

# **The Transformation Trust**

Helping schools transform young lives

**The Transformation Trust (England)**

**Charity Registration Number 1134468**

**Company Number 06852919**

## **REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2012**

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## REFERENCE AND ADMINISTRATIVE DETAILS

Charity Registration Number 01134468  
Company Registration Number 06852919

### Registered Office

45 Great Peter Street  
London  
SW1P 3LT

### Trustees

### Date appointed

Sir David Bell (Chair of Trustees)  
Lord David Puttnam (resigned 2 January 2012, now Patron)  
Baroness Trish Morris  
Baroness Margaret Sharp  
Sir Tim Brighouse  
Tim Byles  
Dame Julia Cleverdon  
Ian Cleland  
Lord Andrew Adonis

9 September 2010  
28 June 2011

### Chief Executive

Amy Leonard

### Company Secretary

Paul Hackwell (resigned 6 July 2011)  
Charles Deighton-Fox (appointed 6 July 2011, resigned 1 April 2012)  
Kirsten Flynn (appointed 1 April 2012)

### Bankers

Barclays Bank  
UK Banking  
7th Floor  
1 Churchill Place  
London  
E14 5HP

### Auditors

haysmacintyre  
Chartered Accountants  
Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

## **AIMS AND OBJECTIVES**

The Transformation Trust was set up in May 2009 as a grant-giving trust whose purpose is to fund extra-curricular activities in schools and academies across England

Our overarching aim is to provide every young person – no matter what their background – with opportunities and experiences in and around school that will inspire and motivate them to fulfil their potential

Whilst the norm in the independent education sector, enriching extra-curricular activities are not always available in the state system, particularly in the most deprived parts of the country The Trust aims to offer activities and opportunities that broaden young people's horizons and help them identify their talents

We do this by funding extra-curricular activities in schools across the country, but focusing our efforts on the most deprived communities We prioritise schools with 50% + children eligible for Free School Meals (FSM), but also work with schools who have above the national average of children on FSM

Every child should have the opportunity to develop new skills, to foster interests which help them grow as an individual, and to unlock hidden talents But this is hard for many young people to achieve if their families are not able to assist or encourage them, or if their schools lack the resources to help them achieve their goals These are barriers which the Trust wants to help overcome

Although some schools benefit from the support of local companies, the approach is often piecemeal and may be unsustainable The Trust brings a more sustainable and wide-reaching approach to offering truly extra-curricular activities to some of the country's most at risk children by supporting activities that are run by charities and organisations that are tried and tested In time, the Trust aims to reach into every state school that has children eligible for Free School Meals, offering inspiring extra-curricular activities that will help identify and harness the talent of young people across the country

Through its work, the Trust hopes to encourage greater engagement in education, leading to better prospects and brighter futures for the children involved Short term measures of our success include improved attendance, improved confidence and self-esteem and improved staying on rates The Trust also seeks to reduce anti-social behaviour in schools by offering activities that help motivate and inspire, instilling pride and self-worth in the individuals and in their surrounding environment

Activities aim to develop key skills and capabilities within the pupils such as

- Self management and resilience
- Teamwork and co-operation
- Problem solving
- Communication
- Numeracy
- Technological fluency
- Drive and motivation
- Creativity and enterprise
- Leadership

In our third year of operation, the main strategic objectives we have been working to implement are as follows

**1. To remove barriers to achievement for more disadvantaged young people**

This is one of the Trust's key strategic objectives, underpinning all the activities which are part of the charity's portfolio. Through our Transforming Minds programme, we continue to reach around 150 schools per year, but an area of major growth is through the development of our Bespoke Programmes (see below), where we see the bulk of our activity being going forward.

From a starting base of less than 100 schools in 2009/10, 2011/12 saw us provide activities and opportunities to 321 schools.

**2. To ensure experiences offered by the Trust are of high quality and deliver a measurable difference**

The Trust's evaluation and measurement model had three elements

**i Management data/quantitative**

The Trust collected detailed management data at various project milestones. The data requested relates to information about the schools, pupils and teachers projects are working with as a result of funding from The Transformation Trust.

