

Registered number: 06852919  
Charity number: 1134468

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

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

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

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**Trustees**

Sir David Bell, Chair  
Baroness Patricia Morris (resigned 1 May 2013)  
Baroness Margaret Sharp  
Timothy Byles  
Dame Julia Cleverdon  
Ian Cleland  
Lord Andrew Adonis (resigned 1 May 2013)  
Rachel Wolf  
Charles Philip Graf  
Michael Richardson

**Patrons**

Lord Richard Newby  
Lord David Puttnam  
Sir Tim Brighouse

**Company registered number**

06852919

**Charity registered number**

1134468

**Registered office**

Third Floor  
27 Throgmorton Street  
London  
EC2N 6AQ

**Company secretary**

Kirsten Flynn

**Chief executive**

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

**THE TRANSFORMATION TRUST (ENGLAND)**  
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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

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**AIMS AND OBJECTIVES**

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 19 March 2009, amended on 1 May 2013.

The Charity is constituted under its Articles of Association dated 19 March 2009, amended on 1 May 2013, and is a registered charity under number 1134468.

The principal object of the Charity is to provide inspirational activities and opportunities for children in the most challenged schools and Academies across England.

There have been no changes in the objectives since the last Annual Report.

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 areas. The Trust aims to offer activities and opportunities that broaden young people's horizons and help them identify their talents.

We do this by prioritising schools with 20% + children eligible for Free School Meals (FSM) - higher than the national average, which is currently at 14.6% in secondary schools (source: DfE, SFR 15/2014, published June 2014).

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. 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 seeks 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 truly 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 Free School Meals, 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.

Activities 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

In our fifth 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

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

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organisations, aims to improve the life chances for young people through the development of key skills and capabilities, all contributing to increased confidence and employability.

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

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

*i) Programme level quantitative data*

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

*ii) 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 competency areas described in the section above. There are also bespoke questions that reflect the distinct nature of each programme. This approach enables us to gather data from across the whole portfolio of programmes and share learnings and refine our offering.

*iii) Qualitative: pupil impact*

We also gather qualitative feedback from young people in the 'post' 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 activities.

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 2012/13, we have worked with eight corporate partners during the reporting period. This marks the completion of the transition from being a grant giving organisation to one which provides a contractual service to corporate partners. 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 fifth year of operation, the Trust has looked carefully at ways in which to refine the resourcing structure. We have introduced a new senior role – Chief Operating Officer – to support the Chief Executive and reflecting the wholesale move to delivering Bespoke Programmes.

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

**PUBLIC BENEFIT STATEMENT**

The Transformation Trust 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 Transformation Trust programmes, and funding

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**FOR THE PERIOD ENDED 31 AUGUST 2014**

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extra-curricular activities run by existing third sector organisations which have a proven track record of delivery, but focusing our efforts on the most deprived communities.

In doing so, we achieve our strategic priorities of encouraging greater engagement in education, leading to better prospects and brighter futures for the children involved. The programmes funded during the period set out in this report are described in more detail in the section below.

**OBJECTIVES, ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD**

1) Bespoke Programmes

During the period covered by this report, we delivered eight bespoke programmes, exceeding our target of four such programmes. These included:

*Big Energy Project with EDF: National STEM based programme*

The Transformation Trust developed the Big Energy Project in partnership with EDF. The programme aims to help students understand the science behind energy, catalyse an interest in STEM-based careers, change behaviour towards energy saving, and develop competencies.

The programme involves students identifying a domestic energy saving issue to tackle, and design and run their own campaign to bring about change in their communities. The best campaign wins a trip to London to visit a major attraction as well as a careers visit to the EDF Energy office.

The Trust developed a full suite of teaching resources to support schools in running The Big Energy Project, and EDF volunteers provide support to individual schools during the programme.

The programme has been running for two years. Having taken part in the project, 91% of students feel they have learnt something new, 82% want to do better at school, 70% feel more motivated to continue their studies at college or university, and 79% feel they have achieved something.

*BT Digital Champions: National communications/ICT programme*

This social action programme involved students volunteering at least one hour of their time to help someone in their local community get online and develop digital skills. A full set of teaching resources has been provided to support this programme. Some schools chose to host "surgeries" in the school itself and invite the local community in, whilst others set up sessions in the local library or OAPs' home. Students can also complete the hour's commitment as homework. All activity is logged online via [www.btdigitalchampions.com](http://www.btdigitalchampions.com).

