

The Transformation Trust

The Transformation Trust (England)

Charity Registration Number 1134468

Company Number 06852919

**Report and Financial Statements
For The Period 19 March 2009 to 31 March 2010**

WEDNESDAY



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COMPANIES HOUSE

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Registration Number 01134468
Company Registration Number 06852919
Registered Office
33 Greycoat Street
London
SW1P 2QF

| | |
|----------|--|
| Trustees | Sir David Bell (Chair of Trustees) Lord David Puttnam Baroness Trish Morris Baroness Margaret Sharpe Sir John Sorrell Lord Tony Hall Dame Julia Cleverdon Sir Tim Brighouse Richard Lambert Tim Byles |
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| | |
|-----------------|-------------|
| Chief Executive | Amy Leonard |
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| Company Secretary | Paul Hackwell |
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| Bankers | Barclays Bank UK Banking 7th Floor 1 Churchill Place London E14 5HP |
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| Auditors | haysmacintyre Chartered Accountants 15 Fulwood Place London WC1V 6AY |
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Supporters

We would like to thank the following companies for their generous support in 2009/10

Founder Members:

Balfour Beatty

Bouygues

Carillion

Dell

Partnerships UK

PriceWaterhouseCoopers

Redstone

RM

Sir Robert McAlpine

Gold Members

Lend Lease

Standard Members

Apollo

BAM

NPS Group

Place

Ramesys

Skanska

Telereal Trillium

T-Three

Wates

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their first report. The trustees have adopted the provisions of the Statement of Recommended Practice 'Accounting and Reporting by Charities', issued in March 2005.

The Transformation Trust was incorporated as a company limited by guarantee on 19 March 2009 and registered as a charity on 23 February 2010.

OBJECTIVES, ACHIEVEMENTS AND PERFORMANCE

Objectives

The Trust was set up as a new grant-giving body with the purpose of funding 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 give young people the best possible start in life.

We do this by funding extra-curricular activities in schools across the country, but focusing our efforts on the most deprived communities. In our first year of operations, we did this by targeting schools that are part of the government's Building Schools for the Future (BSF) programme, which involves rebuilding secondary schools in the most challenged parts of the country. The activities and initiatives that we fund are run by existing third sector organisations who have a proven track record of delivery.

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 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 that are tried and tested. In time, the Trust aims to reach into every school, offering inspiring extra-curricular activities to every school child 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 attainment 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 first year of operation, our strategic objectives have been as follows

1. To raise funds to support initial activities

Ahead of the formal launch, the Trust began fundraising so that it was in a position to support extra-curricular activities in schools from the start of the 2009/2010 Academic year. We did this through targeted sessions with key industry leaders, both individually and in groups. All funds were raised from the private sector, with companies providing support as 'Founders', 'Gold Members' or 'Members'. The Trust also ran two charity auctions in the year helping support our fundraising efforts.

A Fundraising Strategy was developed and having consulted with the Industry and Teachers Advisory Groups, signed off by the Trustees. This strategy will steer the Trust's fundraising activities over the coming three years.

2 To establish effective governance to support the Trust's operations

The Board of Trustees comprises 10 individuals, from a wide range of backgrounds in the public, private and third sectors. The Trustees are supported by a core secretariat and advised by three advisory groups: one comprising of teachers, one of pupils and one of industry advisors.

The Board of Trustees has met three times during the year, as have the individual advisory groups.

3. To roll out activities to an initial cohort of schools

In the first year of operation, the Trust targeted schools that had already opened through the BSF programme as this provided a proxy for reaching the most challenged schools in the country, as measured by free school meals and educational attainment. These schools were invited to have access to the four initial projects, and as such over 100 schools have benefitted from support through the Trust. More detail on each of the projects supported is included below.

4 To put in place a framework to measure success and to develop a process of assessing outcomes and success

One of our main areas of focus in the first year of operation of the Trust had been to put in place the framework through which we identify the partner organisations who we want to support and fund. The framework also allows us to measure the impact of our support to children, teachers and schools.

