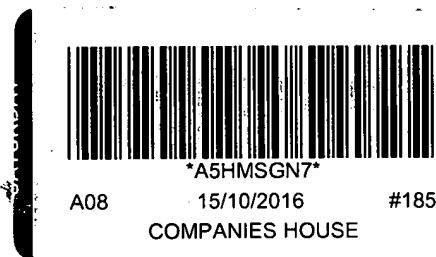


Registered number: 06852919  
Charity number: 1134468

**THE TRANSFORMATION TRUST (ENGLAND)**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**



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**THE TRANSFORMATION TRUST (ENGLAND)**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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***Trustees***

Sir David Bell, Chair  
Timothy Byles  
Ian Cleland  
Dame Julia Cleverdon  
Charles Philip Graf  
Joshua Krichefski  
Michael Naden (appointed 20 May 2015, resigned 21 March 2016)  
Michael Richardson (resigned 3 April 2016)  
Fiona Ryland (appointed 20 May 2015)  
Baroness Margaret Sharp  
John Williams (appointed 20 May 2015)  
Rachel Wolf

***Company registered number***

06852919

***Charity registered number***

1134468

***Registered office***

Third Floor  
27 Throgmorton Street  
London  
EC2N 2AQ

***Company secretary***

Kirsten Flynn

***Chief executive officer***

Amy Leonard

***Independent auditors***

Goodman Jones LLP  
Chartered Accountants  
29/30 Fitzroy Square  
London  
W1T 6LQ

***Bankers***

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

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**THE TRANSFORMATION TRUST (ENGLAND)**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees present their annual report together with the audited financial statements of The Transformation Trust (England) for the year ended 31 August 2016.

**Objectives and Activities**

**a. OBJECTIVES**

The Transformation Trust (England) (hereafter "The Trust") was set up in May 2009 as a charity whose purpose was to provide inspirational activities and opportunities for children in the most challenged schools and academies across England.

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 21%+ children eligible for Free School Meals (FSM) – higher than the national average, which is typically around 15%. For the next academic year we will be using the numbers of children eligible for 'Pupil Premium Funding' in each school to enable us to reach more children in need of support (Pupil Premium funding is essentially awarded to schools to provide extra support to children who are eligible for free school meals, are looked after children, or children of parents who are in the armed forces).

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 can be challenging for many young people 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. The Trust brings a more sustainable and wide-reaching approach to offering extra-curricular activities to some of the country's most at risk children. In time, The Trust aims to reach into every state school that has children eligible for Pupil Premium Funding, offering inspiring 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.

The Trust's activities and programmes aim to develop key skills and capabilities within the pupils, including:

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

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**THE TRANSFORMATION TRUST (ENGLAND)**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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***b. STRATEGIES FOR ACHIEVING OBJECTIVES***

In our seventh 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 Trust's portfolio. Each of our bespoke programmes, delivered in partnership with major UK companies and organisations, aims to improve the life chances for young people through the development of key skills and capabilities, all contributing to increased confidence and more rounded characters.

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

The Trust's evaluation and measurement model has three distinct elements:

- ii. Programme level quantitative data

The Trust collects detailed management data at various programme milestones. The data relates to information about the schools, pupils, and teachers that each programme has reached throughout the reporting period.

- iii. Quantitative: pupil impact

We have developed our own methodology to gather impact data from students, with each programme involving pre- and post-evaluation based on a series of core questions. These reflect the skills and capability areas described in the section above. For each programme, there are also bespoke questions that reflect the distinct nature of each. This approach enables us to gather data from across the whole portfolio of programmes, share learning, and refine our offering.

- iiii. Qualitative: pupil impact

We also gather qualitative feedback from young people in the "after" survey that is completed by each participating student. This helps provide a further source of information that ensures we continue to develop each of our programmes, as well as providing invaluable intelligence in the creation of new programmes.

3. Developing the Trust's Corporate Offer: Bespoke Programmes

The Trust continues to be funded entirely by the private sector. Building on the progress made in 2014-15, we have worked with seven corporate partners during this reporting period. More detail on each of our Bespoke Programmes is included in the next section.

4. Developing the Trust's operating model and resources

In its seventh year of operation, The Trust has embedded a new resourcing structure. This year, we have replaced the role of Chief Operating Officer with a new Business Manager role to support the Chief Executive with the financial and operational side of The Trust.

We have also continued to build our core model of dedicated programme managers, supported by a panel of freelance facilitators.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**c. ACTIVITIES FOR ACHIEVING OBJECTIVES**

The programmes funded during the period set out in this report are described in more detail below. They include:

**Bespoke Programmes 2015-16**

- Big Energy Project with EDF: National STEM (Science, Technology, Engineering and Mathematics) based programme
- LifeSkills created by Barclays: national programme
- Powering Transformation in partnership with Dell: regional programme
- Rock Club with Nationwide: national programme focusing on numeracy: Year 1 and 2
- Saving the Day with Nationwide: national programme focusing on financial capability
- Junior University with Liverpool John Moores University: regional programme
- Skills for Life with Prudential: London based intensive employability mentoring programme with sixth form students: Pilot phase

**Events**

- Rock Assembly 2016

**d. PUBLIC BENEFIT STATEMENT**

The Transformation Trust (England) benefits the public by funding activities in and around schools that aim to support social mobility.