In the last two years, students taking part in the programme are rewarded with a ticket to the Transformation Trust's Rock Assembly. This is an end of term careers fair and pop concert at Wembley Arena.

Over the last two years, the programme has helped 45,964 people get online for the first time. Students have discovered the value of their own knowledge and their ability to impart it to benefit a wide range of people in their local community. This has developed their confidence in their own ability, and in many cases stimulated their interest in learning more about using such skills in the future – 90% of participating students wanted to do better at school having taken part, 86% felt a sense of achievement, and 85% thought they worked better with people afterwards.

*LifeSkills created by Barclays: programme delivery in Birmingham, London, and Manchester*

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.

LifeSkills will equip young people with the key money, people and work skills, careers support and experience they need to get ready for the world of work. These resources are designed to help every student aged 11–19. Students are also able to access thousands of work experience opportunities not only at Barclays, but also in a

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wide range of companies that Barclays has partnered with.

The Transformation Trust is a delivery partner for LifeSkills and offers fully facilitated workshops to schools in our network. Any school in our designated areas or Birmingham, London, and Manchester with 21% FSM is eligible for this support from the Trust. To date, after taking part in the workshops, 91% of students say they want to do better at school, and 84% say they feel more motivated to continue their studies.

*Powering Transformation in partnership with Dell: regional programme*

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

Schools are loaned a pop-up tech classroom, and are given one week to complete the Powering Transformation Challenge. The programme allows students to think creatively, using the latest technology, and work to deadlines.

Students identify a local social challenge or issue they are passionate about. Teams then work together to create two parallel representations using the technology: one illustrating how they see their community now, and the other showing how they would like their community to be.

The Powering Transformation project offers an ideal opportunity for schools to build links with a local employer and receive support from Dell volunteers. Over the past year, feedback has shown that 76% of students thought the project was brilliant and enjoyed it, 91% want to do better at school, 79% feel more confident, and 81% think they work better with other people.

*Rock Club with Nationwide: national programme focusing on numeracy - pilot phase*

Developed by the Transformation Trust with Nationwide, Rock Club is a numeracy programme that aims to address low levels of confidence in Maths amongst Year 7 students. It is based around the central concept of each student acting as the promoter of a large scale music event.

The programme consists of 12 lessons for Year 7 students. Each lesson is based on a specific component of event management, including timings for running order, budget management, set designs for different artists, catering requirements, profit and loss, and so on.

Developed for the Transformation Trust by an Advanced Skills Teacher for Maths, all of the lessons are differentiated and come fully resourced. The lessons are 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.

Having completed a highly successful pilot in the last academic year, the Rock Club programme is now available to all state secondary schools with more than 21% eligibility for Free School Meals.

*The Galliford Try Sailing Challenge: regional programme*

The Transformation Trust developed this programme with Galliford Try to provide students in some of the most deprived schools with the opportunity to practise team working skills and develop their confidence by learning to sail an oceangoing yacht. This experience involved teams of students from eight schools within reach of the Solent. Two schools at a time spent a day in April gaining an understanding of how a crew needs to work closely together to steer a yacht safely and swiftly. Two finalists were selected to take part in a further day's sailing in June, leading to the award of the Sailing Challenge Cup to Bourne Academy.

The feedback from students and teachers was universally positive, emphasising the leaps in personal confidence and ability to engage positively within a team. None of the students had ever sailed before, but were reported to have been so inspired by the trust and opportunity given to them to work harder in school.

We hope to repeat this programme in the future, so as to enable more young people to take advantage of a

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fantastic experience which will build key skills they will take forward.

2) Vivid Experiences

In addition to our portfolio of Bespoke Programmes, we also aim to offer at least one "vivid experience" to students each year. This builds on our highly successful trip to the USA in 2012 when 12 sixth-formers worked as interns for the two national parties in the final two weeks of the American elections.

During this reporting period, we ran our first mentoring expedition, taking 12 students to climb Kilimanjaro in Tanzania. Four schools took part, with each fielding a team of three students and a teacher. Each school team was then paired with a team of corporate mentors, with whom they trained for the climb together and established an ongoing mentoring relationship with thereafter. The trip was a huge success, with schools from London, Manchester, and Leeds taking part, paired with corporate teams from Dell, Wates, and the Education Funding Agency.

3) Extending our relationships with schools

With over 900 state secondary schools in our network, during the period we took a number of steps to develop the ways in which we engage with schools:

- Launch of 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;
- Introduction of Salesforce database to support our engagement with schools: this is now fully embedded within the Trust's operations; and
- Growth in our school liaison team to complement our online offer: during term time, we typically have three members of staff dedicated to recruiting schools to each of the programmes that we run.