Our partner and project selection process has been developed to evaluate the following:

a Alignment with the Trust's Strategy

- Projects clearly aligned with the Trust's own strategic objectives
- A clear link to how the project will lead to participants developing key social, life and employability skills and/or raised aspirations and confidence to succeed
- A demonstration of how the project would be genuinely complementary and additional to schools' core offer and curriculum

- Ability of the project to make a "real and lasting difference"
- b Complementary to the Trust's partner portfolio
 - Degree to which the project complements and extends the existing portfolio of projects supported by the Trust to reach new cohorts of young people learners and adds scale
 - How the project complements other projects
 - How the project helps us reach our target groups
 - How the project helps ensure a balance amongst the range of competencies the Trust aims to support (i.e. self management and resilience, teamwork and co-operation, problem solving, communication, numeracy, technological fluency, drive and motivation, creativity and enterprise, and leadership)
- c Provide capacity and capability
 - Robust performance management and reporting process are in place
 - A robust plan for resourcing projects and delivery
 - A commitment to document, evaluate and feedback on delivery and outcomes efficiently and effectively

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 award grants to existing third sector organisations that have a proven track record of delivery. Often a charity needs a financial injection to help them reach greater numbers of young people, this is where the Trust steps in.

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.

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 four projects funded during the 2009/2010 school year are described in more detail in the section below.

Policy on grant-making

The Transformation Trust will only support activities that are genuinely extra-curricular.

In the autumn we invite third sector organisations to bid for funding from the Trust. Bids are required to respond to a set of questions that scrutinise the following, in addition to other factors:

- Scalability of their activities
- How their activities may lead to participants developing key social, life and employability skills and qualities
- Whether the activity proposed is genuinely beyond a school's core offer / statutory responsibility
- How the project actively seeks to remove barriers to achievement and promote full inclusion

- Whether the organisation can demonstrate sufficient skills and capacity to deliver the programme as proposed

Having filtered out bids which do not meet the fundamental criteria of being extra-curricular, we consult each of our advisory groups on the applications. Successful applicants are awarded funds on the basis of them delivering agreed outputs and outcomes, as measured by Key Performance Indicators. If these are not met, then funding may not be granted in future years.

Performance for the period to 31 March 2010

The Trust has enjoyed a successful first period. We have received a good level of support from the private sector funding community and as a result have been able to fund extra-curricular activities in schools across the country, benefitting hundreds of young people. The changing political landscape presents the Trust with new opportunities in the coming year and we will be looking to extend our reach further into schools in the most challenged parts of the country.

Launch of The Transformation Trust

- The launch of the Trust took place at the London Eye on 19 May 2009. Over 500 students from schools across the country attended, together with 250 guests from the private sector and local government community. Each of the projects funded from September 2009 were showcased at the event – both in the VIP breakfast and on individual capsules on the London Eye itself. The day was a high energy event that generated a number of leads with potential private sector partners and helped establish the Trust on the educational landscape.
- A film crew captured footage of the launch event, which has been used extensively as part of our fundraising and engagement activities.

Four projects were funded in 2009

Shakespeare Schools Festival – unique arts-education initiative, enabling students (11-18 years) from diverse backgrounds to work together to bring Shakespeare alive. Shakespeare Schools Festival is open to all UK secondary schools, including Special Schools.

- During the 2009/2010 school year, 487 schools and youth groups took part in 67 theatres across the UK. Of these, 23 schools were BSF schools. See Annex A for details.

Testimonial Luke, Bristol – ‘You really need to convey to the audience what is happening not just say the words. That was the biggest thing. From now on if I look at a piece of Shakespeare text, I have the tools to work out what it means. Shakespeare Schools Festival definitely made me more open. Now if I do something that is out of my comfort zone I think “oh it’s ok, I’ve done this before and I know I can do it again” ’

F1 in Schools – its main objective is to help change perceptions of engineering, science and technology by creating a fun and exciting learning environment for young people to develop an informed view about careers in engineering, Formula One, science, marketing and technology.

During the 2009/2010 school year, F1 in Schools operated in six BSF schools. See Annex A for details.