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.

Our aim is to provide young people with opportunities and experiences in and around school that will inspire and motivate them to fulfil their potential. We do this by delivering bespoke Transformation Trust programmes that either have a proven track record of delivery year on year, or that are new and developed in consultation with our Headteacher advisory group and specifically selected corporate partners. We continue to focus our efforts on the most deprived communities.

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.

**Achievements and performance**

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**THE TRANSFORMATION TRUST (ENGLAND)**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**a. REVIEW OF ACTIVITIES, ACHIEVEMENTS, AND PERFORMANCE FOR THE YEAR**

**1) Bespoke Programmes**

During the year, we delivered seven bespoke programmes, exceeding our target of four such programmes. These included:

**i. Big Energy Project with EDF: National STEM (Science, Technology, Engineering and Mathematics) based programme**

The Trust developed the Big Energy Project in partnership with EDF. The programme is aimed at students between eleven and fourteen years of age and helps students understand the science behind energy, catalyse an interest in STEM-based careers, change behaviour towards energy saving, and develop competencies.

The Big Energy Efficiency Project provides resources online for teachers to lead their students in a six lesson course, learning about energy efficiency, and then campaigning on a specific issue around it to bring about change in their communities. Where available, EDF Energy volunteers visit the schools to support students in their campaigns.

Schools enter their best campaign into a national competition, where the best Year 7 campaign and the best Year 8/9 campaign wins their school £1,000 of school equipment, as well as Amazon vouchers for the team members.

The programme has been running for four years. Almost 14,000 people have been impacted this year by the students' campaigns. Having taken part in the project, 82% feel they have learnt something new, 80% have an improved knowledge of STEM subjects, 76% are more concerned about energy efficiency, and 70% feel more confident after participating.

**ii. LifeSkills created by Barclays: national programme**

LifeSkills is a major employability programme designed to give young people access to the advice, support, and opportunities they need to get ready for the world of work. It aims to improve the employment prospects for young people through education resources, online content, workshops, events and work experience. From September 2016 onwards, LifeSkills will form the start of a larger pipeline that Barclays are instigating with other partners to ultimately place young people into jobs.

Since Autumn 2013, The Trust has delivered facilitator-led workshops into secondary schools using Barclays' materials on people, work, and money skills. All the workshops are designed with interaction and engagement in mind, and cover a diverse range of topics: from self-confidence and body language, to how to write a CV; and from digital citizenship and using social media appropriately, to how to manage a bank account and read a payslip. Students are then encouraged to continue to use Barclays' LifeSkills resources online and to apply for work experience opportunities.

Previously, we have been one of two delivery partners in England, but from 2016-17 until July 2020 The Trust is now the sole delivery partner in England. We will be delivering workshops in secondary schools in new areas of the country, with a particular focus on new areas including the East and West Midlands, Merseyside, North Yorkshire, Tyne and Wear, Greater Manchester, and East Anglia.

During 2015-16, we have worked with 43,133 individual students against a target of 40,000 students. For the forthcoming academic year, we hope to facilitate 47,000 interactions (consisting of unique students and repeated interventions).

Our preliminary evaluation results for 2015-16 are very positive.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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For people skills:

- 98% of students thought their workshop was good or excellent
- 95% had learnt something new
- 90% feel more confident
- 89% feel better able to cope with challenging situations
- 89% have a clearer idea of what they want to do as a career
- 88% believe that body language can affect what somebody thinks of them
- 88% feel they achieved something
- 88% work better with other people

For work skills:

- 96% of students thought their workshop was good or excellent
- 90% learnt something new
- 89% agree that it is good to tell someone in an interview about extra-curricular activities
- 86% generally feel more confident
- 85% believe anyone you meet could provide careers advice or help find you a job
- 85% feel confident about their work skills after taking part
- 85% feel better able to cope with challenging situations
- 83% feel they have achieved something
- 83% work better with other people
- 82% have a clearer idea of what they want to do as a career

For money skills:

- 95% of students thought their workshop was good or excellent
- 94% think it's useful to keep a track of what they spend their money on
- 92% have learnt something new
- 92% think maths will be useful in everyday life
- 86% feel more confident generally
- 83% feel better able to cope with challenging situations
- 82% work better with other people
- 80% feel more confident about their money skills after taking part

iii. Powering Transformation in partnership with Dell: regional programme

The Trust developed the Powering Transformation programme in partnership with Dell as an ICT-based activity that focuses on the local community.

