

**The Shaw Trust Limited**  
Annual report and financial statements  
For the year to 31 August 2024

**Company No. 01744121**  
**Charity No. in England & Wales 287785**  
**Charity No. in Scotland SC039856**

## Company information

The Shaw Trust Limited

Registered in the United Kingdom

Company number

01744121

Charity number: England and Wales

287785

Charity number: Scotland

SC039856

Registered office

Black Country House  
Rounds Green Road  
Oldbury  
B69 2DG

Directors

O Benzecry (Chair)  
P M Baldwin  
A Coutinho  
D Dorman  
I Hughes  
C S Nicholson  
K C Ntumba  
M L Nussbaum  
O Oyesanya  
S M Pegge  
S D Shaw  
J Stewart  
C A Swabey

Company Secretary

C A McKinley

Independent Auditor

Crowe U.K. LLP  
2<sup>nd</sup> Floor  
55 Ludgate Hill  
London  
EC4M 7JW

## **Index**

Chair's Statement	3
Strategic Report	4
Directors' Report	21
Independent Auditor's Report	29
Consolidated Statement of Financial Activities	34
Group and Company Balance Sheets	36
Group Statement of Cash Flows	38
Notes to the Financial Statements	40

## Chair's Statement

We are pleased with the progress that Shaw Trust has made over the last year, against a background of uncertainty in the economic, social and commissioning landscape, we have delivered high quality programmes and continued to hone our services to be true to our mission, to help individuals facing barriers to work and social inclusion to achieve their full potential, and to multiply our social impact by delivering innovative system-change partnerships and programmes.

This year our services will have supported over 300,000 people and we've seen the benefits of even greater integration within existing community services to provide holistic support to individuals.

We're especially proud of our Individual Placement and Support (IPS) services. Shaw Trust is a recognised IPS Centre of Excellence, and our provision continues to meet national benchmarks for quality. This reflects both the capability of our teams and the transformational impact of our programmes on both work and wider wellbeing outcomes.

In a competitive and evolving commissioning environment, we've increased momentum, building strategic partnerships, retaining contracts, and working successfully with new commissioners. Financially, we exceeded our surplus target, giving us the capacity to invest, build long-term resilience and reward our people.

Further progress has also been made with the Shaw Trust Foundation, our engine of innovation and social value creation. It has shaped our reinvestment model as part of Homes and Horizons, our strategic partnership with Somerset Council, and delivered the eighth annual Disability Power100 campaign. The Foundation is central to realising our ambition to be a sustainable and financially robust driver of systems change.

As we look ahead, our priorities remain: to deliver to mission, grow our impact and influence, and provide high quality services that meet the needs of local communities. Our strategy focuses on driving systematic change where it's needed most for employability and employment.

I'm grateful to our outstanding Executive Leadership Team and Trustees for their leadership. Of course, none of this would be possible without the dedication of our colleagues, volunteers and partners and on behalf of the Board, thank you all for the commitment and care you bring to your work.

I would also like to thank those we support and those who commission our services. It is your proactive engagement with us that helps us understand how we can improve the difference we make every day and strategically.



Olly Benzecry  
Chair of the Board of Trustees  
14 May 2025

## **Strategic Report**

The directors present their strategic report on the company for the year ended 31 August 2024.

### **1. Company Overview, Principal Activities and Objectives**

#### **Our Mission**

Shaw Trust aims to help individuals facing barriers to work and social inclusion to achieve their full potential, multiplying our impact by delivering innovative system-change partnerships and programmes.

#### **Our Strategy**

To deliver our mission, the Trust will grow and leverage areas where we can generate the greatest social benefit while being a sustainable and financially robust driver of change. In particular:

We are impact and not profit motivated.

- We will focus on integrating whole-of-care services around the needs of the individual, promoting holistic service design and support where possible. At local, regional and national level, we will continually seek to connect our commissioned work and support to employers in order to increase our impact for participants and maximise value for money.
- We will work with commissioners to be their partner of choice, innovating and co-designing programmes that build on their existing provisions and increase local efficiency, creating sustainable outcomes for their communities.
- We will partner with other organisations, particularly place-based VCSEs and SMEs, to pursue the best possible outcomes and solutions for local places.
- We will strive for meaningful system change and drive innovations for society in the care and services we provide, using our technical knowledge, delivery methods and data.
- We will grow our impact while ensuring a balanced portfolio to provide robustness and resilience across the Group. We will avoid over-dependency on any single commissioner or contract.

#### **The Market and Objectives and Performance for the Year**

Shaw Trust provides a range of services through our impact areas of:

- Children's Homes: integrating a caring home, health and education environment around the individual while in care and ease the transition into adulthood and employment.
- Children and Young People's Services: removing barriers to employment, education and training faced by young people.
- Community Health and Wellbeing: ensuring skills, training and education drive

individual through-life employment progression.

- Employment: supporting individuals into inclusive employment and meeting the needs of employers.
- Education to Employment Pathways: ensuring skills, training, and education drive individual through-life employment progression.
- Education: the delivery of academies and specialist schools supporting our children in care and our multi-academy trust Shaw Education Trust.

## **Children's Homes**

Shaw Trust through Homes2Inspire currently operate:

- Residential care in 45 registered children's homes accommodating up to 142 children.
- Foster care in 21 foster families, branded Fostering2Inspire.
- Supported accommodation comprising of 38 self-contained flats in two locations.
- Wellbeing suites through a health care service co-designed with Gloucestershire County Council. It accommodates children and young people with complex mental health needs.
- A therapeutic education service. This unique provision has been co-designed with Somerset NHS Foundation Trust and Somerset Council. It provides a full education curriculum delivered within a trauma informed model.

It has been a successful year for the team. The systemic challenges in residential childcare have been acknowledged in the government's response to the 2022 Care Review and aligns with Homes2Inspire's strategic objectives.

Homes2Inspire continues to achieve significant growth through partnership, without any reduction in the quality of services. Our children's homes are inspected at least once a year by Ofsted. Ninety four percent are rated Good or Outstanding, which is significantly above the national average. Fostering2Inspire maintained a Good rating at the last inspection in May 2023. The Care Quality Commission (CQC) also undertook an inspection of our wellbeing suite in 2023, awarding the service a Good rating.

## **Children and Young People's Services**

Our Children and Young People's Services (CYPS) are designed to remove barriers to employment, education and training faced by young people such as mental health issues, low qualifications, caring responsibilities, being care experienced, early years trauma, SEND or having experience of the criminal justice system. In the last year this service delivered 136,845 interventions to include 74,000 with NEET and complex young people. Our delivery is underpinned by the principles of raising aspirations, being trauma informed, resilience based, outcomes focused, and young person led.

Achievements in year include:

- 97% of young people rating our services as very good or excellent.
- 90% of our targeted NEET contracts featuring in the top 40% of highest performing local authorities.
- Our supported internship provision delivered in partnership with Transport for London being shortlisted for an ERSA award.
- Our Spark Change programme design (a project for NEET and complex 16–24-year-olds) had created £1.8m of social impact following external evaluation.
- Award of numerous contracts and extensions.

### **Community Health and Wellbeing**

Shaw Trust's Community Health and Wellbeing division (CHWB) provides support to help individuals manage their mental and physical health conditions through the biopsychosocial model of support. Through our innovative interventions, we empower individuals to manage their conditions, helping them secure and maintain meaningful employment.

We also support individuals with health conditions to take meaningful steps towards employment. We do this through work placements, supported internships, advice and guidance on independent living aids and through volunteering. We provide this via our five social enterprise sites, our Accessibility service and our Living Made Easy Service.