Testimonial Kelly, Carlisle – 'F1 in Schools has helped me grow as a person and shape my ambitions, giving me knowledge and design skills I can use for my desired career I experienced the thrill of Formula One, and I realised there is nowhere else I would rather be I owe F1 in Schools everything '

Magic Breakfast – delivers free, healthy breakfast foods to low-income school communities, without charge to schools, where many children arrive too hungry to learn It aims to ensure that no child should miss out on their future success because they lack the right food as fuel for learning

During the 2009/2010 school year, Magic Breakfast provided food to 90 primary schools, and due to the financial support from the Trust, was able to clear its waiting list of 30 schools The Trust's involvement also allowed for breakfasts to be provided to 33 primary schools that feed into BSF secondary schools

Testimonial from a student Jahmari, Leytonstone – 'I like eating nice stuff like orange juice and toast I come because I like to be with my friends and I like eating If my belly rumbles in class I do not like that '

Testimonial from a head teacher Valerie Figaro, Randal Cremer Primary School, Hackney – 'One boy's behaviour was so bad we were about to exclude him Before I did, I thought, let's just try asking him to breakfast club It was magic – he settled He was just hungry So simple '

icould – is a free online resource containing 1,000 real-life career stories, told by people from all kinds of backgrounds and in all kinds of jobs, designed to inspire young people to think differently about their futures and linking schooling and qualifications with career pathways and personal interests and passions

Since November 2009, icould.com has had over 79,000 site visits and 301,000 page views Over 300 organisations link to the site and there are nearly 1,500 registered users

Testimonial Elizabeth, Buntingford – 'icould was real people talking about their real life experiences, which is good because it gives me a better idea of the opportunities available and ways that I can go on with my ambitions if I hit any obstacles '

Auctions

In addition to support from individual companies, we hosted a charity auction at Partnerships for Schools *Excellence in BSF Awards* in November, raising nearly £10,000, and a charity draw at an industry dinner where we raised £4,700

Testimonials from Members

Our Members had these words to say about the Trust during its initial period

Sir Robert McAlpine, Robin Oram 'Helping young people, who otherwise would miss out, to develop and flourish through our support of The Transformation Trust is a natural extension of our corporate social responsibility agenda '

Lend Lease, Dan Labbad 'We're extremely proud of our involvement with the Trust We're already committed to investing in the future of young people and helping them fulfil their potential and

through the Trust we can help even more children gain access to new opportunities and experiences '

Pricewaterhouse Coopers, David Padwick 'The variety of opportunities that the Trust is already supporting through its partners is breathtaking. Even more impressive is the potential to reach and inspire children in every corner of the country by matching stable national funding with local knowledge and commitment '

RM, Phil Hemmings 'At RM we're committed to helping teachers to teach and learners to learn. We're supporting the Transformation Trust for a single, simple reason – they share that commitment. The Trust's activities are making a real difference for some of the most deserving children in the country '

Dell, Matt Valentine 'It has been an honour for Dell to support the Transformation Trust in its first year. The diversity of opportunity that the Trust is creating is enabling children to interact and develop on their terms, with an understanding of the support and interest we collectively share in their future '

Bouygues, Madani Sow 'Bouygues UK firmly believes in the Transformation Trust's aim to create opportunities for students regardless of their background. This is fundamental to inspire today's young people to go on and fulfil their potential '

Carillion, Rob Holt 'Carillion are fully supportive of the Transformation Trust as it is clearly making a difference in the engagement and challenge of Young People across the country. It is wonderful to witness the enjoyment and enthusiasm of those involved in the Transformation Trust's work which will provide a solid platform for future success '

Balfour Beatty plc, Ian Tyler "We are excited to support The Transformation Trust to ensure that there are activities and projects for young people that work alongside the capital investment being made in schools across the country "

Redstone, Tim Sherwood 'Through the organisations it sponsors the Transformation Trust provides young people with the opportunity to develop into broader, more fully rounded people. We are proud to have the opportunity to support this important work '

Financial Review

Despite the global recession and the downturn experienced by many charities, the Trust has had a successful first period of operation. The Trust gave £360,000 in grants, with a further £100,000 committed, directly affecting 92 schools and many others indirectly. During the year we raised £668,000 in cash and in-kind donations. Around a quarter of this money is intended to cover expenditure in future years and has been deferred accordingly. We received donated services of £20,000 and a further £8,000 of estimated time provided by our advisor panels.