**ii Pupil feedback/qualitative**

Through in depth talks with New Philanthropy Capital (NPC) the Trust implemented NPC's Well-being Measure in 2011-12. It is an online survey-based tool that measures how children feel. It is a practical way of quantifying the Trust's impact on a group of young people aged 11 to 16, by looking at eight aspects of well-being (self-esteem, emotional health, resilience, friends, family, school, community and life satisfaction).

The results are shown in the context of NPC's national baseline. By doing a survey at two points in time (initial survey and a follow up survey), the Trust will be able to measure change – and prove the impact of our projects' work.

**iii Focus Groups**

The Trust held one focus group with each of the Transforming Minds projects. This allowed the Trust to obtain case studies from pupils, gain images to use in the Trust's newsletter, Supporters' Update and any other publications. On top of this we were able to obtain some teacher feedback on the project and more evaluation from pupils.

### **3. Developing the Trust's Corporate Offer**

The Trust continues to be funded entirely by the private sector. During the year, we have made our first steps towards introducing a wider offer to companies. In addition to the Transforming Minds (activities funded through grant giving to third sector organisations with a proven track record), we have established a "Bespoke Programme" offer for companies. This is where in partnership with a company the Trust develops a bespoke programme to roll out in a target number of schools. This might be an entirely new programme of work, or an existing corporate schools-based programme that would benefit from the Trust's input and support.

Our first Bespoke Programme is "BT Digital Champions" and more detail is provided on page 6. The reporting period also saw us begin discussions with four other corporate partners with a view to developing programmes in 2012/13.

### **4. Contribute to a sustainable workforce by supporting high-quality work placement opportunities**

The Trust is in a unique position to contribute to a sustainable workforce through its relationships with both schools and the private sector. Many schools in disadvantaged areas find it hard to locate good work experience opportunities for their students, something which can be a barrier to their progression to work or further study.

Early in 2011, we began engaging with the Cabinet Office with a view to supporting their work on the Social Mobility Strategy, and in particular, providing a package of targeted support to signatories of the Business Compact (see page 7).

### **5. Developing the Trust's operating model and resources**

In its third year of operation, the Trust has looked carefully at ways in which to refine the resourcing structure. We have systematised our accounts and will be looking to move to an online platform in the coming year to reflect this period of growth, driven from the introduction of Bespoke Programmes.

We continue to make good use of interns, and will develop the model further in the coming year by establishing a pool of project managers that we can draw on to support the roll out of Bespoke Programmes.

## **PUBLIC BENEFIT STATEMENT**

The Transformation Trust benefits the public by funding activities in and around schools that aim to support social mobility. Funds raised are used to a) award grants to existing third sector organisations who have a proven track record of delivery, or b) deliver activities direct into schools.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust carries out its aims and objectives by

- Funding activities and initiatives in schools that are genuinely extra-curricular,
- Awarding grants to existing third sector organisations that have a proven track record of delivery,
- Delivering activities direct from the Trust, and
- Supporting smaller third sector organisations to trial new initiatives that have the potential to grow to scale.

By focusing our efforts on the most deprived communities, we achieve our strategic priorities of encouraging greater engagement in education, leading to better prospects and brighter futures for the children involved. The projects funded during the 2011-2012 school year are described in more detail in the section below.

## **POLICY ON GRANT MAKING FOR TRANSFORMING MINDS PROGRAMME**

Our fundamental criteria on grant-making is that we will only fund activities that are genuinely extra-curricular and which help young people develop new skills and unlock hidden potential. Our process for selecting delivery partners for the Transforming Minds programme required third sector organisations to demonstrate clearly how their work can help young people achieve core competences of

- Self-management and resilience
- Team working and cooperation
- Problem solving
- Communication
- Numeracy
- Using technology
- Creativity and enterprise
- Leadership

The Trust invited 20 organisations to make written applications, including the organisations that were funded in 2010/11, covering the following points:

- How their project could be used to help bridge the gap between primary and secondary school
- Details of the legacy of the project, including tools/training for teachers that can be used once the project concludes
- Cost per school per unit
- Geographical reach – where the activity can be offered

Written applications were assessed against criteria, with initial views sought from our Teachers Advisory Group in January 2011. The top scoring 12 were invited to a selection panel, consisting of our three advisory groups (Industry, teachers, pupils), with recommendations put forward to our Board of Trustees in spring 2011.