We deliver Individual Placement and Support (IPS) services, Employment Advisers in Talking Therapies services, Community Wellbeing services, learning disability day opportunities and Living Made Easy licenses through multiple contracts held with over 70 commissioners.

The division also has a team of clinical practitioners who support individuals with their health conditions, including assessment and delivery of interventions, such as counselling to enable them to manage those conditions.

In the year:

- 2,216 individuals secured employment through our Individual Placement and Support (IPS), Live Well Kent and Medway and Employment Advisers in Talking Therapies (EATT) services.
- 74% of individuals entering work sustained that new employment.
- 93% of people accessing our Community Wellbeing services maintain or improved their personal wellbeing scores.
- 1,081 individuals were supported to retain/remain in their employment through our IPS and EATT contracts.
- Our Kent and Medway IPS services was awarded the Exemplary IPS Grow Quality Kitemark.
- We won the Silver Ipswich and East Suffolk Alliance award for overall

excellence.

- We supported over 1,000 learners by delivering our Health and Wellbeing courses in Trauma Informed Care, Mental Health First Aid and Trusted Assessor training.
- We saw over 110,000 visitors to our Ask Sara platform on our LME website, with over 22,000 Ask Sara reports completed.
- Saw ongoing demand and significant growth, with 25,353 people supported in year, an increase of 8,376 (49%) from the previous year. New services included but are not limited to:
  - A new Individual Placement and Support in Primary Care (IPSPC) contract funded by the Department for Work and Pensions (DWP) in North Central London (Enfield and Haringey).
  - A new IPS in Drug and Alcohol Treatment service contract in Wiltshire funded by the Office for Health Improvement and Disparities (OHID).
  - Two new Employment Advisers in Talking Therapies contracts joint funded by the DWP and Department for Health and Social Care in West London and North Central London.
  - A new contract in West London funded by the United Kingdom Shared Prosperity Fund (UKSPF), delivering support to Special Educational Needs and Disabilities (SEND) individuals through Adult Social Care and Further Education colleges.
  - Two new contracts in Kent and Medway through the Kent and Medway NHS Partnership Trust transformation programme (Mental Health Matters).
  - Numerous extensions and expansion for existing contracts.

## Employment

Our Employment provision consists of multiple contracted services focused on supporting adults to secure sustainable good work. The support offered within these contracts includes diagnostic assessment of needs; careers advice; skills development; support to address barriers such as housing or debt; job matching and in-work support. We also deliver integrated health and wellbeing support to overcome barriers preventing people entering or sustaining employment.

Shaw Trust is the largest provider of the Department for Work and Pensions (DWP) Work and Health Programme (WHP) holding a 30% market share. WHP is an employment support programme aimed at unemployed people with health conditions or disabilities to enter sustainable employment. WHP offers up to 15 months of support to gain employment and a further period of continued support once a participant has entered a job.

We also operate WHP Pioneer, which launched in September 2023. This extension of WHP was seen as the latest phase of Universal Support and lends itself to a 'place and train' approach championed in Individual Placement Support (IPS) contracts. Our focus was to learn from new ways of working in WHP Pioneer, grow our community networks further to access and engage as many economically inactive people as possible.



We also delivery the Intensive Personalised Employment Support (IPES) programme, which offers targeted support to unemployed people with disabilities and complex needs; Restart, a national DWP commissioned contract designed to provide individualised tailored support for individuals experiencing challenges or barriers in entering employment, who are 18 years plus and have been out of work and claiming universal credit or Job Seekers Allowance for nine months plus with no maximum length to unemployment; or the Refugee Employability Programme (REP) on behalf of Reed in Partnership in West London, a programme launched in August 2023 and delivers cultural integration, ESOL lessons for non-English speakers and employability support and is commissioned by the Home Office.

During the course of the year:

- Across the programmes Shaw Trust supported over 40,000 individuals for which nearly 10,000 work and 6,000 achieved sustained employment. As additional time passes, outcomes will continue to increase i.e., a participant on programme in the last month of the year will not have had sufficient time pass to be counted as sustained employment.
- Shaw Trust implemented through Pioneer a significant self-referral model, with 23% of all participants coming via Shaw Trust or our supply chain e.g. new connections with housing providers, local community health teams and specialised support services.
- Shaw Trust was chosen as Highcross shopping centre's in Leicester City Centre charity of the year for 2024.
- WLA provided funding to establish the Open Minds pilot project to support the inclusion of those with SEND to participate in the North West London NHS volunteering programme. The pilot project was run in two hospitals with the aim for wider roll-out.

## Education to Employment Pathways

Shaw Trust operate a number of pathways from education to employment:

- **Learning and Skills:** service delivery included apprenticeships, 16-19 study programmes and Advanced Learner Loans and skills support for the employed and unemployed. Revenue streams in the year were from government departments including The Education Skills Funding Agency (ESFA), local authority funding, and commercial funding.

Revenue in the year decreased from the prior year due to some government funded contracts coming to an end.

Regional growth plans are in place for us to drive and grow delivery in priority sectors and key regions established via commissioners and employers through LSIPs (Local skills improvement plans). Collaboration continues with local authorities across key regions to identify opportunities for devolved funding.

- **National Careers Services:** Shaw Trust (through Prospects Services) is the prime provider of the National Careers Service in London and the West Midlands, and a subcontractor in South Yorkshire supporting over 100,000 customers last year. NCS, commissioned by the Department for Education

(DfE), provides high quality, up to date, professional Careers Information, Advice and Guidance (CIAG) face-to-face or via digital platforms such as Microsoft Teams, telephone, email and webchat. The service is open to anyone in England aged 19 or above (or 18 and classed as NEET) but does have a number of key priority groups.

- **Justice:** our work in the Justice sector is committed to empowering the individuals we support to make positive contributions to society and break the cycle of reoffending. This area spans education, skills, employment, and wellbeing, within institutions and beyond the gate, all critical components of effective rehabilitation.

During last year, Shaw Trust successfully managed seven of the 18 CFO3 contracts for His Majesty's Prison and Probation Service (HMPPS), which concluded this year. Co-funded by the European Social Fund, this programme was designed to enhance social inclusion among offenders and ex-offenders, particularly those considered most challenging to support within the justice system. We provided assistance to individuals preparing for life beyond incarceration, including helping them disengage from crime, access training, and secure employment. Through our CFO3 contracts, we supported over 1,930 new participants leading to over 2,488 accreditations and facilitated employment opportunities for more than 490 individuals.

In addition to the CFO3 programme, we operated three CFO Activity Hub contracts, providing seven offender-focused Hubs. These Hubs offer a vital space for individuals to gain structured support and engage with role models and peers who are in a similar post-release phase. During the year, we supported over 1,183 new clients, delivering 938 Human/Citizenship interventions, 1,294 Community and Social interventions, and 58 Interventions and Services to promote sustained reintegration.

Our existing Dynamic Purchasing System (DPS) Information, Advice, and Guidance (IAG) contracts in London, West Midlands, Whatton, and Stafford have also been extended to March 2025, aligning with future commissioning plans. In this period, we delivered in excess of 8000 interventions, supporting those in custody, to shape their future journey.

Additionally, our HMYOI Feltham Education contract delivers on-site education, training, career guidance, and resettlement support for young male offenders aged 15-18. This year, we worked with over 370 learners at Feltham, resulting in more than 549 accredited achievements, including 29 GCSEs - the highest total in the Youth Estate. Working with the establishment, we also introduced enrichment weeks, which provide a break from core curriculum while fostering essential personal development. These activities included sports, family engagement days, games, and support from Mary's Charity on gang violence and knife crime. Employers, charities, and support groups volunteered their time to provide valuable guidance to learners, all of which was positively received. Additionally, we hosted our first parents' evening to strengthen family involvement in the education journey at Feltham; 100% of surveyed parents and guardians expressed a desire for these evenings to continue.