Schools are loaned some of the latest equipment from Dell for a period of one week. Students are then tasked with completing two challenges using this equipment: The Mini Challenge – in which they have to make a two-minute video to address an issue in their community that affects them, before devising a technological solution they would use to solve this; and The Team Challenge – in which students work in teams over the week to create a representation of a problem in their community now, and what their community would look like if they invented a technological solution to the problem. The programme encourages students to think creatively, develop their skills in communication, and work as a team. They are also able to develop time management skills by feeling the pressure of completing the challenge in a week.

Prizes are available for the best Mini Challenge and the best Team Challenge.

The Powering Transformation project offers an ideal opportunity for schools to build links with a local employer and receive support from Dell volunteers. Feedback has shown that following participation in the programme this year:

- 70% of students are more comfortable working on a project with others;



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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- 56% are thinking about staying in school longer; and
- 35% are interested in learning about jobs that use technology.

We have been successful in our bid to run the programme again during 2016-17. As this programme has been running in the same format for a few years, we have introduced changes to the offer for 2016-17 which we feel will ensure the programme continues to be highly regarded, exciting, and innovative. These changes were discussed and tested with a group of Head Teachers who form our Teachers Advisory Group. They represent the schools that we work with across the UK and they were extremely enthusiastic about the new format of the programme.

iv. Rock Club with Nationwide: national programme focusing on numeracy: Year 1 and 2

Developed exclusively for The Transformation Trust in partnership with an Advanced Skills Mathematics teacher, Rock Club is a numeracy programme available to all state secondary schools across the country that have more than 21% of their children eligible for Free School Meals. The programme aims to address low levels of confidence in Mathematics amongst Year 7 students.

Rock Club for 2015-16 has had two different components.

Firstly, The Trust has delivered full day workshops in individual schools that are based around the central concept of students working in teams as large scale gig promoters. The workshops involve students using mathematics techniques and problem solving (both key to the new mathematics curriculum) to plan a rock concert, for example trigonometry to figure out the lighting and making nets to create the stage. The lessons were differentiated and fully resourced. Lessons were each based on a specific component of event management, including timings for running order, budget management, set designs, catering requirements, and profit and loss.

The lessons were all designed to focus on problem solving and investigating whilst simultaneously linking together different corners of the Mathematics curriculum. The lessons also focus on the pupils' ability to communicate their mathematical findings clearly and concisely to their teacher and peers.

Secondly, The Trust shared a slightly adapted version of the lesson materials with primary schools as well as the standard materials with secondary schools enabling teachers to deliver the lessons themselves. The Trust delivered training sessions for the teachers which has resulted in a number of teachers undertaking additional training.

The programme was delivered through facilitated workshops to 9,400 secondary students in 2015/16 and teachers delivered directly to 1,300 over the same period. We also have remaining workshop bookings for 1,400 students in September and October 2016, taking the overall student engagement throughout this contract period to 12,100. Large numbers of teachers who have either received facilitated sessions or who have delivered the lessons directly have told us they intend to use the materials again themselves in 2016/17. This means that even more students will be able to benefit from this programme in future years.

v. Saving the Day with Nationwide: national programme focusing on financial capability:

Developed by The Transformation Trust, Saving the Day is a web-based savings and budgeting game which was created with an award-winning games designer. It comes with accompanying lesson plans which aim to address financial capability within the PSHE curriculum for KS3 and KS4 students.

The game involves six different characters who face different financial conundrums, and by finding hidden objects in each level students are tasked with making lifestyle decisions for the characters. Each level is successfully completed by helping the character reach their financial goal, (e.g. a rock star trying to get out of

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## **THE TRANSFORMATION TRUST (ENGLAND)**

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### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016**

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debt, an apprentice saving the move out of his parents' basement, or the Chancellor of the Exchequer funding a project for his PM) but whilst maintaining satisfactory levels of happiness, time, and health.

The programme includes six professionally developed lessons (each with one or two activities) and a cheat sheet and whiteboard activity to accompany each level. Lessons are based on a different aspect of budgeting. The cheat sheets highlight all of the hidden objects in each level and other suggested discussion points relating to PSHE that could arise from the lifestyle choices they entail.

Saving the Day has been available to all state secondary schools across the UK that have more than 17% of their children eligible for Free School Meals. Since it has gone live (January 2015), there have been 10,733 players in the UK and 15,059 worldwide.

After playing Saving the Day:

- 93% now save, or plan to save, more money
- 86% gave positive feedback about their enjoyment
- 84% think putting money into savings is important
- 83% understand the choices adults have to make about money
- 80% understand what budgeting is
- 70% have learnt something new
- Only 13% would rather borrow money for something instead of save up for it

#### **vi. Junior University with Liverpool John Moores University: regional programme**

The Transformation Trust originally developed Junior University in partnership with Lancaster University and this offer was extended to a partnership with Liverpool John Moores University for the first time during 2015/16.