## OBJECTIVES, ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

### 1. Transforming Minds

From September 2011, the eight selected projects worked with 151 schools and gave almost 18,847 young people the chance to take part in an activity or event thanks to the Trust

**Aspiring Minds**, delivered by the Dame Kelly Holmes Legacy Trust, offers a school-based personal development programme that helps young people to develop a 'can do' attitude, motivation and personal skills. Its programmes are delivered by world-class sports stars, giving young people the chance to learn from winners in sport about how to become winners in life.

**Cineclub** empowers teachers and pupils to devise, shoot and edit their own short films. Cineclub believes that all young people should have the chance to experience filmmaking as it develops a huge range of skills and empowers them to take complete ownership of a creative product from script to screen. The project gives access to industry professionals, as well as the chance to show students' films in local cinemas.

**Dance4Youth**, set up by Magic 105.4's Cash for Kids, aims to provide access to high-quality creative dance to those with limited access to lessons and training. It develops links between youth clubs and schools to set up a Dance Academy in order to create a sustainable infrastructure for the provision of extra-curricular dance activities. Young people learn a range of dance styles and can take part in an end-of-term showcase.

**Furthering Talent**, run by Awards for Young Musicians, aims to help musically-talented young people from low income families fulfil their potential by helping meet the costs of a musical education. Furthering Talent identifies talented students and provides them with free weekly after school tuition as well as regular mentoring sessions with a professional musician.

**Greenpower** promotes engineering as a rewarding career to young people, while also focusing on sustainability, teamwork and the community. Young people work together to design, build and race an electric car. The aim is to inspire young people's interest in sustainable engineering through a practical project and by linking the schools with an engineering ambassador to help them with the process and become a role model for the industry.

**Magic Breakfast** supports breakfast clubs in schools across England, providing over 5,550 young children with healthy food each morning in areas where many young people arrive at school too hungry to learn. Magic Breakfast works with each school to support community and parent engagement, and helps the schools plan sustainability of provision, leaving a lasting legacy following on from initial food aid support.

**The Shakespeare Schools Festival** organises the performance of abridged Shakespeare plays by schools in professional theatres across the UK. The National Youth Theatre provides workshops to the young casts to prepare them for their performance. The Festival is non-competitive and open to young people of all backgrounds and abilities. Since its inception in 2000 the Festival has involved over 65,000 young people from more than 3,000 schools who have performed in theatres across the UK.

**Teaching Leaders'** mission is to develop a movement of outstanding middle-leaders whose teams measurably raise the achievements and life chances of children in challenging inner-city schools. The programme takes talented middle-leaders (for example, heads of department or year) on a two-year leadership and impact programme.

The following table shows the spread of schools involved in each of the Transforming Minds activities

Activity	Location based	Schools benefitting	Young people benefitting
Aspiring Minds Dame Kelly Holmes Legacy Trust	Midlands and the North	17	570
Cineclub	Birmingham	8	195
Dance 4 Youth	London	2	72
Awards for Young Musicians	Bristol	1	5
Greenpower	Cornwall	42	420
Magic Breakfast	Manchester, Bradford & Accrington	12	300
Shakespeare Schools Festival	Across England in 30 local authorities	55	1,238
Teaching Leaders	Across England	9	196

## 2. Bespoke Programmes

During the year we have begun to roll out the concept of Bespoke Programmes. This is where we partner with a particular company to roll out a schools-based programme, that has been developed in partnership. Our first live example of this is with BT, where we have rolled out a programme to sign up 10,000 Digital Champions by the end of 2012. To become a Digital Champion, a young person must spend at least one hour with someone in their community helping them to get online. The programme started at the tail end of the reporting period and will continue on into 2012/13.