4) Events

*Gala Dinner at the BT Tower*

For the third year running, we were grateful to BT for hosting a gala dinner for the Trust at the top of the BT Tower. Performing on the evening were students who had taken part in the PianoMan programme, where talented young musicians are provided with 1:1 expert tuition from an internationally renowned pianist.

*Rock Assembly 2014*

10,000 young people from the schools with whom the Trust works attended Rock Assembly on 9 July at Wembley Arena. Supported by BT and Barclays, the day provided schools with an opportunity to celebrate students' experiences over the past year. Rock Assembly has now been running for four years, and for the last two has included a careers fair, the Futures Fair. All 10,000 students attending 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.

**PRIORITIES FOR 2014/15**

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

1. Growth in Bespoke Programmes

The Trust is currently running six Bespoke Programmes. The Trust will look to expand this to eight in the course of the current financial year (2014/15), whilst ensuring it has sufficient resources to maintain the quality of the existing portfolio. The expansion of the senior executive team has provided the corporate and operational capacity to service this growth. Discussions are ongoing with a number of potential new corporate partners, in addition to agreements to expand existing programmes.



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2. Vivid Experiences

The Trust has provided students in its network of schools with a number of opportunities to engage in activities that would not typically be available to them. These have included participating in the US Presidential elections in 2012, and the Kilimanjaro Trek in 2013. We have just completed the 3 Peaks Challenge (in the 2014/15 financial year), where students were paired with business leaders over a weekend, to tackle the three biggest peaks in Britain. Students valued the mentoring experience massively, as well as gaining the satisfaction of completing a gruelling physical challenge. For the financial year 2014-15, we are planning to go further afield than ever before, by taking the same format to South America, to walk the Inca Trail in Peru. Recruitment of business partners has already commenced and we aim to take up to eight teams out to the Andes in summer 2015.

3. Supporting Universities

The Junior University programme, co-created with Lancaster University, has been a great success as a means of creating greater awareness of and interest in the opportunities offered by higher education for students in the Trust's network of schools. The programme offers universities a chance to access a potentially more diverse range of potential students, while giving its undergraduates a chance to develop their own creative ideas and explore teaching. For schools, it offers direct contact with a renowned university, and the means to develop its own students' interest. The programme has the potential to work in a far larger number of schools, supported by more universities. The Trust will look to realise this potential in the coming year.

4. 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 have used the Hub in the past year, and the content continues to be updated as we go forward.

5. Events

Plans for Rock Assembly and the Futures Fair 2015 are already well developed. The event will take place at Wembley Arena on 1 July, 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.

The Trust also aims to hold its annual Gala Dinner at BT Tower in the New Year. This event has become a regular in the Trust's calendar, and offers an excellent opportunity to thank our partners for the support they have shown for the work of the Transformation Trust over the preceding five years.

**FINANCIAL REVIEW**

Financial summary

The Transformation Trust's Board made the decision prior to the start of the financial period to change its financial reporting dates to match the academic year. This necessitated running an 18 month financial year, from March 2013 to August 2014.

This financial period has seen the Transformation Trust complete the transition from a grant-giving model to one driven by the delivery of Bespoke Programmes. A small number of grants were made in this period, although these were relatively small and represent the final tranches of existing commitments. The Trust's income is now largely derived from the programmes it develops and delivers on behalf of its corporate partners. This shift has enabled the Trust to reach out to more schools and students through its collaborations with organisations such as Barclays, BT, Nationwide, Dell, EDF, and others.

Income for the period has increased considerably, when adjusted for the longer reporting period. Expenditure to service the Bespoke Programme model has also increased, although the Trust's senior management continues

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**FOR THE PERIOD ENDED 31 AUGUST 2014**

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to explore opportunities to reduce core costs and achieve greater value from the resources at its disposal. This is, in part, reflected in the increase in donated services during this financial period, through the contributions made by volunteers and other supporters of the Trust's mission to transform young lives.

Reserves' policy

In line with the policy set by the Board in the last financial year, 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 charitable expenditure. As at 31 August 2014, total reserves stood at £124,921, representing just over 2 months of current expenditure. The Trust continues to review its reserves' policy, alongside its ongoing projects and associated funding requirements.