## Education

Shaw Education Trust (SET) is a dynamic multi-academy trust committed to ensuring that every child, regardless of background or ability, has the opportunity to succeed. The trust has expanded significantly, now overseeing 32 academies across various phases, from primary schools to secondary institutions, including a sixth form college. A key focus of the trust is its robust academic performance, with over 90% of its inspected schools rated as Good or Outstanding.

We currently serve 11,882 pupils aged 2-25 years across regions including Staffordshire, Stoke-on-Trent, Birmingham, Wolverhampton, Bury, Wigan, Halton, and Derby. The Trust also operates a School-Centered Initial Teacher Training (SCITT) programme.

SETs diverse portfolio includes 13 specialist provisions, such as Newfriars, an Independent Specialist College for young adults aged 16-25, along with nine primary academies and nine secondary academies.

With approximately 2,750 staff, SET is committed to enhancing opportunities for students at every education stage, from Foundation to Key Stage 5, in both special and mainstream settings. The goal remains clear: to help every pupil realise their full potential and achieve their life ambitions.

SETs business plan outlines a clear strategy for growth, aiming to transition from a mid-sized multi-academy trust to a leading education provider across multiple regions. SET is actively exploring new opportunities to add value, focusing on partnerships with schools that share our vision and values. We are particularly keen on working with schools that align with our mission to expand our reach, foster innovation and creativity, and create lasting change for the most disadvantaged and vulnerable young people.

In line with our growth, we continue to drive school improvement through a multi-faceted and evolving approach. A key long-term priority is to address the learning gap, ensuring that all students, regardless of background, have an equal opportunity to succeed.

## Other Activities

As part of its ongoing review of the corporate structure, the Trust completed on the following transactions during the year:

- Shaw Trust Services Limited was sold to an independent third party at the start of the year.
- The leadership team of Optimus Education Limited successfully completed a Management Buy Out at the end of April.
- St Jude's Laundry, previously part of the Forth Sector group, transitioned to a local Scottish philanthropist, Alan Pedley and his family business at the end of June.

We wish all these organisations well under their new leadership teams.

## **Future plans**

### **Children's Homes**

- Maintain our exceptional, above market average quality, including potential Ofsted inspection of our supported accommodation services under new regulations from April 2024.
- Continued growth across the range of integrated services, including registration of our second independent fostering agency in Somerset.
- We will continue to innovate through strategic partnerships to address market failure in the children's residential sector. Through innovation and partnership, we will continue to provide the right services, in the right place, for the right price.
- We will continue to address sector-wide recruitment challenges by providing a comprehensive training course, leading to a professional qualification with further opportunities for professional development and promotion in a growing business.

### **Children and Young People's Services**

- Train 12 Divisional leaders in Social Impact Measurement to equip them to better establish the impact of our programmes.
- The new Labour Government has included costed policies for youth in its manifesto to include the Youth Guarantee, additional careers guidance in schools and Young Futures Programme. We plan to focus on digital IAG and tracking, resilience and wellbeing coaching and mentoring, supported Internships, NEET and targeted support, as well as statutory careers guidance in education in our service offering.
- In readiness for the potential set up of school and community based mental health hubs, we have and will continue to collaborate with the Shaw Trust Community Health and Wellbeing division to design a three-tier mentoring product (peer mentoring, professional mentoring and referral to clinical support).

### **Community Health and Wellbeing**

CHWB is a key growth area as we see increasingly complex needs and barriers for individuals entering the workforce. For FY24/25 we aim to support over 28,000 participants. We also plan to grow our delivery in IPS and Community Wellbeing services by securing new contracts, both deepening our presence in areas such as Kent, London and Birmingham but also entering new regions nationally.

### **Employment**

- As current contracts enter the run-off phases (support of current referrals rather than onboarding of new referrals), we will continue to maximise outcomes and opportunities for individuals.
- Following devolution and the work of new Connect to Work and trailblazer contracts, we aim to win a significant proportion of the market, growing our

offering year-on-year so we can continue to expand our impact and the benefit for the participants.

- We intend to trial new community and partnership led models to both referrals and driving sustained employment outcomes.

## **Our Values**

Our values are:

- **We care about people.** We ensure a safe environment, ensuring that we promote the safeguarding of our beneficiaries, this includes for example safer recruitment, safeguarding procedures, whistleblowing, training etc. Safety issues are considered in everything we do. It is essential that Health and Safety is a priority for each and every employee.
- **We make a difference.** We demonstrate the utmost care and respect for those people whose welfare and safety are entrusted to us, while providing high quality services that achieve positive and sustainable results for our children and young people.
- **We are inclusive.** We take care to employ the best people, develop their skills, knowledge and experience, provide opportunities and inspire them to contribute to our success.
- **We are collaborative.** We work with staff, beneficiaries and stakeholders to identify emerging needs, trends and the best way to innovate and improve our services.
- **We are honest.** We seek to be trusted to do the right thing and have a training and risk management environment that follows regulatory and market best practice to uphold this trust.

## **2. Financial Performance**

### **Net Income and Expenditure**

	Year to 31 August 2024 £'m	Year to 31 August 2023 £'m Restated
<b>Incoming resources</b>	<b>315.8</b>	<b>301.9</b>
<b>Net income/(expenditure) before other recognised gains and losses</b>	<b>27.0</b>	<b>(14.5)</b>
Depreciation and amortisation	9.1	9.2
Pension scheme settlements	-	12.2
Donations and asset transfers in SET	(21.9)	(6.7)
Impairment	-	12.9
<b>Adjusted net income before other recognised gains and losses</b>	<b>14.2</b>	<b>13.1</b>

## Incoming resources

The incoming resources for the Group have increased by £13.9m year-on-year, to £315.8m. This has been driven by SET increasing its revenue by £30.6m through additional academies with associated donations of property, offset by a reduction in unrestricted income (from £172.6m to £156.2m). This is due to contracts ending in the period and the disposal of two trading subsidiaries during the year, Shaw Trust Services Limited and Optimus Education Limited.

## Charitable expenditure

During the year our charitable expenditure totaled £286.6m, a reduction from £314.2m in the prior year. This is mainly as a result of the reduction in the level of activity within unrestricted contracts but also reflects our focus on efficiencies and automation, both in frontline and central services, so as to improve margins and maximise the resilience of the organisation against external changes.

## Net movement in funds

Total Group funds have increased by £27.8m (2023: £8.3m). This includes settlement of pension schemes of £nil (2023: (£12.2m)).

Movement in Funds	Unrestricted	Restricted	Total
	£m	£m	£m
The Shaw Trust Group operations	6.9	20.3	27.2
<b>Net Movement in Funds (before pensions impact)</b>	<b>6.9</b>	<b>20.3</b>	<b>27.2</b>
Actuarial gains and Net finance return on defined benefit pension scheme	-	0.6	0.6
<b>Net Movement in Funds</b>	<b>6.9</b>	<b>20.9</b>	<b>27.8</b>

## Balance Sheet

At the end of the financial year overall consolidated funds stood at £244.6m compared to £216.8m (restated) in the prior year.

Total current assets were £76.8m as at 31 August 2024, an increase from £73.4m in the prior year but driven by standard movements in the working capital position, whilst short-term creditors increased marginally from £39.7m to £39.8m. The Group's overall cash position increased by £11.5m in the year to £31.6m reflecting the result for the year and capital spend.

Overall, working capital remained positive and in line with our key KPIs.