## 3. Events

### Shakespeare in the Sky at the BT Tower (May 2011)

The Trust marked its second birthday in May 2011 with the 'Shakespeare in the Sky' event at the top of the BT Tower. Hosted by Lord Newby and generously supported by BT, Lord Hill of Oareford CBE, Parliamentary Under-Secretary of State for Schools, spoke about the work the Trust does in enabling young people to access the same opportunities that can help improve their lives.

The 'Shakespeare in the Sky' event provided guests with the opportunity to hear about the achievements of the Trust to date, plans for the coming year, and to see live performances by young actors from one of the projects supported by the Trust – the Shakespeare Schools Festival.

### Rock Assembly at The O2 (July 2011)

The Trust helped schools celebrate the end of term in style with Rock Assembly at The O2 on 20 July 2011. Billed as "the loudest and most glamorous assembly ever", the event gave over 14,000 pupils and teachers from state schools in some of the most deprived parts of the country the chance to attend a concert at the iconic London venue.

On the bill for the star-studded concert were Tinchy Stryder, Chipmunk and Diversity, with Parade, SoundGirl and Hadouken! also on the line up, with presenters from KISS FM.



MORE THAN were the headline sponsor for Rock Assembly, with Carillion as VIP reception sponsor, and UBM as media partner. The Trust also encouraged the private sector to take the Big Ticket Pledge – a £4,000 package to cover the cost of free tickets for around 100 young people.

The event also featured a University Village exhibition space – supported by the Department for Business, Innovation and Skills - with a range of universities and Student Finance England available to talk to pupils and teachers about bursaries, open days and access opportunities at their institution. The event was run and managed by a third party events company.

#### **What the pupils said:**

- "It was epic, the best thing was actually having the opportunity to go "
- "The best thing was the atmosphere "
- "I couldn't have asked for a better end to term"
- "I couldn't thank The Transformation Trust any more. All my favourite people on one stage and it's thanks to them. I recommend that other schools that have missed this opportunity sign up for next year. It truly is an event to remember "

#### **One teacher said:**

- "We took 196 students and they had the time of their lives. Many of our students would not have this sort of opportunity coming from such economically deprived backgrounds and it has lifted their spirits. Today so many came in to thank me. Here's to next year "

#### **The University Village:**

- "I got to learn about education, it's taught me to start believing in myself and to follow my dreams. I now know I want to attend university in the future, Rock Assembly really opened my eyes. No matter what the cost, I shouldn't let it stop me being the person I want to be "

## **4. Publications**

### **The Butterfly Effect**

In summer 2011, the Trust published the results of its first evaluation into the impact of The Transformation Trust. *The butterfly effect* brings together for the first time information from across the projects funded by the Trust to show how many schools, young people and teachers are benefitting from our work.

As well as explaining what the Trust does, a fold-out map shows the reach of our organisation in schools up and down the country.

The publication was designed for the Trust by Design Culture on a pro bono basis.

## **PRIORITIES FOR 2012/13**

In the coming year, we will be focusing on the following areas of priority

### **Bespoke programmes**

The BT Digital Champions programme will continue until December 2012, and we are currently well on track to achieve the target of 10,000 young people signed up and completing their training hours in their local community

In addition, we anticipate at least three new Bespoke Programmes to be developed throughout the year, with delivery cutting across 2012/13 and 2013/14

### **Cabinet Office – Social Mobility Business Compact**

We are delighted to have been asked by the Cabinet Office to provide a menu of support to the signatories of the Social Mobility Compact. All 140 signatories received a letter from the Deputy Prime Minister encouraging them to work with the Trust to build on their existing programmes of work experience and internships, making them readily accessible to children from more disadvantaged backgrounds. Over 2012/13 we will be working in partnership with the Cabinet Office to build specific programmes of support for individual companies