Investment Policy

The Trust has recently reviewed its policy for investing uncommitted funds, and has decided to explore options for making short to medium term low risk investments. A final decision will be made by the Board on the options that are eventually identified, ensuring that the ongoing financial flexibility and viability of the Trust is maintained as a priority.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

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), during the reporting period the Trustees have included:

- Baroness Margaret Sharp
- Baroness Patricia Morris
- Lord Andrew Adonis
- Dame Julia Cleverdon
- Tim Byles
- Ian Cleland
- Rachel Wolf
- Michael Richardson
- Philip Graf

The Board of Trustees met three times in the reporting period. There are no sub-committees to the Board. Delegation of day to day activities was passed to the secretariat. During the period, the Secretariat reviewed and refreshed the Trust's governing documents.

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 (Headteacher, Bruntcliffe School)
  - Lynnette Parvez (Headteacher, Kelmscott School)
  - Justin Philcox (Headteacher, Fosse Way School, Bath)
  - Gee Cook (Headteacher, Iceni Academy)
  - David Gurney (Headteacher, Cockburn School)
  - Harry French (Headteacher, Greenway Academy)
  - Mark Everett (Headteacher, Writhlington School)
-

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

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Executive

The Trust has a small Core Team comprising:

- Chief Executive – Amy Leonard
- Chief Operating Officer – Michael Coleman
- Company Secretary – Kirsten Flynn (voluntary)

In addition, the Trust contracts three programme managers, and a team of three school liaison staff.

Risk Management Statement

The Trustees have conducted a review of the major risks to which the Trust is exposed, with our risk register 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 Trust.

Induction and Training of Trustees

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

Support in kind

Over the course of the reporting period, the Trust received the following in kind advice and support from the corporate sector:

- The equivalent of 12 days of education advice through Teachers Advisory Group
- Pro bono legal services from Stephenson Harwood
- Pro bono design services Design Culture
- Use of the BT Tower
- Volunteer hours provided by corporate partners, including Barclays, Dell, BT, and Nationwide
- Donated IT equipment from Dell
- Software licences made available free of charge to charity partners, e.g. Salesforce

The total value of donated services in the period was £187,734 (2012/13: £161,627).

**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 judgements and accounting estimates that are reasonable and prudent;

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- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

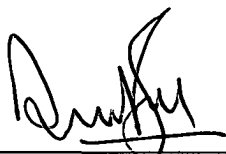
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**DISCLOSURE OF INFORMATION TO THE 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 Trust's auditors are unaware; and
- that Trustee has taken all steps that ought to have been taken as a trustee in order to make themselves aware of any relevant audit information required by the Trust's auditors in connection with preparing their report and to establish that the auditors are aware of that information.

This report was approved by the Trustees on 20 January 2015 and signed on their behalf by:



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

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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 period ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

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 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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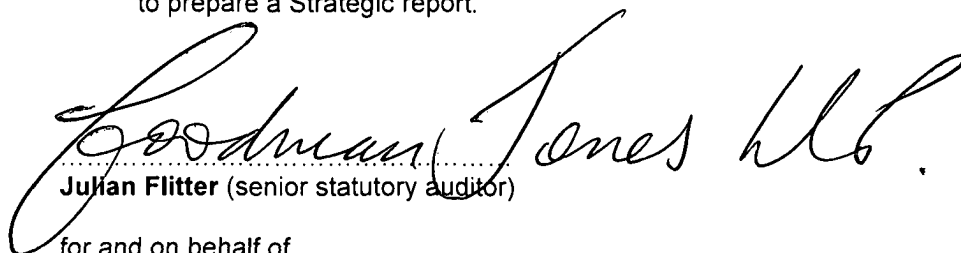
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE TRANSFORMATION TRUST**  
**(ENGLAND)**

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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 Companies Act 2006 requires us to report to you if, in our opinion:

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



**Julian Flitter** (senior statutory auditor)

for and on behalf of

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

Date: 21 January 2015

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

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating income and expenditure account)**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	366,468	618,815	985,283	551,902
Investment income	3	-	-	-	35
<b>TOTAL INCOMING RESOURCES</b>		<u>366,468</u>	<u>618,815</u>	<u>985,283</u>	<u>551,937</u>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Costs of generating voluntary income	4	92,484	-	92,484	34,828
Charitable activities	5	404,493	577,712	982,205	394,828
Governance costs	7	15,100	-	15,100	38,505
<b>TOTAL RESOURCES EXPENDED</b>		<u>512,077</u>	<u>577,712</u>	<u>1,089,789</u>	<u>468,161</u>
<b>MOVEMENT IN TOTAL FUNDS FOR THE PERIOD - NET INCOME/(EXPENDITURE) FOR THE PERIOD</b>		(145,609)	41,103	(104,506)	83,776
Total funds at 1 April 2013		<u>168,392</u>	<u>61,035</u>	<u>229,427</u>	<u>145,651</u>
<b>TOTAL FUNDS AT 31 AUGUST 2014</b>		<u>22,783</u>	<u>102,138</u>	<u>124,921</u>	<u>229,427</u>

All activities relate to continuing operations.