An increase in tangible fixed assets of £18.0m was driven by additional schools acquired or donated in SET along with building works and computer equipment purchases, offset by increasing depreciation charges. These building works and computer equipment purchases form the majority of the £7.0m capital expenditure in the cash flow.

## Reserves policy

The reserves policy is based on the level of Free Reserves, being the total unrestricted funds less any designated funds, revaluation reserves and pension scheme surpluses or deficits. Due to the long-term nature of many of the contracts and associated assets and liabilities, the Trustees concluded that the measure should focus on reserves able to be used freely for the charity's purpose.

The Trust's Free Reserves are held in order to manage the risks to which the charity is exposed in the course of its activities. The Trustees ensure that the charity is in a responsible and secure financial position to provide reliable services for our beneficiaries, to absorb unforeseen setbacks in the event of a significant financial downturn and to take advantage of opportunities that are in line with our charitable mission. Reserves are underpinned by liquid cash balances, providing working capital funding for day-to-day operating costs, supporting the delivery of the Charity's objectives in an efficient and cost-effective way.

The reserves policy is reviewed annually by the Trustees to take account of changes to the environment in which the Trust operates, and any other internal or external risk factors that might impact on the level of reserves required.

As of 31 August 2024, the Trust had Free Reserves of £29.0m (31 August 2023: £20.4m) as follows:

	<b>At 31 Aug 2024 £m</b>	<b>At 31 Aug 2023 (restated) £m</b>
Total Reserves	244.6	216.8
Less: Restricted funds	(211.3)	(190.4)
Less: Intangible assets	(0.1)	(0.5)
Less: Tangible assets (not restricted or designated)	(5.0)	(8.8)
Less: Designated funds	(4.4)	(2.6)
Add: Long term liabilities and provisions	5.2	5.9
<b>Free Reserves</b>	<b>29.0</b>	<b>20.4</b>

The increase in Free Reserves is predominantly a reflection of the strong operating performance and demand for Shaw Trust's services.

The current target is to build up the reserves to a level able to sustain a range of two - four months of costs (being approx. £29-58m) whilst still being able to support and invest in the activities of the Shaw Trust Foundation (the visible and accountable rallying point for the charitable purpose and activity in our organisation).

In addition to the suggested level of Free Reserves, the Trust's policy stipulates a minimum level of cash holding requirement to meet the following scenarios, including:

- a delay in collection of receipts,
- exceptional payments of costs; and,
- a significant financial impact or loss of business.

Detailed review of the risk and stress testing has been undertaken to assess the risk of a significant contract loss and the mitigation steps available to management. The Trustees have considered the level of cash reserves required and consider it appropriate given the current resources and activities of the Trust.

### **Investment powers, policy and performance**

Our investment managers are selected on the basis of reputation and adherence to environment, social and governance issues. The investments are governed by investment policies which are reviewed by Trustees and the portfolio is designed to balance the objective of maximising investment returns against the risk and liquidity of the investments. Investment performance is monitored and reviewed against a number of benchmarks set by the Finance Committee.

The Trust's long-term policy for its reserves is to balance the security of its funds available for investment with the need for liquidity to meet its obligations as they fall due, while obtaining the best yield that can be generated given the Trust's risk appetite.

### **Pension Schemes**

The principal pension scheme available to employees of The Shaw Trust Limited is a defined contribution scheme, administered by Standard Life. Contributions to the plan during the year totaled £2.7m (2023: £2.6m).

The Trust also participates in several active final salary pension schemes through its multi academy trust subsidiary. The two principal pension schemes are the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and a number of Local Government Pension Schemes (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes and therefore accounted for as a defined benefit scheme.

In addition, the Group retains a funding obligation to several smaller final salary schemes, all of which are closed to new entrants. These are detailed in note 24 - Pension Commitments.

The final salary schemes remain subject to a formal triennial funding valuation, with the most recent completed being as at 31 March 2023. This showed a funding surplus of £6.4m, and in the majority of schemes future contributions were nil or had reduced.

Separate annual valuations of the schemes are carried out in accordance with 'FRS 102: Employee Benefits' in which different funding assumptions are applied. The FRS102 valuation of the Trust's pension schemes at 31 August 2024 showed an overall funding deficit of £3.8m (2023: £6.2m).

In accordance with FRS 102, the surplus on individual schemes is not recognised as an asset, on the basis that future economic benefits are not deemed available to the Group.



The Trust monitors the size of the pension deficit and feels that there is sufficient income and cash flow in future years to service the requirement of these schemes. In addition, a significant review of pension exposure and risk is ongoing and continued during the year.

Post year end, the Trust exercised its agreement to exit the Gloucestershire Pension Fund following the end of the contract. This final salary scheme had been closed to new and existing members following a detailed review and consultation with members during 2020 and at the time a long-term repayment plan agreed with the provider. This transaction had no detriment to benefits for scheme members and significantly reduced the balance sheet risk and exposure to valuation fluctuations arising from future changes of actuarial assumptions.

### **3. Principal Risks and Uncertainties**

#### **Our approach to risk management**

Risk is an accepted and necessary part of carrying on our business and we rely upon our risk management processes to appropriately balance risks against rewards. The Board has overall responsibility for risk management and internal control and the executive directors ensure that risk management plans are effectively communicated throughout the organisation.

The Board of Trustees review the Risk Appetite Statement on a minimum of an annual basis, and the risks and control effectiveness on a rolling quarterly cycle. The objectives of this review are:

- To provide a clear articulation of the Trust's risk-taking, risk mitigation and risk avoidance, and to define the risk-taking at the aggregate level.
- To create a foundation for effective communication of risk among internal and external stakeholders.
- To increase understanding of the Trust's material risk exposures and raise risk awareness across the organisation.
- To positively impact the defined risk culture of the Trust.
- To support the Board of Trustees and the senior management in planning, formulating and executing strategic business decisions to achieve the long-term targets of the Trust.
- To provide means for the Board of Trustees and senior management to engage in discussions on risk-taking, risk management, and business strategy, and their interlinkages.
- To provide the tools for the Board of Trustees and senior management to continuously monitor and align the Trust's actual risk profile with the risk appetite.
- Trustees are responsible for setting the tone and influencing the culture of risk management within the Trust, including the attitude to risk. Through the Executive Team and Audit and Risk Committee, which consists of Trustees with a financial and risk management background, Trustees discharge their

responsibilities toward risk management by:

- The adoption of a range of policies and procedures to enable effective risk management including a risk management policy, an anti-fraud policy, a whistleblowing policy and a register of interests' policy.
  - The maintenance of a corporate risk register, which is used to monitor the risk environment of the Trust and to inform audit plans.
- The establishment and maintenance of the 'three lines of defence' model of internal control:
  - Line one: management controls to prevent, detect and respond to exposure to risk. These include organisational structures that enable segregation of duties, the implementation of security protocols in respect of assets and information, pre-employment checks and ongoing training, supplemented by management supervision and checking arrangements.
  - Line two: risk management through the development, implementation, testing and maintenance of an effective control and governance environment. In addition, an internal team provides assurance in respect of the quality-of-service provision and compliance with legislation, contractual requirements, and relevant standards. Shaw Trust's Line two reports into senior management and the Trustee Board, through the Audit and Risk Committee; and
  - Line three: Internal Audit which is performed by an outsourced provider. Reporting primarily to the Audit and Risk Committee, the internal auditors provide assurance over the effectiveness of corporate governance and the overall control environment including the Line two defences. All reports identify areas of strength and good practice along with areas for improvement. In the case of the latter, the Audit and Risk Committee monitors a time-based log of improvement actions, agreed by the management and the auditors, to ensure that they are implemented.