Junior University involves pairs of undergraduate students leading a university style project in a school with groups of between six and twelve Year 10 students. The programme runs over six hours in each school taking part. The programme is designed to raise the aspirations and ambitions of students and to open their eyes to the types of subjects available for study at university.

The projects are multi-disciplinary, depending on the background of the undergraduates, and engage school students before they make decisions about qualification options. The undergraduates act as mentors and role-models for the school students. All projects are reviewed by teaching specialists and the undergraduate students receive teacher training.

Junior University culminates in a celebration day at the university which gives students the opportunity to visit a university with their mentors which helps remove some of the barriers and fear that some students may have over going to University.

The programme has been highly successful with the result that The Trust has won a bid to work with 'Which? University' during 2016-17 to roll out this programme on a large scale to a number of universities and schools across the country.

#### **vii. Skills for Life with Prudential: London based intensive employability mentoring programme with sixth form students: Pilot phase**

Developed by The Transformation Trust, Skills for Life is a fully facilitated group mentoring employability programme for year 12 students that was run over a six-month period from January 2016.

This was a pilot scheme that has proved to be hugely successful. The Trust has worked with forty-eight students from across four state secondary schools with at least 21% of their children eligible for Free School

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Meals.**

Each session was delivered at Prudential Head Office in London by a professional facilitator and supported by mentors drawn from a range of Prudential employees, including apprentices and senior representatives. Sessions explored students' strengths and areas for development and how best to communicate these when applying for jobs, university or apprenticeships. Students learnt about topics such as communication skills and body language and making a CV stand out. Students also made a pledge at the end of each session to commit to how they will use the tools they learned.

Feedback from students, teachers, and mentors has been particularly strong, with 86% of students feeling better prepared for life after sixth form following the programme - a sample of the feedback we received is below:

"It has allowed me to be more confident when meeting employers" male student  
"It has prepared me much more for future jobs and interviews" male student  
"[the programme has helped] my confidence going into the real world" female student  
"I have got so much more confident and more passionate... It has been a great opportunity" female student  
"It gives a reality check to the situation you are applying for... well done, thanks" female student

Skills for Life will continue in 2016-17.

**2) Vivid Experiences**

The Transformation Trust will be running a programme called 'Inspire US 2016' during the Autumn Term 2016. Much of the fundraising, planning, and preparation of this event has taken place during the year 2015-16. Schools had to go through a stringent selection process as the offer was hugely oversubscribed.

Inspire US 2016 will be a repetition of our highly successful 2012 internship programme. It is a once in a lifetime opportunity for twenty sixth-form students from five different schools as they travel to the notorious swing-state of Florida to work alongside experienced campaigners in the final two weeks of the elections. Students will work with both the Democratic and Republican parties, learning campaign techniques.

'Inspire US 2016' is designed to give students an experience that will help them develop a whole host of skills including teamwork, problem solving, resilience, and critical thinking that will make them stand out from their peers beyond academic attainment.

**3) Extending our relationships with schools**

With over 1,300 state secondary schools in our network, during the year we took a number of steps to develop the ways in which we engage with schools:

- Embedding the Transformation Hub ([www.transformationhub.org.uk](http://www.transformationhub.org.uk)): the online gateway for schools to sign up to the range of programmes offered by The Trust and by other third party organisations that share our objectives.
- Embedding our Salesforce database to support our engagement with schools: ensuring that we develop multiple contacts within each school to guard against lapse in contact due to staff turnover.
- Growth in our school liaison approach to complement our online offer using an outside agency. During term time, there are typically three people dedicated to recruiting schools to each of the programmes that we run.

**4) Events**

**Rock Assembly 2016**

10,000 young people from the schools The Trust works with attended Rock Assembly on 14 July 2016 at

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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Wembley Arena. Supported by a host of corporate partners, the day provided schools with an opportunity to celebrate students' experiences over the past year. Rock Assembly has now been running for six years, and for the last four has included a careers fair, the Futures Fair.

A wide range of Corporate Companies had a presence at the Futures Fair this year including Nationwide, Barclays, Which? University, The Co-Op, Pret A Manger, Facebook, The Royal Navy, The Royal Air Force, Arcadis LLP and John Rowan and Partners.

All 10,000 students attending the day visit the Futures Fair ahead of the concert, and in doing so are encouraged to "think big" about their futures – ranging from aspiration-raising for Year 7 students through to specific pathways for older sixth form students.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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***b. FUTURE PLANS***

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

**1. Growth in Bespoke Programmes**

The Trust is currently running seven Bespoke Programmes. The Trust will look to expand this number in the course of the Financial Year 2016-17, whilst ensuring it has sufficient resources to maintain the quality of the existing portfolio.