### **Academy and University Partners**

We will also look to build more established partnerships with multi-Academy sponsors and institutions within the University sector. The former will include a visit to the US in partnership with E-ACT, where 12 students will become campaign interns for the final two weeks of the American elections

### **Planning for Rock Assembly 2013**

Having taken a gap year in 2012 due to the Olympics, Rock Assembly will return in summer 2013. We are looking to establish this event on a more commercial footing going forward – continuing to ensure that tickets are free for schools to attend, but also securing ways in which to maximise value to the Trust

### **Resourcing and operations**

We will be revisiting our resourcing model, particularly in light of the introduction of Bespoke Programmes, looking to develop a pool of freelance project managers that we can draw as the need requires

We will also move to an online accounting system to ensure appropriate oversight of the new operating model

## **FINANCIAL SUMMARY**

The financial year has been one of change for the Trust, as we have sought to build on our original funding model. As such, it has been a year of transition as we move from simply being a grant-giving organisation to one which also funds and runs programmes directly in schools. Through a number of actions, including regularising the dates which annual memberships are paid as well as attracting new supporters through our Bespoke programmes offer we have restored our financial position and created a platform for growth in the coming years.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust has a dual function of giving grants and funding and running programmes in schools directly. It currently relies on a part-time Core Team (see below) and volunteers in order to carry out its mission.

### *Board of Trustees*

The Trust is governed by a Board of Trustees, representing the public, private and third sectors. Chaired by Sir David Bell (Chair of Sadler's Wells, Crisis, Common Purpose and former Chairman of the *Financial Times*), during the reporting period, the Trustees have included

- Baroness Trish Morris
- Baroness Margaret Sharp
- Dame Julia Cleverdon
- Sir Tim Brighouse
- Tim Byles
- Ian Cleland
- Lord Andrew Adonis

The Board of Trustees met three times in the reporting period. There are no sub-committees to the Board. Delegation of day to day activities was passed to the secretariat.

### *Expert advisory groups*

Three expert advisory groups support the Board of Trustees

- **Industry Advisory Group** - representing the views and experience of the private companies that support the Trust
  - Balfour Beatty
  - Bouygues
  - BT
  - Carillion
  - Dell
  - Galliford Try
  - Interserve
  - PwC
  - Sir Robert McAlpine
- **Teachers' Advisory Group** - representing head teachers in new schools, so that anything we support will be well-received by schools and school leaders
  - Heather Scott, Chair (Headteacher, Barlby High School)
  - Lynnette Parvez (Headteacher, Kelmscott School)
  - David Gregory (Headteacher, Fosse Way School, Bath)
  - Russell Andrews (Director of Education & Planning, Partnerships for Schools)
- **Pupils' Advisory Group** - ensuring pupil voice in the Trust's work, so that we support activities that pupils will be attracted to and want to participate in - students from various BSF schools are invited to participate in the PAG as necessary

## *Secretariat*

The Trust has a small Core Team comprising

- **Chief Executive** – Amy Leonard
- **Company Secretary** – Kirsten Flynn (Paul Hackwell (to 6 July 2011), Charles Deighton-Fox (from 6 July 2010 – 1 April 2012)
- **Head of Operations** – Nicky Old
- **Events Assistant and PA to the Chief Executive** – Alice Monks
- **Graduate Intern** – Antonia Farrow

The Core Team also draws on wider volunteer support and currently has 10 individuals who support the Trust on a voluntary basis in the areas of communications, events, web design, education and cultural advice

## *Risk Management Statement*

The Trustees have conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. The Trust has implemented systems or procedures, where appropriate, to mitigate the risks that it faces. Internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and grants. These are reviewed periodically to ensure that they continue to meet the needs of the charity.

## *Reserves Policy*

The Board of Trustees has examined the charity's requirements for reserves in the light of the main risks to the organisation. It has established a policy where unrestricted and uncommitted funds held by the charity should represent between two and four months of total charitable expenditure. As at 31 March 2012, total reserves stood at £95,651, representing just over three months of current expenditure.

