financial Activities	(580,000)	(814,000)

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

	2024 £	2023 £
At 1 September	8,748,000	9,092,000
Current service cost	583,000	737,000
Interest cost	472,000	403,000
Employee contributions	211,000	171,000
Actuarial losses/(gains)	31,000	(1,575,000)
Benefits paid	(129,000)	(115,000)
Past service costs	-	35,000
At 31 August	9,916,000	8,748,000

Transforming Lives Educational Trust
(A Company Limited by Guarantee)

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

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

	2024 £	2023 £
At 1 September	8,705,000	8,161,000
Interest income	511,000	361,000
Actuarial gains	342,000	181,000
Employer contributions	754,000	651,000
Employee contributions	211,000	171,000
Benefits paid	(129,000)	(115,000)
Derecognition of pension surplus	(272,000)	(705,000)
Effect of asset ceiling	(206,000)	-
At 31 August	9,916,000	8,705,000

30. Operating lease commitments

At 31 August 2024 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	Group 2023 £	Multi- Academy Trust 2024 £	Multi- Academy Trust 2023 £
Not later than 1 year	83,992	78,152	83,992	78,152
Later than 1 year and not later than 5 years	82,186	71,600	82,186	71,600
	166,178	149,752	166,178	149,752

31. Members' liability

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

32. Related party transactions

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

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

33. Principal subsidiaries

The following was a subsidiary undertaking of the Trust:

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