The Group's financial risk management objectives and policies are to:

- Build and maintain a strong balance sheet so as to instill confidence of stakeholders and to sustain the future development of the business.
- Build and maintain a strategic reserve to enable the Trust to operate and continue its core activities.
- Invest surplus funds where applicable in order to return a yield consistent with the Group's risk appetite, and ensuring sufficient liquidity to meet obligations as they fall due.

Liquidity risk is managed by carefully forecasting and monitoring the short- term and long-term cash flows and ensuring the Trust has sufficient reserves and liquid investments to cover foreseeable requirements.

Credit risk on amounts owed to the Trust by its customers is low, being mostly Government departments and local authorities. Credit risk also arises from cash deposits with banks, and only independently rated parties with a minimum rating of

‘A’ are accepted.

Interest rate cash flow control risks are mitigated as the Trust is able to place surplus funds on short-term deposits.

The Group has to date financed the majority of its operations through its reserves and has not required significant external funding. Loan balances at 31 August 2024 of £0.6m (2023: £1.0m) included the external funding held in Forth Sector.

While the Group does have significant concentrations of debt due from the UK central and local Government, the risk is not considered to be significant because of the credit rating of the institutions and the statutory nature of the majority of services provided (i.e., in the event of local authority insolvency statutory services will continue to be funded).

## Principal Risks

The assessment of risks is linked to the Group strategy and the following have been identified as key risks. The Group is taking appropriate steps to monitor them:

<b>Risk description</b>	<b>Potential impact</b>	<b>Mitigation</b>
A safeguarding failure in respect of beneficiaries	We regularly work with vulnerable client groups and a safeguarding failure could result in potential loss of business or have an adverse effect on financial performance.	We maintain comprehensive safeguarding policies and procedures, including whistleblowing safeguards. We ensure that all staff are subject to robust pre-employment vetting, including Disclosure and Barring Service checks. All staff receive the appropriate safeguarding training.
Change in political and economic environment	Significant reductions in public sector funding and changes in government policies could impact on renewal or terms of existing contracts. Any cuts in local authority funding could have an adverse effect on financial performance.	We seek to develop innovative service delivery models and solutions within available funding parameters, maintain good relationships across central and local government, and communicate our success stories through case studies and proactive public relations. Our services are also statutory services so less vulnerable to the impact of local authority spending pressures.
Failure to win new contracts or renew contracts on re-tender	Failure to win new bids or renew existing contracts could restrict growth opportunities and have an adverse effect on financial performance.	We focus on high quality service delivery under our existing contracts. We demonstrate value for money and maintain a strong central bidding team in a high demand sector.
Contract under-performance or poor quality at	Poor contractual performance or a poor inspection report from Ofsted, Care Quality Commission, or another inspection body could result in the potential loss of	We employ strong senior managers who are responsible for contracts' operational and financial performance. A strong quality assurance and audit team carry out regular assessments of quality and oversee

<b>Risk description</b>	<b>Potential impact</b>	<b>Mitigation</b>
inspection	business, have an adverse effect on financial performance and lead to reputational damage in bidding for future work.	improvement strategies. This ensures that performance issues are identified and addressed promptly.
Inability to attract, retain and develop the right calibre of staff	The inability to recruit sufficient staff to meet operational need has the potential to hinder service delivery. Poor staff retention could also affect our ability to deliver high quality services. Inability to deliver service could result in loss of contracts or have an adverse effect on financial performance.	We seek to ensure pay and conditions remain attractive and competitive in the sector. We also undertake an organisational development programme to ensure that staff attain and maintain the skills to develop and perform.  We have invested in new recruitment specialists to ensure that we can meet operational staffing requirements.
Major information security breach	As a provider of public services, we have to handle sensitive and confidential data. An information security breach, whether by accident or malicious attack, could result in the potential loss of contracts, have an adverse effect on financial performance and lead to reputational damage in bidding for future work.	We ensure that all our staff receive information security training and run staff awareness campaigns to promote data security. We employ experienced personnel specialising in information assurance and security, run penetration tests and operate in accordance with the ISO27001 certification which is subject to regular external assessment.
Loss of critical IT systems	Business continuity is put at risk as operations fail to function, meaning an inability to deliver services and additional costs are incurred reinstating operability.	Our IT systems are managed by an experienced central team within Shaw Trust. This ensures that we have reliable and effective IT infrastructure.
Failure to effectively manage our brand and reputation	Adverse publicity could damage confidence in the Group's ability to deliver services, constrain growth plans and have an adverse effect on financial performance.	We seek to build and maintain strong relationships with our customers and other stakeholders. Our risk management processes identify potential reputational impacts allowing effective management and oversight.

#### 4. Section 172(1) Statement

General confirmation of Trustees and Directors' duties:

The Trust's Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its committees. Certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval.

**S172(1) (A) “The likely consequences of any decision in the long term”**

The directors completely understand the importance of Charity and the long-term impact of its decision on beneficiaries and communities. The Board has developed proper strategies and process to follow for any decision which can have long term impacts.

**S172(1) (B) “The interests of the company’s employees”**

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

**S172(1) (C) “The need to foster the company’s business relationships with suppliers, customers and others”**

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, governments, and commissioners. The Shaw Trust Limited seeks the promotion and application of certain general principles in such relationships. The Trust supports the government strategy to support SMEs via doing business with them and paying promptly. The Trust recognises the importance of its supply chain partners to deliver its targets and achieve strategic goals. Certain rules and procedures have been developed to maintain the good relationship with them.

Moreover, the directors receive information updates on a variety of topics that indicate and inform how these stakeholders have been engaged.

**S172(1) (D) “The impact of the company’s operations on the community and the environment”**

The Board receives information on these topics to both provide relevant information for specific Board decisions e.g., working from home, green energy, and carbon footprint policies.

**S172(1) (E) “The desirability of the company maintaining a reputation for high standards of business conduct”**

The Board periodically reviews and approves clear frameworks to ensure that its high standards are maintained both within its businesses and the business relationships we maintain. This complements the way the Board is informed and monitors compliance with relevant governance standards.

This report was approved by the Board of Directors and signed on its behalf by:



Olly Benzecry  
Chairman  
14 May 2025

## **Directors' Report**

The directors present their report and the audited financial statements of the company for the year ended 31 August 2024. This report contains the statutory information disclosed in addition to that set out in the Strategic Report.

### **Review of the business**

The financial results of the Group are detailed in the income statement on page 34. The financial position of the Group remains strong with total reserves of £244.6m. Further information on the business performance is detailed on pages 4 to 16 of the Strategic Report.

### **Legal Structure and Governance**

The company is legally constituted under its Memorandum and Articles of Association dated 3 August 1983 and amendments thereto.

The Trustees in office during the year, and at the date of signing these financial statements, are set out on page 23. The Trustee Board has overall responsibility for the governance of the Trust which it discharges through three main duties:

- Ensuring there is a strategy in place; the main strategic goal is to help as many people as possible to adjust to and navigate the complex employability challenges that lie ahead. To achieve this main strategy, Trustees have agreed on different objectives which include organisational growth, maintaining a balanced portfolio of services and programmes that are locally based and nationally scalable, financial and operational stability, compliance and stakeholder's relationships.
- Monitoring the implementation of the strategy against agreed plans, ensuring adequate resource is available.
- Ensuring the Trust complies with all necessary statutory and regulatory obligations.

As part of this, the Trustees ensure that there is a robust system of internal control and risk management, as well as an appropriate reporting and oversight structure to ensure that the senior executives to whom the Trustees have delegated the daily management of the Trust are performing to the standards expected.