The Trust operated as a virtual organisation with less than two full-time people employed on a formal basis and many others volunteering informally. We had no offices or infrastructure relying instead on the generosity of others. Partnerships for Schools kindly seconded some of its employees to help run the Trust including the Chief Executive, who currently works two days a week for the Trust, which the Trust pays for.

Indeed so many people have given their time freely, from Chief Executives to teachers, pupils, fellow charities, specialist advisors and many others in their spare time to whom the Trust is indebted

PLANS FOR 2010/11

1st Birthday Party

The Transformation Trust's 1st Birthday Party at The O2 Arena in London, held on 13 July 2010, attracted around 12,000 pupils and teachers from schools across the country to the free end-of-term concert. The event, drew big name supporters from the world of music and sport, and high profile sponsors from the media and the private sector, including lead sponsor British Gas.

Amongst those performing before the enthusiastic and noisy crowd were chart-topping acts The Saturdays, Tinchy Stryder, Eliza Doolittle and The Wanted. Five-time Olympic gold medallist Sir Steve Redgrave presented awards to the winners of two Trust competitions for the Young Designers and Young Film Makers of the Year. In addition to established acts, the final of the 'battle of the bands' organised by Blastbeat (one of the Trust-funded projects for 2010/2011), gave young people the chance to take to the O2 stage.

A discrete fundraising exercise covered the entire cost of the event.

Feedback from the event has been very positive, with more than 140 pieces of print media and online coverage between May and August alone. The specialist music publication, *Music News*, gave the concert a four-star rating, writing "Tinchy Stryder had the whole place jumping and singing (or rapping) along with him. It was the perfect end to a great celebration, and an absolute triumph for The Transformation Trust".

A student reviewer, writing in *First News*, said "It was a fantastic day and none of us wanted it to end!", and a teacher wrote on Facebook "Had the most amazing day- best school trip ever according to the students."

Focus on Fundraising

During the next year, we will roll out streams of work that support our Fundraising Strategy. The purpose of this strategy is to develop a single comprehensive approach that identifies and sets out that approach, including potential sources and activities for realising financial resources for the Trust over the next five years.

Ambassadors

The Trust is continuing to identify potential Ambassadors for the Trust. Ambassadors will attend board meetings and act as champions for the Trust and its fundraising efforts.

Teacher Portal

The Trust will be developing a 'Teacher Portal' on its website so that as interest and momentum grows and schools become eligible to participate, each eligible school is able to register with the Trust through the website. The idea is that each school will receive a unique log in via registration. Once registered, a school is able to pick and choose – by simply dropping into a shopping basket – those projects being delivered in their area that best match its needs.

This will complement the re-launched Trust's website – www.transformationtrust.org.uk – which went live on 13 July 2010 and includes enhanced social media function such as links to Twitter, Facebook, YouTube and Flickr

Structure, Governance And Management

The Trust has been set up as an umbrella grant-giving charity that supports individual third sector organisations that have already proven to be a success within schools. It currently relies on a part-time Core Team (see below) and volunteers in order to carry out its mission.

Governance arrangements

The Trust is constituted as a company limited by guarantee and a registered charity. The Trust is governed by its Memorandum and Articles of Association, which contain its charitable objects.

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*), the Trustees are as follows:

| | Date Appointed |
|----------------------------|----------------|
| • Sir David Bell (Chair) | 12 March 2009 |
| • Lord David Puttnam | 12 March 2009 |
| • Baroness Trish Morris | 12 March 2009 |
| • Baroness Margaret Sharpe | 12 March 2009 |
| • Lord Tony Hall | 12 March 2009 |
| • Sir John Sorrell | 12 March 2009 |
| • Sir Tim Brighouse | 12 March 2009 |
| • Richard Lambert | 01 July 2009 |
| • Tim Byles | 01 July 2009 |
| • Dame Julia Cleverdon | 09 March 2010 |

The trustees met four times during the year.