A new partnership with the Royal Navy has already been agreed which will start in the Autumn Term 2016. The objectives of the programme are to increase awareness and understanding of the RN and its offer to 16 – 18 year olds, to raise awareness of the RN and its offer to Headteachers and to grow the number of Expressions of Interest (EOIs) amongst the target demographic. The programme is designed to run as a pilot initially, but is fully capable of being scaled up across the country and The Trust has recently been asked to provide costings to facilitate this if the pilot scheme proves to be successful.

Discussions are also ongoing with other potential new corporate partners, in addition to agreements to expand existing programmes.

The LifeSkills Programme which is run in partnership with Barclays is expanding this year and the target areas are being changed to take into account different scales of deprivation. These include for example, the number of students eligible for free school meals, employer engagement in the area, and the number of students who are NEET (Not in Employment, Education or Training).

The Powering Transformation Programme has been re-designed for 2016-17 and will have two elements to it. Powering Potential will be a programme similar to the mentoring programme we have run this year in partnership with Prudential and Powering Transformation will be similar to the current programme with a few changes to the format.

**2. The Transformation Hub**

The Transformation Hub is The Trust's dedicated online platform for advertising both our own programmes and opportunities that partner organisations wish to advertise. Over 20 organisations have used the Hub as a platform to promote the opportunities they have on offer in the past year, and the content continues to be updated as we go forward.

**3. Events**

Plans for Rock Assembly 2017 are already under way. The event will take place at Wembley Arena in July 2017, with 10,000 students expected to attend the Futures Fair to learn more about career and higher education opportunities, before enjoying the concert that follows.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**Financial review**

**a. FINANCIAL SUMMARY**

This financial year has seen The Trust embed our model of designing, delivering, and evaluating Bespoke Programmes. Other than occasional fundraising events, our income is entirely derived from the programmes we develop and deliver with our corporate partners.

Income for the year is slightly lower than in 2014-15 but is projected to rise again for 2016-17. The Trust's senior management continues to explore opportunities to reduce core costs and achieve greater value from the resources at its disposal. This is, in part, reflected in the significant level of donated services received during this financial year, through the contributions made by volunteers and other supporters of The Trust's mission to transform young lives.

**b. RESERVES POLICY**

In line with the policy set by the Board, The Trust has sought to maintain a policy where unrestricted and uncommitted funds held by The Trust represent between two and four months of total unrestricted expenditure. As at 31 August 2016, total unrestricted reserves stood at £12,960, representing just under 2 months of total current unrestricted expenditure (after any transfers). The Trust continues to review its reserves' policy, alongside its ongoing projects and associated funding requirements.

**c. SUPPORT IN KIND**

Over the course of 2015-16, The Trust received the following in kind advice and support from the corporate sector and wider supporters:

- The equivalent of 12 days of education advice through Teachers Advisory Group
- Volunteer hours provided by corporate partners, including Barclays, Dell, EDF and Nationwide
- Donated IT equipment from Dell to the value of \$23,831
- Software licences made available to us free of charge

Volunteer hours provided by individuals, including, Amy Leonard (Chief Executive), Susannah French (Business Manager) and Kirsten Flynn, Company Secretary

The total value of donated services was £126,417 (2014-15: £140,032). In addition to this, the Trust is very grateful to a number of suppliers who have provided services at hugely discounted prices for our annual Rock Assembly event. The total of these discounts is estimated at £158,609. In accordance with the guidance in the SORP, these discounts have not been recognised within these accounts. However, The Trust acknowledges that these discounts have enabled the Rock Assembly event to go ahead and so have been for the benefit of a very large number of students.

**d. GOING CONCERN**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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***e. INVESTMENTS POLICY***

The Trust regularly reviews its policy for investing uncommitted funds. At present, funds are not invested but should options for investment be identified in the future, the decision on whether to invest will be made by the Board of Trustees, ensuring that the ongoing financial flexibility and viability of The Trust is maintained as a priority.

**Structure, governance and management**

***a. CONSTITUTION***

The Charity is registered as a charitable company limited by guarantee, under company number 06852919, and was set up by a Memorandum of Association on 19 March 2009.

The Charity is constituted under a Memorandum of Association dated 19 March 2009 and is a registered charity, under number 1134468.

***b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES***

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

***c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES***

This is the seventh year of operation for The Trust. All 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.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**d. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Trust has the core function of running programmes in schools directly. It currently relies on a Core Team, with scrutiny and oversight carried out by an experienced Board of Trustees.

**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, Roehampton University, and former Chairman of the Financial Times), the Trustees who served during the reporting period are set out on page 1.

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 Executive.

**Teachers' Advisory Group**

The Teachers' Advisory Group provides support and guidance to the Executive, providing expert input and challenge during the development of new programmes, and in the evaluation of impact.