The Board meets quarterly and, while the matters discussed at those meetings will vary, the general themes of discussions are strategy, charitable purpose and impact, review of performance, developments in the Trust's external operating environment and major internal change programmes.

The following committees of the Board of Trustees discharged specific aspects of their responsibilities:

- The Audit and Risk Committee has a key responsibility for financial and corporate governance, including ensuring effective liaison with external audit, considering major findings of internal audit reports and matters of risk management, and receiving updates on the Trust's strategic risk register.

- The HR Committee is responsible for determining the Trust's overall HR strategy and approving major changes to the Trust's structure, employees' terms and conditions and the pay and reward for the senior executives. The Trust uses external consultants and comparison tools available to set the salary level for its key management. Salary and benchmarks are reviewed regularly to make sure the Trust can attract and retain the best talent.
- The Finance Committee is responsible for the Trust's financial performance on behalf of the Board to ensure short and long-term viability and ensure finances are aligned with Shaw Trust's Strategic Directive.
- The Commercial and Performance Committee is responsible for advising the Board in relation to business investment and opportunities for growth (both organic and inorganic) in accordance with the Trust's strategy, and to oversee the operational performance of The Shaw Trust.

The Trustees have delegated the daily management of the Trust to the Group Chief Executive and the Executive Team. The current Chief Executive, Chris Luck CB MBE DL, was appointed in May 2020, and joined the Trust after a distinguished career in the armed forces.

The Trust manages its activities through five operational divisions and service delivery within each is managed by dedicated business unit teams.

Operational staff are supported by Finance, People and Performance, Business Development, Information Services and Communications teams.

As part of their succession planning, the Trustees have a system of Trustee evaluation to identify potential gaps in their individual skills and of the Board as a whole. Evaluation is carried out annually by the Trustees. Trustees are recruited in an open process, targeted towards any skills needs identified by the Trustee evaluation process, ensuring that we obtain the right balance of experience and expertise.

New Trustees can be co-opted by the members to fill a vacancy at any time during the period. Co-opted Trustees, if they wish to continue, seek re-election at the first Annual General Meeting after their appointment.

Every new Trustee receives a copy of The Trust's Memorandum and Articles of Association; a summary of how it operates to achieve its charitable objects, with particular attention to its core areas of operations; a copy of the Trust's latest reports and financial statements; a copy of the Code of Practice adopted by the Trustees; details of the Trust's Executive Team and their respective roles, Terms of Reference and reporting lines; details of Board meetings; and the Board papers made available for meetings. As well as induction, Trustees are able to undertake training in specific areas of the Trust's operations through visits and presentations.

The Trust takes into consideration the principles contained within the Charity Governance Code when reviewing and updating its governance function.

## Committee Membership and Executive Management

### Trustees

Gregory Allen ♦ (appointed 6 March 2024) (resigned 26 February 2025)  
Paul Baldwin \* ~  
Olly Benzecry (appointed 22 February 2023), Chairman from 11 May 2023  
Diane Côté \* ~ (resigned 7 November 2024)  
Audrey Coutinho \* ^  
Deborah Dorman ♦  
Annamarie Hassall MBE (resigned 24 February 2025)  
Ian Hughes (appointed 24 March 2025)  
Paul McGee \* (resigned 20 September 2023)  
Carl Nicholson (appointed 6 March 2024) ^  
Cedric Ntumba (appointed 24 March 2025)  
Dr Mike Nussbaum ^ ♦  
Lara Oyesanya ^ ♦  
Kalm Paul-Christian ^ (resigned 26 February 2025)  
Stephen Pegge ~  
Steve Shaw \* ♦  
James Stewart OBE ~ ♦  
Christine Swabey (appointed 6 March 2024) \*

\* Member of the Audit and Risk Committee

^ Member of the Commercial and Performance Committee

~ Member of the Finance Committee

♦ Member of the HR Committee

### Executive Management Team

*Group Chief Executive Officer*

Chris Luck CB MBE DL

*Chief Executive Officer – The Shaw Education Trust*

Jo Morgan (resigned 28 March 2025), Kerry Inscker Acting (from 29 March 2025)

*Chief Financial Officer*

Stephen King (resigned 2 October 2023), James Robertson (from 3 October 2023)

*Chief Commercial Officer*

Richard Clifton

*Chief Operating Officer*

Scott Miller (until 31 August 2024), Shelley Southon (from 1 September 2024)

*Chief Strategy and Risk Officer*

Scott Miller (from 1 September 2024)

*Chief People Officer*

Mark Earl

*Chief Impact Officer*

Julie Leonard (from 16 September 2024)

### Company Secretary

Carol McKinley



## **Disabled employees**

The Trust is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of age, religion, sex, race, colour, disability, sexuality or marital status. The Trust gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. To this end, the Trust was delighted to be awarded Disability Confident Leader Status in 2018.

Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Trust.

If members of staff become disabled, the Trust continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

## **Employee involvement**

The Trust systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests.

Employee involvement in the Trust is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Trust plays a major role in maintaining and growing its position.

The Trust encourages the involvement of employees through a forum where employees are represented by elected colleagues on a regional basis who meet regularly with the Executive Team.

## **Directors' indemnities**

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Trust also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

## **Fundraising compliance statement**

The Charities (Protection and Social Investment) Act 2016 requires charities such as ours to include a statement of our fundraising. We believe that, under current regulations and best practice, we comply with the Fundraising Regulator's Code of Fundraising Practice and adhere to Charity Commission guidance for the organisation as a whole.

The Trust does not proactively fundraise. Fundraising income is received largely through legacy donations as well as some personal donations. Some of the legacy income is facilitated through a third party. We did not receive any fundraising complaints during the reporting year. Over this period, Shaw Trust received some corporate sponsorship to support the Disability Power 100 awards, and this was reported through the relevant contracts. Post year end, the Foundation is establishing a fundraising strategy and will be publishing fundraising policies during the 2024/25 financial year.

## **Statement on going concern**

The Trust prepares a detailed annual budget and three-year business plan that indicates a positive cash position and operational profitability for the duration of the plan. This plan has been approved by the Trustees and the Trust's principal lenders.

Management continues to closely monitor significant risks, and modelling of sensitivities have indicated the Trust has sufficient liquid resources to meet its obligations as they fall due.

The Trust has produced a comprehensive risk assessment framework and monitors and reports on this on a quarterly basis. It continues to drive for performance, carefully manages costs and looks for further opportunities to develop. It seeks to mitigate any ongoing risk by ensuring that it continues to be lean and fit for purpose, responds to the changing environments and markets in which it operates.

The Trustees have reviewed the charity's forecasts, sensitivity analysis and projections and its reserves, and the systems of financial control and risk management. As a result of this review, the Trustees have a reasonable expectation that the charity can manage these risks and has adequate resources to continue in operation for the foreseeable future, being a period of at least 12 months from the approval of the financial statements. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

## **Streamlined Energy and Carbon Reporting**

Shaw Trust maintains scopes one (1), two (2) and three (3) emissions, which includes natural gas. Shaw Trust also maintains transport emissions inclusive of company owned/operated vehicles and employee owned/operated vehicles (whereby mileage is claimed as a business expenses). Electricity is procured from a renewable source and is therefore zero emissions.

The Shaw Trust previously devised a strategy to reduce overall carbon footprint significantly including:

- Encouraging employees to purchase renewable technology vehicles i.e., hybrids.
- Purchasing energy efficient equipment where appropriate in our offices.
- Replacing HVAC systems with energy-efficient equipment where possible.
- Adopting behavioural change measures where possible.