## *Investment Policy*

Aside from retaining a prudent amount of reserves each year, most of the Trust's funds are spent in the short term so that there are few opportunities for long term investment. The Trustees recognise that at least some money may be invested over the medium term. The Trustees recognise that returns on low risk investments are at a historic low and therefore it expects that any returns on investments will have a minimal effect on its funding in the current investment climate.

## *Induction and Training of Trustees*

This is the third year of operation for the Trust. Most Trustees are already experienced and hold similar posts in other charities and companies. Trustees have become familiar with the work of the Trust through visits to schools and presentations from schools on particular issues and needs. Trustees are also invited to join working groups comprising interest groups including industry, teachers and pupils. Trustees are offered a range of tools to help with their continuing development including guidance on being an effective Trustee and emerging issues. Trustees are also given copies of the Trust's Memorandum and Articles of Association. During the year we had one meeting of Trustees that focused on the strategic direction of the Trust.

### *Support in kind*

Over the course of 2011/12 the Trust received the following in kind advice and support from the corporate sector

- The equivalent of 11 days of advice through membership of the Industry Advisory Group by Founding Members,
- The equivalent of 12 days of education advice through Teachers Advisory Group
- Pro bono design services from Design Culture
- Use of the BT Tower
- An exhibition stand at the Responsible Business Convention

The total value of donated services was £22, 977 (2010/11 £18,360)

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, as directors of the charitable company, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

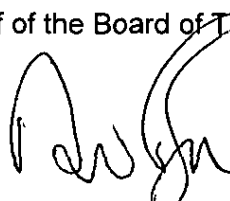
So far as each of the directors is aware at the time the report is approved

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

## AUDITORS

haysmacintyre have expressed their willingness to continue in office and offer themselves for re-appointment at the next Annual General Meeting

On behalf of the Board of Trustees



Sir David Bell, Chair of Trustees

October 16 2012

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TRANSFORMATION TRUST**

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We have audited the financial statements of The Transformation Trust for the year ended 31 March 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of Trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial, and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TRANSFORMATION TRUST

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit or
- the Trustees were not entitled to take advantage of the small companies exemption in preparing the Trustees' Report



*Tracey Young (Senior statutory auditor)  
for and on behalf of haysmacintyre, Statutory Auditor*

16 October 2012

*Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY*

# THE TRANSFORMATION TRUST (ENGLAND)

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	Unrestricted Funds £	Total 2012 £	2011 £
<b>Income and Expenditure</b>				
<b>Incoming resources</b>				
Voluntary income	2	496,109	496,109	431,151
Investment Income		-	-	78
<b>Total Incoming Resources</b>		<b>496,109</b>	<b>496,109</b>	<b>431,229</b>
<b>Resources expended</b>				
Costs of generating voluntary income	3	38,882	38,882	56,899
Fundraising	3	-	-	1,000
Charitable activities	3	302,528	302,528	377,347
Governance costs	3	9,994	9,994	47,428
<b>Total Resources Expended</b>		<b>351,404</b>	<b>351,404</b>	<b>482,674</b>
<b>Net movement in funds</b>		<b>144,705</b>	<b>144,705</b>	<b>(51,445)</b>
<b>Total funds brought forward</b>		<b>(49,054)</b>	<b>(49,054)</b>	<b>2,391</b>
<b>Total funds carried forward</b>		<b>95,651</b>	<b>95,651</b>	<b>(49,054)</b>

All transactions are derived from continuing activities

All recognised gains and losses are included in the Statement of Financial Activities