Selection, Induction and Training of Trustees

This is the first period of operation for the Trust with many Trustees joining through the period. Most Trustees are already experienced and hold similar posts in other charities and companies. Suggestions for trustee appointments are made to trustees and approved at trustee meetings. 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 coming year we expect to have at least one meeting of Trustees that focuses on the strategic direction of the Trust.

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
 - Bouygues
 - Carillion
 - Dell
 - Interserve
 - RM
 - Infrastructure UK
 - Sir Robert McAlpine
 - PwC
 - Redstone
 - Balfour Beatty
 - Lend Lease
- **Teachers' Advisory Group-** representing head teachers in new schools, so that anything we support will be well-received by schools and school leaders
 - Andy Buck (Chair)
 - David Carter (Executive Principal, Bristol Brunel Academy & John Cabot Academy)
 - Lynnette Parvez (Headteacher, Kelmscott School)
 - Russell Andrews (Director of Education & Planning, Partnerships for Schools)
 - Heather Scott (Headteacher, Barlby High School)
- **Pupils' Advisory Group-** ensuring pupil voice in the Trust's work, so that we only support activities that pupils will be attracted to
 - Students from various schools are invited to participate in the group as necessary

Trust Management team

The Trust has a small Core Team comprising

- **Chief Executive** – Amy Leonard
- **Company Secretary** – Paul Hackwell
- **Member Relations Officer** – Marina Lin (Intern)/Roger Newby

The Core Team also draws on wider volunteer support

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 March 31st 2010, total reserves stood at £2,391. The Trust manages its cash flow such that the bulk of the funding is raised before grants are paid out. The Trustees consider that the current level of reserves are inadequate and recognise that they will need to be monitored carefully.

Relationships with Related Parties

The Trust has a relationship with Partnerships for Schools, which provides staff on secondment. The Trust reimburses Partnerships for Schools for these services. The Chief Executive of Partnerships for Schools is a trustee of the Trust.

Auditors

haysmacintyre have been appointed as the Trust's auditors. A proposal to reappoint haysmacintyre as auditors for the forthcoming year will be put forward at a general meeting.

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

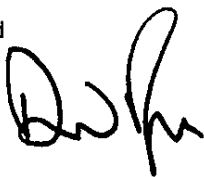
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 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 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

Signed



Sir David Bell, Chair of the trustees

Date

September 30th 2010

AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE TRANSFORMATION TRUST (ENGLAND)

We have audited the financial statements of The Transformation Trust (England) for the period ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The Trustees' (who are also directors for the purposes of company law) responsibilities for the preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been properly prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements.

In addition we also report to you if, in our opinion, the charitable company has not kept proper accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration information specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

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 2010 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Report is consistent with the financial statements


Tracey Young, Senior Statutory Auditor
for and on behalf of haysmacintyre, Statutory Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

Date 11 October 2010

STATEMENT OF FINANCIAL ACTIVITIES

for the period 19 March 2009 to 31 March 2010

| | | Unrestricted Funds | Total 2010 |
|--------------------------------------|-------|-----------------------|----------------|
| | Notes | £ | £ |
| Income and Expenditure | | | |
| Incoming resources | | - | - |
| Voluntary income | 2 | 520 412 | 520 412 |
| Investment Income | | 68 | 68 |
| Total Incoming Resources | | 520,480 | 520,480 |
| Resources expended | | | |
| Costs of generating voluntary income | 3 | 83,026 | 83 026 |
| Charitable activities | 3 | 415,715 | 387 715 |
| Governance costs | 3 | 19 348 | 19 348 |
| Total Resources Expended | | 518,089 | 518,089 |
| Net movement in funds | | 2,391 | 2,391 |
| Total funds brought forward | | - | - |
| Total funds carried forward | | 2,391 | 2,391 |

All transactions are derived from continuing activities

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

BALANCE SHEET as at 31 March 2010 Company Number 06852919

| Total 2010 | | |
|--|-------|----------------|
| | Notes | £ |
| Current Assets | | |
| Debtors | 8 | 82 513 |
| Cash at bank and in hand | | 92 151 |
| Total Current Assets | | 174,664 |
| | | |
| Creditors amounts falling due within one year | 9 | 122,273 |
| | | |
| Net Current Assets | | 52,391 |
| Total Assets less Current Liabilities | | 52,391 |
| | | |
| Creditors amounts falling due after one year | 9 | 50,000 |
| | | |
| Net Assets | | 2,391 |
| | | |
| Funds of the Charity | | |
| Unrestricted funds | | 2,391 |
| Total Funds | | 2,391 |

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 September 30th 2010



Tim Byles, Trustee

Date September 30th 2010

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 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

1.2 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.