The Shaw Trust have a longstanding commitment to tackling climate change. Calculated carbon footprint for the current financial year is 6,476 tCO<sub>2</sub>e, whilst energy consumption was 35,160 MWh.

## Methodology

We have reported all emission sources under the Companies Act 2006 (Strategic Report and Director's Reports) Regulations 2013 as required. Reporting of calculated emissions is in line with the GHG Protocol Corporate Accounting and Reporting Standard and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2024.

The reporting period is the financial year 2023/24, the same as that covered by the Annual Report and Financial Statements. The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary.

## 2023/2024 Emissions

Scope 1 (natural gas) Tonnes CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) 4,839.

Scope 1 (company vehicles) Tonnes CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) 386.

Scope 2 (electricity) Tonnes CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) 1,144.

Scope 3 (transport) Tonnes CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) 83.

Scope 3 (electricity transmission and distribution) Tonnes CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) 24.

## Total 6,476 tCO<sub>2</sub>e

Scopes one, two and three carbon intensity metric = 1.3 tCO<sub>2</sub>e based on our average number of employees (5,124) during the financial year.

Our emissions have increased since our last report by 1.5%.

## Efficiency Measures Taken

- 1) New properties only considered where EPC rating of C or above applies.
- 2) Lighting replaced with LEDs as and when applicable across portfolio.
- 3) Installation of PIR sensors.

## Objectives for 2024/25

- 1) Lighting: Continue to evolve and install low energy lighting across the portfolio.
- 2) Continual review of existing office equipment and company policies.
- 3) Review the next steps of the Energy Savings Opportunity Scheme (ESOS) Action Plan.

The Trust will report on progress within our next set of financial accounts.

## **Statement of Trustees' responsibilities in respect of the financial statements**

The Trustees (who are also directors of The Shaw Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2015).
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- State whether applicable UK Accounting Standards, comprising FRS 102, 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 charitable company will continue in business.

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 the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the Group 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 charitable company'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 auditors**

In so far as the Trustees are aware:

- a) There is no relevant audit information of which the charitable company's auditor is unaware; and
- b) The Trustees have taken all the steps that they ought to have taken as a Trustee in order to make them aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

## **Independent auditors**

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.



Olly Benzecry  
Chairman  
14 May 2025

# **Independent Auditor's Report to the Members and the Trustees of The Shaw Trust Limited**

## **Opinion**

We have audited the financial statements of The Shaw Trust Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2024 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2024 and of the group's 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out on page 27 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



*Extent to which the audit was considered capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and the override of controls by management including through bias in use of estimates and judgements particularly impairment of assets and the pension liabilities. Our audit procedures to respond to these risks included enquiries of management, internal audit and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing the recognition of income and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, OSCR, Companies House and ESFA, and reading minutes of meetings of those charged with governance. Our audit procedures to respond to revenue recognition risks included testing a sample of revenue across the year agreeing to supporting documentation to ensure that it has been recognised in the correct period.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the

financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non- detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non- compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Julia Poulter (Senior Statutory Auditor)

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

55 Ludgate Hill

London EC4M 7JW

Date: 16th May 2025

# The Shaw Trust Limited Group consolidated statement of financial activities

For the year ended 31 August 2024

	Note	Continuing operations		Discontinued operations		Total funds 2024 £'000
		£'000		£'000		Total
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds	
<b>Income and endowments from:</b>						
Donations and capital grants	1a	351	5,203	-	-	5,554
Charitable activities		152,523	129,376	2,034	354	284,287
Other trading activities	1b	2,175	720	-	-	2,895
Income on investments, interest and dividends		730	-	-	-	730
Other income		371	-	-	-	371
Net assets taken on with mergers and transfers	25	-	21,917	-	-	21,917
<b>Group incoming resources</b>	1	156,150	157,216	2,034	354	315,754
<b>Expenditure on:</b>						
Raising funds	2	(2,493)	-	-	-	(2,493)
Charitable activities	2	(147,423)	(136,709)	(2,050)	(453)	(286,635)
<b>Total resources expended</b>		(149,916)	(136,709)	(2,050)	(453)	(289,128)
<b>Net income / (expenditure) before gains on investments</b>	4	6,234	20,507	(16)	(99)	26,626
Gains on fixed asset investments	10	375	-	-	-	375
Transfers between funds		1,639	(201)	(1,816)	378	-
<b>Net income / (expenditure) before taxation</b>		8,248	20,306	(1,832)	279	27,001
Taxation	21	(4)	-	(15)	-	(19)
<b>Group net income / (expenditure) before other recognised gains and losses</b>		8,244	20,306	(1,847)	279	26,982
Gain / (loss) on disposal of subsidiaries and discontinued activities		-	-	453	(221)	232
Actuarial gains on defined benefit pension schemes	24	21	570	-	-	591
<b>Net movement in funds (restated)</b>		8,265	20,876	(1,394)	58	27,805
Fund balances brought forward	18	24,981	190,445	1,394	(58)	216,762
<b>Fund balances carried forward</b>		33,246	211,321	-	-	244,567

# The Shaw Trust Limited Group consolidated statement of financial activities

For the year ended 31 August 2023

	Note	Continuing operations		Discontinued operations		Total funds 2023 £'000 Restated Total
		£'000		£'000		
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds	
<b>Income and endowments from:</b>						
Donations and capital grants	1a	75	5,432	-	-	5,507
Charitable activities		165,270	116,063	4,247	538	286,118
Other trading activities	1b	2,598	692	-	-	3,290
Income on investments, interest and dividends		84	-	-	-	84
Other income		182	-	-	-	182
Net assets taken on with mergers and transfers	25	-	6,679	-	-	6,679
Incoming resources including share of joint ventures		168,209	128,866	4,247	538	301,860
Less share of gross incoming resources of joint ventures		-	-	-	-	-
<b>Group incoming resources</b>	1	168,209	128,866	4,247	538	301,860
<b>Expenditure on:</b>						
Raising funds	2	(2,198)	-	-	-	(2,198)
Charitable activities	2	(171,685)	(139,080)	(2,853)	(596)	(314,214)
<b>Total resources expended</b>		(173,883)	(139,080)	(2,853)	(596)	(316,412)
<b>Net (expenditure) / income before gains on investments</b>		(5,674)	(10,214)	1,394	(58)	(14,552)
Gains on fixed asset investments	10	59	-	-	-	59
Transfers between funds		(112)	112	-	-	-
<b>Net (expenditure) / income before taxation</b>		(5,727)	(10,102)	1,394	(58)	(14,493)
Taxation	21	(79)	-	-	-	(79)
<b>Group net expenditure</b>		(5,806)	(10,102)	1,394	(58)	(14,572)
Share of net outgoing resources of joint ventures	9	-	-	-	-	-
<b>Net income before other recognised gains and losses</b>		(5,806)	(10,102)	1,394	(58)	(14,572)
Actuarial gains on defined benefit pension schemes	24	13,641	9,279	-	-	22,920
<b>Net movement in funds</b>		7,835	(823)	1,394	(58)	8,348
Fund balances brought forward	18	17,146	191,268	-	-	208,414
<b>Fund balances carried forward</b>		24,981	190,445	1,394	(58)	216,762