- Heather Scott, Chair (St Edmund Arrowsmith Catholic Centre for Learning)
- Gee Cook (Headteacher, Icen Academy)
- Mark Everett (Headteacher, Writhlington School) (left May 2016)
- Harry French (Headteacher, Greenway Academy)
- Bruce Hain (Head teacher Mendip Studio School)
- Martin Knowles (Headteacher, The Oldham Academy North)
- Mohsen Ojja (Principal The Crest Academies) (joined March 2016)
- Kieran Osborne (Principal – Hayes Academy, Bromley) (joined May 2016)
- Matthew Partington (Headteacher Goole Academy)
- Lynnette Parvez (Headteacher, Kelmscott School)
- Justin Philcox (Headteacher, Fosse Way School, Bath)
- Chris Robinson (Headteacher The Dearne) (joined March 2016)

**Executive**

The Trust has a small Core Team who oversee the day-to-day management and operation of the Trust. During the year, the Executive comprised:

- Chief Executive – Amy Leonard
- Business Manager – Susannah French (appointed 4th January 2016)
- Company Secretary – Kirsten Flynn (voluntary)

In addition, the Trust engages programme managers and a programme assistant all on a freelance basis.

**e. RISK MANAGEMENT**

The Trustees conduct regular reviews of the major risks to which the Charity is exposed, and risk management forms a part of each trustee meeting. A risk register is maintained and updated regularly. 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 regularly to ensure that they continue to meet the needs of the Charity.



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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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***TRUSTEES' RESPONSIBILITIES STATEMENT***

The Trustees (who are also directors of The Transformation Trust (England) for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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 charitable company will continue in operation.

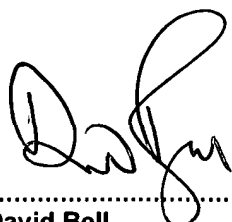
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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.

***DISCLOSURE OF INFORMATION TO AUDITORS***

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on **05.10.16** and signed on their behalf by:



.....  
**Sir David Bell**  
**Chair of Trustees**

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**THE TRANSFORMATION TRUST (ENGLAND)**

**(A company limited by guarantee)**

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

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We have audited the financial statements of The Transformation Trust (England) for the year ended 31 August 2016 set out on pages 18 to 29. 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 Charity's members, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity'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 Charity 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 AUDITORS***

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity 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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 145 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. 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 Charity'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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 Charity's affairs as at 31 August 2016 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.

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**THE TRANSFORMATION TRUST (ENGLAND)**  
(A company limited by guarantee)

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

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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 Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; 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 from the requirement to prepare a Strategic report.



**Goodman Jones LLP**

Chartered Accountants  
Statutory Auditors

29/30 Fitzroy Square  
London  
W1T 6LQ

Date: 07.10.16

Goodman Jones LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>					
Donations and legacies	2	107,440	61,040	168,480	141,356
Charitable activities	3	1,201	582,601	583,802	909,706
Investments	4	26	-	26	20
<b>TOTAL INCOME</b>		<b>108,667</b>	<b>643,641</b>	<b>752,308</b>	<b>1,051,082</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	7	96,072	588,204	684,276	939,996
<b>TOTAL EXPENDITURE</b>		<b>96,072</b>	<b>588,204</b>	<b>684,276</b>	<b>939,996</b>
<b>NET INCOME BEFORE TRANSFERS</b>		<b>12,595</b>	<b>55,437</b>	<b>68,032</b>	<b>111,086</b>
Transfers between Funds	12	(17,598)	17,598	-	-
<b>NET INCOME / (EXPENDITURE)</b>		<b>(5,003)</b>	<b>73,035</b>	<b>68,032</b>	<b>111,086</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		17,963	218,044	236,007	124,921
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>12,960</b>	<b>291,079</b>	<b>304,039</b>	<b>236,007</b>

All activities relate to continuing operations.

The notes on pages 21 to 29 form part of these financial statements.

**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 06852919**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>CURRENT ASSETS</b>					
Debtors	9	201,731		154,162	
Cash at bank and in hand		281,633		113,555	
		<u>483,364</u>		<u>267,717</u>	
<b>CREDITORS: amounts falling due within one year</b>					
	11	<u>(179,325)</u>		<u>(31,710)</u>	
<b>NET CURRENT ASSETS</b>			<u>304,039</u>		<u>236,007</u>
<b>NET ASSETS</b>			<u>304,039</u>		<u>236,007</u>
<b>CHARITY FUNDS</b>					
Restricted funds	12		291,079		218,044
Unrestricted funds	12		12,960		17,963
<b>TOTAL FUNDS</b>			<u>304,039</u>		<u>236,007</u>

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 5 October 2016 and signed on their behalf, by:



.....  
**Sir David Bell, Chair of Trustees**

The notes on pages 21 to 29 form part of these financial statements.