1.3 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' annual report.

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. 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 staff costs.

The Transformation Trust (England) Report of the Trustees for the period to 31 March 2010

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

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.

1.5 Cash flow

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

1.6 Fund Accounting

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

2. Voluntary income

| | 2010 |
|-------------------------|----------------|
| | £ |
| Founder Members | 393,333 |
| Gold Members | 12,500 |
| Members | 55,000 |
| Donations from Auctions | 31,579 |
| Donated Services | 28,000 |
| | <u>520,412</u> |

The Transformation Trust received additional income in the year of £152,417, which has been treated as deferred as it is membership income related to future years. Donated services relates to the value of time donated by Pricewaterhousecoopers and members of the advisory panels.

3. Analysis of resources expended

| | | 2010 £ |
|---|---|---------------|
| Costs of generating voluntary income | Analysis | |
| | Communications | 1,945 |
| | Events | 984 |
| | Expenses | 1,503 |
| | Launch Event | 40,156 |
| | Support costs (See note 4 for analysis) | 38,438 |
| | | 83,026 |

| | | 2010 £ |
|------------------------------|---|----------------|
| Charitable activities | Grants (see note 7 for details) | 360,000 |
| | Cost of Donated Services (see note 2) | 28,000 |
| | Set-up costs | 10,804 |
| | Support costs (See note 4 for analysis) | 16,911 |
| | | 415,715 |

Set-up costs are one-off costs for setting up the 'Transformation Trust'

| | | 2010 £ |
|-------------------------|---|---------------|
| Governance costs | Audit and accounting | 3,000 |
| | Bank Charges | 46 |
| | Communications | 3,000 |
| | Support costs (See note 4 for analysis) | 13,302 |
| | | 19,348 |

Auditors' fees for reporting on the accounts were £2,000. No other fees were paid to the auditors.

4. Support Costs

| | Fundraising activity | Charitable Activity | Governance Activity | Total Cost |
|---------------------------|----------------------|---------------------|---------------------|---------------|
| Support cost type | £ | £ | £ | £ |
| Consultancy | 24,640 | 6,160 | - | 30,800 |
| Salaries (seconded staff) | 13,798 | 10,751 | 13,302 | 37,851 |
| | 38,438 | 16,911 | 13,302 | 68,651 |

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 period.

6. Paid Employees

The Trust did not employ any staff directly during the year. Staff were seconded from Partnerships for Schools, which was reimbursed by the Trust.

The number of staff seconded was

| | |
|---|-----------|
| CEO from June 2009 | 0.4 (FTE) |
| PA from June 2009 | 0.2 (FTE) |
| Intern from August 2009 | 1.0 (FTE) |
| The total costs reimbursed were £37,851 | |

7. Grant making

The Trust made the following grants during the year

| Names of institutions | Purpose | Total amount of grants paid £ |
|-------------------------------------|---|-------------------------------|
| F1 in Schools | To encourage engineering and business skills in schools | 110,000 |
| iCould | To promote career opportunities in schools | 50,000 |
| Magic Breakfast | To tackle poverty by providing breakfasts in schools plus support | 100,000 |
| Shakespeare in Schools | To develop skills in acting, production, literature and business skills in school | 100,000 |
| Total grants to institutions | | 360,000 |

8. Debtors

| | Amounts falling due within one year | Amounts falling due after more than one year |
|---------------|-------------------------------------|--|
| | 2010 | 2010 |
| | £ | £ |
| Trade debtors | 82,513 | 0 |