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

The notes on pages 15 to 22 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 31 AUGUST 2014**

	Note	£	31 August 2014 £	£	31 March 2013 £
<b>CURRENT ASSETS</b>					
Debtors	10	251,232		84,285	
Cash in hand		<u>123,549</u>		<u>161,424</u>	
		374,781		245,709	
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(249,860)</u>		<u>(16,282)</u>	
<b>NET CURRENT ASSETS</b>			<u>124,921</u>		<u>229,427</u>
<b>NET ASSETS</b>			<u>124,921</u>		<u>229,427</u>
<b>CHARITY FUNDS</b>					
Restricted funds	14		102,138		61,035
Unrestricted funds	13		<u>22,783</u>		<u>168,392</u>
<b>TOTAL FUNDS</b>			<u>124,921</u>		<u>229,427</u>

The financial statements were approved by the Trustees on 20 January 2015 and signed on their behalf, by:



**Sir David Bell, Chair of Trustees**

The notes on pages 15 to 22 form part of these financial statements.



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

**1.2 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 11, the company'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.

**1.3 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.

**1.4 Incoming resources**

All incoming resources are included in the Statement of financial activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income from bespoke partners for projects is recognised in the period when the project occurs and once the charity is entitled to the income, having fulfilled any specific conditions / service requirements attached to the funding. If a project takes place in two or more accounting periods, income is deferred until the future period to the extent that it relates to services carried out in that future period.

Income from membership is recognised in the period in which it is receivable, except when members pay for multiple years in advance of 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 future periods.

**THE TRANSFORMATION TRUST (ENGLAND)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

**1. Accounting policies (continued)**

**1.5 Resources expended**

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 Charity and have been allocated on the basis of staff time. Governance costs are those incurred in connection with administration of the Charity 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 balance sheet date are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

**2. Voluntary income**

	<b>Unrestricted funds 2014 £</b>	<b>Restricted funds 2014 £</b>	<b>Total funds 2014 £</b>	<b>Total funds 2013 £</b>
Founding members	6,250	-	6,250	190,000
Members	-	-	-	15,000
Bespoke partners	-	618,815	618,815	157,200
Donations and fundraising	172,484	-	172,484	28,075
Donated services	187,734	-	187,734	161,627
	<u>366,468</u>	<u>618,815</u>	<u>985,283</u>	<u>551,902</u>

**THE TRANSFORMATION TRUST (ENGLAND)**  
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**FOR THE PERIOD ENDED 31 AUGUST 2014**

**3. Investment income**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Interest income	-	-	-	35

**4. Costs of generating voluntary income**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Communications	631	-	631	-
Events and expenses	53,452	-	53,452	34,828
Voluntary income staff costs	38,401	-	38,401	-
	<u>92,484</u>	<u>-</u>	<u>92,484</u>	<u>34,828</u>

**5. Analysis of resources expended by activities**

	Activities undertaken directly 2014 £	Grant funding 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Extra-curricular activities	<u>821,301</u>	<u>32,700</u>	<u>128,204</u>	<u>982,205</u>	<u>394,828</u>

Expenditure on activities undertaken directly includes restricted expenditure of £577,712 (2013: £96,165).

**6. Grants to institutions**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Grants awarded	<u>32,700</u>	<u>-</u>	<u>32,700</u>	<u>141,250</u>

Analysis of grants paid during the period out of unrestricted funds:

	2014 £
Cineclub - to empower teachers and pupils to devise, shoot, and edit their own short films	17,700
Dame Kelly Holmes Legacy Trust - a school-based personal development programme run by former Olympians	<u>15,000</u>
Total	<u>32,700</u>