**THE TRANSFORMATION TRUST (ENGLAND)**
**Company Number: 06852919**
**BALANCE SHEET**
**AS AT 31 MARCH 2012**

	Notes	Total 2012 £	2011 £
<b>Current Assets</b>			
Debtors	8	103,800	60,000
Cash at bank and in hand		81,009	47,841
<b>Total Current Assets</b>		<b>184,809</b>	<b>107,841</b>
<b>Creditors amounts falling due within one year</b>	9	89,158	156,895
<b>Net Current Assets / (Liabilities)</b>		<b>95,651</b>	<b>(49,054)</b>
<b>Net Assets / (Liabilities)</b>		<b>95,651</b>	<b>(49,054)</b>
<b>Funds of the Charity</b>			
Unrestricted funds		95,651	(49,054)
<b>Total Funds</b>		<b>95,651</b>	<b>(49,054)</b>

The financial statements were approved and authorised for issue by the Board of the Trustees and were signed below on its behalf by

  
Sir David Bell, Chair of the Trustees

Date:

06 16 2012

# THE TRANSFORMATION TRUST (ENGLAND)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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### 1. ACCOUNTING POLICIES

#### **Basis of preparation**

These accounts have been prepared under the historic cost convention and in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities', with applicable accounting standards, and with the Companies Act 2006

#### **Company Status**

The Trust is a company limited by guarantee. In the event of the company being wound-up, the liability in respect of the guarantee is limited to a maximum of £10 per member of the company.

#### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SoFA) when

- the charity becomes entitled to the resources,
- the trustees are virtually certain they will receive the resources and
- the monetary value can be measured with sufficient reliability

Income from membership is included in incoming resources when these are receivable, except when members pay for multiple years in advance or when they specify the commencement date of their annual membership to indicate that the income is to be used in future accounting periods, the income is deferred until those periods.

Investment income is included when receivable.

#### **Donated services and facilities**

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

#### **Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the Trustees' Report.

#### **Resources expended**

All expenditure is accounted for on an accruals basis.

Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

**Support costs** are those costs incurred directly in support of expenditure on the objects of the company and have been allocated on the basis of time spent.

**Governance costs** are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

## THE TRANSFORMATION TRUST (ENGLAND)

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE YEAR ENDED 31 MARCH 2012

#### 1. ACCOUNTING POLICIES (continued)

**Grants payable** are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

##### **Cash flow**

The financial statements do not include a cash flow statement because the charitable company is a small reporting entity.

##### **Fund Accounting**

Unrestricted income can be used in accordance with the charitable objects at the discretion of the Trustees.

#### 2. VOLUNTARY INCOME

	2012 £	2011 £
Founding members	418,167	330,000
Gold members	-	16,250
Members	22,500	64,541
Donations from auctions	3,545	2,000
Donated services	22,977	18,360
Donations	28,920	-
	<u>496,109</u>	<u>431,151</u>

The Transformation Trust received additional income in the year of £50,000 (2011 £91,667), which has been treated as deferred as it is membership income related to future years. Donated services relates to the value of design services provided in relation to the Butterfly Effect brochure, the value of time relating to members of the advisory panels, the use of the BT Tower for the Transformation Trust dinner and the free stand given at the Responsible Business Convention.

#### 3. ANALYSIS OF RESOURCES EXPENDED

	2012 £	2011 £
<b>Costs of generating voluntary income</b>		
Communications	275	421
Events	2,364	100
Expenses	576	132
Consultancy fees	30,800	35,356
Support costs (see note 4 for analysis)	4,867	20,890
	<u>38,882</u>	<u>56,899</u>
<b>Fundraising costs</b>		
Communications	-	1,000

# THE TRANSFORMATION TRUST (ENGLAND)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31 MARCH 2012

<b>3 ANALYSIS OF RESOURCES EXPENDED (continued)</b>	<b>2012 £</b>	<b>2011 £</b>
<b>Charitable activities</b>		
Grants (see note 7 for details)	118,582	350,000
Sponsorship	156,102	-
Cost of donated services (see note 2)	22,977	13,460
Support costs (see note 4 for analysis)	4,867	13,887
	<u>302,528</u>	<u>377,347</u>
<b>Governance costs</b>		
Audit	2,865	2,100
Accounting	-	2,000
Bank charges	183	88
Communications	-	3,250
Expenses	2,079	433
Cost of donated services (see note 2)	-	4,900
Support costs (see note 4 for analysis)	4,867	34,657
	<u>9,994</u>	<u>47,428</u>

Auditors' fees for reporting on accounts were £3,160. No other fees were paid to the auditors. The amount differs from that shown above due to an over accrual in 2011.