9. Creditors and accruals

| | Amounts falling due within one year | Amounts falling due after more than one year |
|-----------------|-------------------------------------|--|
| | 2010 | 2010 |
| | £ | £ |
| Trade creditors | 3,383 | 0 |
| VAT Liability | 10,473 | 0 |
| Accruals | 6,000 | 0 |
| Deferred income | 102,417 | 50,000 |
| Total | 122,273 | 50,000 |

The Transformation Trust has deferred membership income related to future years

10. Transactions with related parties

Partnerships for Schools kindly seconded some of its employees to help with the running of the Trust, including the Trust's CEO, and PA who work two days a week for the Trust, and a membership officer. The Trust reimbursed Partnerships for Schools for their salaries, etc and also for some costs incurred in setting up the trust. The total amount reimbursed to Partnerships for Schools during the period was £72,672. The CEO of Partnerships for Schools, T Byles, is also a trustee of the Trust.

Annex A. List of Schools Benefitting from Trust Activities

| Project | Establishment Name | Local Authority |
|------------------------------|---|------------------------------|
| Shakespeare Schools Festival | Academy 360 | Sunderland |
| Shakespeare Schools Festival | Alexandra Park School | Haringey |
| Shakespeare Schools Festival | Allerton Grange High School | Leeds |
| Shakespeare Schools Festival | Benfield School | Newcastle |
| Shakespeare Schools Festival | Boldon Sports College | South Tyneside and Gateshead |
| Shakespeare Schools Festival | Brislington Enterprise College | Bristol |
| Shakespeare Schools Festival | Buttershaw Business & Enterprise College | Bradford |
| Shakespeare Schools Festival | Charlton School | |
| Shakespeare Schools Festival | Christ The King Catholic and Church of England (VA) Centre for Learning | Knowsley |
| Shakespeare Schools Festival | Clapton Girls' Technology College | Hackney |
| Shakespeare Schools Festival | Cockburn College of Arts | Leeds |
| Shakespeare Schools Festival | Conisborough College | Lewisham |
| Shakespeare Schools Festival | Cotham School | Bristol |
| Shakespeare Schools Festival | Dane Court Grammar School | Kent |
| Shakespeare Schools Festival | Firth Park Community Arts College | Sheffield |
| Shakespeare Schools Festival | Forest Hill School | Waltham Forest |
| Shakespeare Schools Festival | Fullhurst Community College | Leicester |
| Shakespeare Schools Festival | Gosforth Central Middle School | Newcastle |
| Shakespeare Schools Festival | Halewood College | Knowsley |
| Shakespeare Schools Festival | Highbury Grove School | Islington |
| Shakespeare Schools Festival | Ifield School | Kent |
| Shakespeare Schools Festival | John Smeaton Community College | Leeds |
| Shakespeare Schools Festival | Joseph Rowntree School | York |
| Shakespeare Schools Festival | Judgemeadow Community College | Leicester |
| Shakespeare Schools Festival | Knowsley Park Centre for Learning | Knowsley |

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| Project | Establishment Name | Local Authority |
|------------------------------|------------------------------------|------------------------------|
| Shakespeare Schools Festival | Lord Lawson of Beamish School | South Tyneside and Gateshead |
| Shakespeare Schools Festival | Manchester Enterprise Academy | Manchester |
| Shakespeare Schools Festival | Milton Keynes Academy | Milton Keynes |
| Shakespeare Schools Festival | Nailsea School | North Somerset |
| Shakespeare Schools Festival | Newall Green High School | Manchester |
| Shakespeare Schools Festival | Northfleet School for Girls | Kent |
| Shakespeare Schools Festival | Park Hall School | Solihull |
| Shakespeare Schools Festival | Pudsey Grangefield School | Leeds |
| Shakespeare Schools Festival | Ralph Thoresby School | Leeds |
| Shakespeare Schools Festival | Red House Academy | Sunderland |
| Shakespeare Schools Festival | Rodillian School | Leeds |
| Shakespeare Schools Festival | Sacred Heart RC High School | Southwark |
| Shakespeare Schools Festival | Sandhill View School | Sunderland |
| Shakespeare Schools Festival | Sedgehill Secondary School | Lewisham |
| Shakespeare Schools Festival | Shuttleworth College | Bradford |
| Shakespeare Schools Festival | Silverdale School | Sheffield |
| Shakespeare Schools Festival | Sir John Thursby Community College | Lancashire |
| Shakespeare Schools Festival | St Marylebone School CE | Westminster |
| Shakespeare Schools Festival | St Paul's Catholic High School | Westminster |
| Shakespeare Schools Festival | Stockwell Park High School | Lambeth |
| Shakespeare Schools Festival | Talbot Specialist School | Sheffield |
| Shakespeare Schools Festival | Temple Moor High School | Leeds |
| Shakespeare Schools Festival | The Michael Tippett School | Lambeth |
| Shakespeare Schools Festival | Walbottle Campus | Newcastle |
| Shakespeare Schools Festival | Walthamstow School for Girls | Waltham Forest |
| Shakespeare Schools Festival | Walworth Academy | Southwark |
| Shakespeare Schools Festival | Woolton High School | Liverpool |
| F1 in Schools | Frederick Bremer School | Waltham Forest |