**THE TRANSFORMATION TRUST (ENGLAND)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

**7. Support costs**

	<b>Governance</b>	<b>Direct costs</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2014</b>	<b>2013</b>
			<b>£</b>	<b>£</b>
Rent	-	12,530	12,530	2,000
Travel expenses	-	1,417	1,417	1,447
Office expenses	45	11,734	11,779	673
Consultancy fees	-	-	-	71,335
Salaries / seconded staff	-	-	-	33,475
Computer costs	-	4,706	4,706	24,179
Professional fees	-	97,052	97,052	32,524
Bank charges	-	765	765	215
Wages and salaries	7,392	-	7,392	-
National insurance	492	-	492	-
	<u>7,929</u>	<u>128,204</u>	<u>136,133</u>	<u>165,848</u>

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

**8. Governance costs**

	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Audit and accountancy fees	6,454	4,529
Communications	717	501
Support costs	45	-
Wages and salaries (support costs)	<u>7,884</u>	<u>33,475</u>
	<u>15,100</u>	<u>38,505</u>

Included within audit and accountancy fees is auditor's remuneration of £5,500 (2013: £3,500).

**THE TRANSFORMATION TRUST (ENGLAND)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

**9. Staff costs**

Staff costs were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	207,481	66,596
Social security costs	<u>2,458</u>	<u>2,635</u>
	<u><u>209,939</u></u>	<u><u>69,231</u></u>

Included within wages and salaries costs above is £200,090 (2013: £37,745) in respect of costs paid to third party project leaders.

The average monthly number of employees during the period was as follows:

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
Management and administration	<u><u>1</u></u>	<u><u>1</u></u>

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

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

**10. Debtors**

	<b>31</b>	<b>31</b>
	<b>August</b>	<b>March</b>
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Trade debtors	214,085	66,331
Other debtors	2,590	9,954
Prepayments and accrued income	<u>34,557</u>	<u>8,000</u>
	<u><u>251,232</u></u>	<u><u>84,285</u></u>

**11. Investment**

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.

**THE TRANSFORMATION TRUST (ENGLAND)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

**12. Creditors:**  
**Amounts falling due within one year**

	<b>31 August 2014 £</b>	<b>31 March 2013 £</b>
Trade creditors	34,309	5,900
Other taxation and social security	9,147	599
Other creditors	1,804	-
Accruals and deferred income	<u>204,600</u>	<u>9,783</u>
	<u><u>249,860</u></u>	<u><u>16,282</u></u>

**13. Summary of funds**

	<b>Brought forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Carried forward £</b>
General funds	168,392	366,468	(512,077)	22,783
Restricted funds	<u>61,035</u>	<u>618,815</u>	<u>(577,712)</u>	<u>102,138</u>
	<u><u>229,427</u></u>	<u><u>985,283</u></u>	<u><u>(1,089,789)</u></u>	<u><u>124,921</u></u>

**THE TRANSFORMATION TRUST (ENGLAND)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

**14. Restricted funds**

	Brought forward £	Incoming resources £	Resources expended £	Transfers in £	Transfers (out) £	Carried forward £
Digital Champions	62,825	120,000	(120,000)	-	(62,825)	-
Big Energy Project	(1,790)	63,400	(61,610)	-	-	-
Lifeskills	-	211,918	(109,780)	-	-	102,138
Powering Transformation	-	25,731	(25,731)	-	-	-
Junior University	-	26,100	(26,100)	-	-	-
Sailing Challenge	-	20,000	(20,000)	-	-	-
Nationwide Rock Club	-	60,000	(38,527)	-	(21,473)	-
Rock Assembly 2013	-	-	(62,825)	62,825	-	-
Rock Assembly 2014	-	91,666	(113,140)	21,473	-	-
	<u>61,035</u>	<u>618,815</u>	<u>(577,713)</u>	<u>84,298</u>	<u>(84,298)</u>	<u>102,138</u>

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

Digital Champions - a project where young people assist local communities in getting online.

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.

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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2014**

**15. Analysis of net assets between funds**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Current assets	272,643	102,138	374,781	245,709
Creditors due within one year	(249,860)	-	(249,860)	(16,282)
	<u>22,783</u>	<u>102,138</u>	<u>124,921</u>	<u>229,427</u>

**16. Operating lease commitments**

At 31 August 2014 the Charity had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>31 August 2014 £</b>	<b>31 March 2013 £</b>
<b>Expiry date:</b>		
Between 2 and 5 years	<u>10,362</u>	<u>-</u>

**17. Related party transactions**

During the period, the Charity incurred consultancy costs totalling £42,500 (2013: £30,000) from Denford Associates Limited, a company in which A Leonard, the Chief Executive of the Charity, is the director and shareholder. The Charity also received donated services from A Leonard totalling £nil (2013: £59,375), in respect of consultancy, project, and management services.