<b>4. SUPPORT COSTS</b>	<b>Fundraising Activity £</b>	<b>Charitable Activity £</b>	<b>Governance Activity £</b>	<b>Total Costs £</b>
<b>Support cost type</b>				
Consultancy	5,000	5,000	5,000	15,000
Salaries (seconded staff)	(381)	(381)	(381)	(1,143)
Expenses	248	248	248	744
	<u>4,867</u>	<u>4,867</u>	<u>4,867</u>	<u>14,601</u>

Support costs are allocated to activities based on an estimate of the amount of time spent.

### 5. TRUSTEE EXPENSES

No Trustees were paid any expenses during the year (2011: £Nil).

## THE TRANSFORMATION TRUST (ENGLAND)

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### FOR THE YEAR ENDED 31 MARCH 2012

#### 6 PAID EMPLOYEES

The Trust did not employ any staff directly during the year. One staff member was seconded from Partnerships for Schools for part of the year (1 April – 31 August 2011).

The number of staff seconded (FTE) was

	2012	2011
CEO	0.2	0.4
PA	0	0.2
Head of Operations	0	0.4
Intern (Various)	0	0.4 – 1.0

The total costs reimbursed were £Nil (2011: £47,463).

In addition to seconded staff, the Trust employed one member of staff on a consultancy basis. The number of which on a FTE basis was

	2012	2011
CEO	0.2	

The total consultancy fees in the year were £45,800 (2011: £35,356). This figure also reflects consultancy on fundraising by a third party.

#### 7. GRANT MAKING

The Trust made the following grants during the year:

Names of Institutions	Purpose	Total amount of Grants paid £
Teaching Leaders	To develop middle-leaders in schools	9,000
Cineclub	To empower teachers and pupils to devise, shoot and edit their own short films	10,840
Magic Breakfast	To tackle poverty by providing breakfasts in schools plus support	16,000
Shakespeare Schools Festival	To develop skills in acting, production, literature and business skills in school	42,400
Dame Kelly Holmes Legacy Trust	A school-based personal development programme run by past Olympians	13,025
Awards for YM	To help musically-talented young people	6,300
Total carried forward		75,565

**THE TRANSFORMATION TRUST (ENGLAND)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2012**

**7. GRANT MAKING (continued)**

<b>Names of Institutions</b>	<b>Purpose</b>	<b>Total amount of Grants paid £</b>
	<b>Total brought forward</b>	<b>75,565</b>
Dance for Youth	To provide access to high-quality creative dance	5,377
Greenpower	To promote engineering as a career through young people designing, building and racing an electric car	15,640
	<b>Total grants to institutions</b>	<b>118,582</b>

<b>8. DEBTORS: Amounts falling due within one year</b>	<b>2012 £</b>	<b>2011 £</b>
Trade debtors	103,800	60,000
	<b>2012 £</b>	<b>2011 £</b>
<b>9. CREDITORS. amounts falling due within one year</b>		
Trade creditors	6,466	3,813
VAT liability	29,069	10,853
Accruals	3,623	50,562
Deferred income	50,000	91,667
	<b>89,158</b>	<b>156,895</b>

The Transformation Trust has deferred membership income related to future years of £50 000

**10. TRANSACTIONS WITH RELATED PARTIES**

Partnerships for Schools kindly seconded one of its employees for one day a week to run the Trust from 1 April – 31 August. The total amount reimbursed to Partnerships to Schools during the period was £Nil (2011 £47,463). The CEO of Partnerships for Schools (until the end of May 2011), Tim Byles, is also a Trustee of the Trust.