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| Project | Establishment Name | Local Authority |
|-----------------|--------------------------------|-----------------|
| F1 in Schools | Yewlands | Sheffield |
| F1 in Schools | Chris the King | Knowsley |
| F1 in Schools | The Bridge Learning Campus | Bristol |
| F1 in Schools | St Matthews | Manchester |
| F1 in Schools | Walbottle Campus | Newcastle |
| Magic Breakfast | Marner Primary | Tower Hamlets |
| Magic Breakfast | Cyril Jackson S | Tower Hamlets |
| Magic Breakfast | Cyril Jackson N | Tower Hamlets |
| Magic Breakfast | St Pauls C of E | Tower Hamlets |
| Magic Breakfast | Hermitage | Tower Hamlets |
| Magic Breakfast | Blue Gate Primary | Tower Hamlets |
| Magic Breakfast | Samuel Rhodes Primary | Islington |
| Magic Breakfast | Wood House West Primary School | Sheffield |
| Magic Breakfast | Ackton Pastures | Sheffield |
| Magic Breakfast | Primary School | Sheffield |
| Magic Breakfast | St Catherines Primary School | Sheffield |
| Magic Breakfast | St Gerrards Catholic School | Sheffield |
| Magic Breakfast | Coleridge | Sheffield |
| Magic Breakfast | Ackworth Mill Junior School | Sheffield |
| Magic Breakfast | Seven Hills (SEN) | Sheffield |
| Magic Breakfast | St Mary's Maltby | Sheffield |
| Magic Breakfast | Herringthorpe Junior | Sheffield |
| Magic Breakfast | Ferham Primary | Sheffield |
| Magic Breakfast | Gainsborough | Hackney |
| Magic Breakfast | Kingsmead | Hackney |
| Magic Breakfast | Mandeville Primary School | Hackney |
| Magic Breakfast | Millfields | Hackney |
| Magic Breakfast | Nightingale | Hackney |
| Magic Breakfast | Daubeney Primary School | Hackney |
| Magic Breakfast | Berger Primary School | Hackney |
| Magic Breakfast | Morningside | Hackney |
| Magic Breakfast | Gayhurst | Hackney |
| Magic Breakfast | DeBeauvoir Primary School | Hackney |
| Magic Breakfast | Thomas Fairchild | Hackney |
| Magic Breakfast | Burbage Primary | Hackney |

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| Project | Establishment Name | Local Authority |
|-----------------|--------------------------|-----------------|
| Magic Breakfast | Archbishop Sumner School | Lambeth |
| Magic Breakfast | Johanna Primary | Lambeth |
| Magic Breakfast | St Stephens | Lambeth |
| Magic Breakfast | Glenbrook | Lambeth |
| Magic Breakfast | St Saviour's | Lambeth |
| Magic Breakfast | Loughborough Primary | Lambeth |
| Magic Breakfast | Archbishop Sumner | Lambeth |
| Magic Breakfast | Hillmead Primary | Lambeth |
| Magic Breakfast | Haseltine | Lewisham |