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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	14	168,078	(9,994)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		168,078	(9,994)
Cash and cash equivalents brought forward		113,555	123,549
		<hr/>	<hr/>
<b>Cash and cash equivalents carried forward</b>	15	281,633	113,555
		<hr/> <hr/>	<hr/> <hr/>

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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

The Transformation Trust (England) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements are the first financial statements of The Transformation Trust (England) prepared in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The date of transition was 1 September 2014.

**1.2 Transition to FRS102**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

Details of the adjustments required on transition to FRS102 are set out in note 18.

**1.3 Company status**

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

As disclosed in note 10, the Charity's wholly-owned subsidiary was dormant during the whole of the current and previous accounting periods. As a result, the Charity has taken advantage of the exemption from preparing consolidated financial statements.

**1.4 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and page 12 of the Trustees' Report provides more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

Income from bespoke partners for projects is recognised when the Charity is entitled to the income, having fulfilled any specific conditions/service requirements attached to the funding. Where such funding is received for services performed under a contract, income is recognised subject to the above criteria and to the extent that the services have been completed.

**1.6 Expenditure**

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

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management / head office costs. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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

All resources expended are inclusive of irrecoverable VAT.



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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities incorporating the income and expenditure account on a straight line basis over the lease term.

**1.8 Debtors**

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

**1.9 Cash at Bank and in hand**

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

**1.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**2. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations and fundraising	10,281	31,782	42,063	1,324
Donated services	97,159	29,258	126,417	140,032
	<u>107,440</u>	<u>61,040</u>	<u>168,480</u>	<u>141,356</u>

In 2015, all of the income from donations and legacies was to unrestricted funds.

**THE TRANSFORMATION TRUST (ENGLAND)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Extra-Curricular Activities	1,201	582,601	583,802	909,706

In 2015, all of the income from charitable activities was to restricted funds.

**4. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	26	-	26	20

In 2015, all of the investment income was to unrestricted funds.

**5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Extra-Curricular Activities	591,513	92,763	684,276	916,793

**6. SUPPORT COSTS**

	Extra- Curricular Activities £	Total 2016 £	Total 2015 £
Premises expenses	20,356	20,356	22,122
Travel expenses	1,884	1,884	1,351
Office expenses	23,913	23,913	14,988
Computer costs	9,938	9,938	7,511
Advertising and marketing	2,475	2,475	5,144
Bank charges	170	170	289
	<u>58,736</u>	<u>58,736</u>	<u>51,405</u>

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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**6. SUPPORT COSTS (continued)**

Support costs are allocated to activities based on the amount of time spent, with the exception of computer costs which are allocated evenly across all projects.

Office expenses include a bad debt written off in respect of invoices relating to 2013.

**7. GOVERNANCE COSTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Professional and company secretarial fees	15,782	-	15,782	15,400
Auditors' remuneration	6,000	-	6,000	6,000
Auditors' non audit costs	10,273	-	10,273	648
Trustee and Teacher Advisory Group meeting expenses	1,972	-	1,972	1,155
	<u>34,027</u>	<u>-</u>	<u>34,027</u>	<u>23,203</u>

Included within professional and company secretarial fees above is £15,400 (2015: £15,400) in respect of donated services provided to the Charity.

**8. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	<u>219,649</u>	<u>306,380</u>

The average number of persons employed by the Charity during the year was as follows:

	2016 No.	2015 No.
Administration	0	1

No employee received remuneration amounting to more than £60,000 in either year.

Included within wages and salaries costs above is £215,976 (2015: £297,302) in respect of costs paid to third party project leaders.

None of the Trustees received any remuneration or re-imbursement of expenses during the current or prior periods.

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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**9. DEBTORS**

	2016 £	2015 £
Trade debtors	66,648	76,441
Other debtors	2,590	12,600
Prepayments and accrued income	132,493	65,121
	<u>201,731</u>	<u>154,162</u>

**10. INVESTMENTS**

The Charity owns the entire issued share capital of £1 of Transformation Ventures Limited, a company incorporated in England and Wales. Transformation Ventures Limited did not trade during the current and prior periods and as a result consolidated financial statements have not been prepared.

**11. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	5,442	18,728
Other taxation and social security	20,900	169
Other creditors	4,041	1,163
Accruals and deferred income	148,942	11,650
	<u>179,325</u>	<u>31,710</u>

**12. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
<b>Unrestricted funds</b>					
General Funds	<u>17,963</u>	<u>108,667</u>	<u>(96,072)</u>	<u>(17,598)</u>	<u>12,960</u>

**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**12. STATEMENT OF FUNDS (continued)**

**Restricted funds**

Big Energy Project	22,909	15,250	(16,916)	-	21,243
Lifeskills	37,620	249,489	(247,714)	-	39,395
Powering Transformation	120,249	126,792	(73,237)	-	173,804
Junior University	3,894	17,237	(15,336)	-	5,795
Sailing Challenge	3,245	-	(3,245)	-	-
Nationwide Rock Club	6,782	69,316	(46,068)	(17,114)	12,916
The Savings Game	17,130	2,067	(36,311)	17,114	-
Rock Assembly	3,772	107,173	(128,543)	17,598	-
3 Peaks Challenge	2,443	-	(2,443)	-	-
Prudential Skills for Life	-	13,415	(15,939)	-	(2,524)
Inspire US	-	42,902	(2,452)	-	40,450
	<u>218,044</u>	<u>643,641</u>	<u>(588,204)</u>	<u>17,598</u>	<u>291,079</u>
Total of funds	<u>236,007</u>	<u>752,308</u>	<u>(684,276)</u>	<u>-</u>	<u>304,039</u>

The restricted funds as analysed above are held for the following purposes:

Big Energy Project - a project looking at ways of improving energy efficiency.

Lifeskills - a free online programme for 11-19 year olds. It's designed to give young people the advice, support and opportunities they need to prepare for the workplace.

Powering Transformation - a project that gives students an awareness of the accessibility to the technology industry and the range of careers available. Income on this project for the year represents the donation received from Dell in respect of the 2016/17 project (commencing September 2016).

Junior University - aims to encourage Year 8 secondary school students to realise their potential and aspire to further education from an early age, by developing their skills and confidence and engaging them in an enjoyable activity with student mentors from the university.

Sailing Challenge - a programme designed to teach students how to sail, challenge the students' teamwork and communication skills; as well as problem solving and resilience,

Nationwide Rock Club - aims to give Year 7 maths departments the chance to integrate real life problem solving activities into their study programme.

Saving The Day – a project to work with Key Stage 4 students in schools in disadvantaged areas to improve levels of financial capability and knowledge about saving via a web-based game and accompanying lesson plans.

Rock Assembly - a free end-of-term concert for pupils from state schools in some of the most deprived parts of the country. The event gives young people the chance to attend a live music event for free. Before the concert they will all be visiting the Futures Fair, where they can engage with a top flight range of companies and universities. In addition to the above figures, the Trust is very grateful to a number of suppliers who have provided services at hugely discounted prices as noted on page 12.

The 3 Peaks Challenge – a trip to climb the Three Peaks in September 2014. Each corporate team of

**THE TRANSFORMATION TRUST (ENGLAND)**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**12. STATEMENT OF FUNDS (continued)**

three was paired with three sixth-formers, creating a fantastic mentoring opportunity.

Prudential Skills for Life - an intensive employability mentoring programme with sixth form students to explore students' strengths and areas for development and how best to communicate these when applying for jobs, university or apprenticeships.

Inspire US - an opportunity for sixth form students to work alongside experienced campaigners in the final two weeks of the US presidential elections. Students will work with both the Democratic and Republican parties in Florida, learning campaign techniques.

The Royal Navy - in advance of a pilot scheme to encourage awareness among female pupils, in particular, about the armed forces that is due to commence in 2016/17, The Royal Navy also contributed £5,000 towards Rock Assembly, and this is included within the Rock Assembly income above.

**13. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Current assets	46,843	436,521	483,364	267,717
Creditors due within one year	(33,883)	(145,442)	(179,325)	(31,710)
	<u>12,960</u>	<u>291,079</u>	<u>304,039</u>	<u>236,007</u>

**14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	68,032	111,086
<b>Adjustment for:</b>		
(Increase)/decrease in debtors	(47,569)	97,070
Increase/(decrease) in creditors	147,615	(218,150)
<b>Net cash provided by/(used in) operating activities</b>	<u>168,078</u>	<u>(9,994)</u>

**15. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	281,633	113,555
	<u>281,633</u>	<u>113,555</u>

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**THE TRANSFORMATION TRUST (ENGLAND)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**16. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

**Amounts payable:**

Within 1 year: £6,341

**17. RELATED PARTY TRANSACTIONS**

During the period, the Charity incurred consultancy costs totalling £69,600 (2015: £69,000) from Denford Associates Limited, a company in which A Leonard, the Chief Executive Officer of the Charity, is a director. This balance included £39,600 (2015: £39,000) of donated services.

**18. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

<b>RECONCILIATION OF TOTAL FUNDS</b>	<b>Notes</b>	<b>1 September 2014</b>	<b>31 August 2015</b>
		£	£
Total funds under previous UK GAAP		124,921	164,698
Income deferred under previous UK GAAP	1.4	-	71,309
Total funds reported under FRS 102		<u>124,921</u>	<u>236,007</u>

<b>Reconciliation of net income</b>	<b>Notes</b>	<b>31 August 2015</b>
		£
Net income previously reported under UK GAAP		39,777
Income deferred under previous UK GAAP	1.4	71,309
Net movement in funds reported under FRS 102		<u>111,086</u>