## Group and Company Balance Sheets

Company No. 01744121

For the year ended 31 August 2024

		Group		Company	
	Note	2024	2023	2024	2023
			Restated		
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible assets	7	148	475	94	197
Tangible assets	8	208,363	190,388	3,037	3,859
Investments in subsidiaries	9	-	-	17,568	23,355
Investments in financial securities	10	8,419	4,949	5,317	4,949
<b>Total fixed assets</b>		<b>216,930</b>	<b>195,812</b>	<b>26,016</b>	<b>32,360</b>
<b>Current assets</b>					
Stocks	12	202	290	201	290
Debtors: Due within one year	13	37,358	42,149	13,553	19,049
Debtors: Due over one year	14	302	335	-	-
Short-term investments	10	7,340	10,475	107	-
Cash at bank and in hand		31,637	20,105	8,557	4,861
<b>Total current assets</b>		<b>76,839</b>	<b>73,354</b>	<b>22,418</b>	<b>24,200</b>
Creditors - amounts falling due within one year	16	(39,805)	(39,689)	(18,012)	(15,989)
<b>Net current assets</b>		<b>37,034</b>	<b>33,665</b>	<b>4,406</b>	<b>8,211</b>
<b>Total assets less current liabilities</b>		<b>253,964</b>	<b>229,477</b>	<b>30,422</b>	<b>40,571</b>
Creditors - amounts falling due after one year	16b	(365)	(589)	-	-
Provision for liabilities and charges	17	(5,226)	(5,899)	(2,359)	(2,639)
<b>Net assets before pension liability</b>		<b>248,373</b>	<b>222,989</b>	<b>28,063</b>	<b>37,932</b>
Pension liability	24	(3,806)	(6,227)	-	-
<b>Net assets after pension liability</b>		<b>244,567</b>	<b>216,762</b>	<b>28,063</b>	<b>37,932</b>
<b>Funds</b>					
Designated funds	18	4,414	2,616	3,173	2,411
General funds	18	28,832	23,759	22,725	33,331
<b>Total unrestricted funds</b>		<b>33,246</b>	<b>26,375</b>	<b>25,898</b>	<b>35,742</b>
Pension liability		(3,806)	(6,227)	-	-
Restricted funds		215,127	196,614	2,165	2,190
<b>Total restricted funds</b>	19	<b>211,321</b>	<b>190,387</b>	<b>2,165</b>	<b>2,190</b>
<b>Total Funds</b>	20	<b>244,567</b>	<b>216,762</b>	<b>28,063</b>	<b>37,932</b>

The Group statement of cashflows, basis of preparation, principal accounting policies and the

notes to the financial accounts below are an integral part of these financial statements.

The Parent Company has taken the exemption from preparing a separate statement of financial activities as permitted under section 408 of Companies Act 2006. Net outgoing/incoming resources for the year amounted to £9,869k outgoing (2023: £8,725k incoming).

The financial statements were approved by the Board of Directors on 14 May 2025 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Olly', with a stylized flourish underneath.

Olly Benzecry  
Chairman

# Group statement of cash flows

For the year ended 31 August 2024

	Note	Year ended 31 August 2024 £'000	Year ended 31 August 2024 £'000	Year ended 31 August 2023 £'000	Year ended 31 August 2023 £'000
<b>Net cash inflow / (outflow) from operating activities</b>	A		17,831		(13,608)
Taxation			-		-
<b>Net cash generated / (expended) from operating activities</b>			17,831		(13,608)
<b>Cash flow from investing activities</b>					
<b>Capital expenditure and financial investment</b>					
Purchase of tangible assets	8	(6,957)		(6,225)	
Purchase of intangible assets	7	(62)		(158)	
Net purchase of investments		135		(10,475)	
Cash from investments		(95)		(67)	
Cash from disposal of fixed assets		423		-	
Investment income received		730		84	
<b>Net cash outflow from capital expenditure and financial investment</b>			(5,826)		(16,841)
<b>Total Net cash generated / (expended) from investing activities</b>			12,005		(30,449)
<b>Cash flow from financing activities</b>					
Interest and charges paid		(22)		(53)	
Repayment of loans		(451)		(246)	
<b>Net cash used in financing activities</b>			(473)		(299)
<b>Net increase / (decrease) in cash and cash equivalents</b>			11,532		(30,748)
Cash and cash equivalents at the beginning of the period at 1 September 2023			20,105		50,853
<b>Cash and cash equivalents at 31 August 2024</b>			31,637		20,105

**a) Reconciliation of net incoming / (outgoing) resources before other recognised gains to net cash inflow from operating activities**

	Year ended 31 August 2024 £'000	Year ended 31 August 2023 Restated £'000
Net incoming / (outgoing) resources before other recognised gains	26,982	(14,572)
Donation of net assets arising on acquisition	(20,747)	(6,679)
Pensions - adjustment to net incoming resources	(1,829)	14,228
Investment income received	(730)	(84)
Bank charges and interest paid	22	53
Depreciation and fixed asset write offs	8,955	7,804
Amortisation of goodwill	185	1,439
Impairment of tangible assets	-	12,900
Net loss on disposal of tangible fixed assets	351	1,269
Net loss on disposal of intangible fixed assets	204	-
Tangible assets transfers	-	197
Net gain on disposal of investments	(143)	(59)
Decrease in stock	88	107
Decrease in debtors	4,824	2,273
Increase / (decrease) in creditors	789	(10,208)
Decrease in deferred income	(447)	(21,855)
Decrease in provisions for liabilities and charges	(673)	(421)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>17,831</b>	<b>(13,608)</b>

**b) Analysis of changes in net debt**

	1 September 2023 £'000	Cash Flow £'000	31 August 2024 £'000
Cash at bank and in hand	20,105	11,532	31,637
Total cash and cash equivalents	20,105	11,532	31,637
Loans due within one year	(450)	227	(223)
Loans due after more than one year	(589)	224	(365)
<b>Total</b>	<b>19,066</b>	<b>11,983</b>	<b>31,049</b>



## **Notes to the Financial Statements**

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets and fixed asset investments.

### **General information**

The Shaw Trust Limited (the “Company”) is domiciled in England and Wales with registration number 01744121. The address of its registered office is Black Country House, Rounds Green Road, Oldbury, B69 2DG.

The principal activity of the Company during the period is to co-create and deliver high quality employability programmes and complementary services for people with complex needs, challenging life circumstances or other barriers that impact on access to work.

### **Basis of consolidation**

The consolidated financial statements include the activities of the Company and its subsidiary undertakings (note 9) made up to 31 August 2024. Intra-Group transactions and profits are eliminated on consolidation. The results, assets and liabilities of the subsidiary undertakings are combined with those of the Company in the results of the Group on a line-by-line basis.

### **FRS 102 Exemptions**

FRS 102 allows a qualifying entity, certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company’s Trustees.

The Company has taken advantage of the following exemptions:

- a) From preparing a company statement of cash flows, on the basis that it is a qualifying entity and the consolidated group statement of cash flows, included in these financial statements, includes the company cash flows; and
- b) From preparing a company Statement of Financial Activities (SOFA), on the basis that it is a qualifying entity and the consolidated SOFA, included in these financial statements, includes the company SOFA.

### **Functional currency**

The Group financial statements are presented in pound sterling and rounded to thousands. The company’s functional and presentation currency is the pound sterling.

## **Notes to the Financial Statements**

### **Principal accounting policies**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounting in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006.

#### **Incoming Resources**

All incoming resources are recognised in the Statement of Financial Activities when there is an entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

#### **Contract income**

Where the outcome of a transaction involving the rendering of services via contracts can be estimated reliably, the revenue is recognised by reference to the stage of completion at the end of the reporting period. This is reviewed and, when necessary, revised based on the estimates of revenue and costs as the contract progresses.

Stage of completion is determined using the method that measures most reliably the work performed and assumes use of the straight-line basis unless there is evidence that some other method better represents the stage of completion.

#### **Deferred income**

Where income is received for a specific period and that period straddles the Trust's year end, the appropriate portion of income is deferred and carried forward to the following year, or where income is received in advance of the services being delivered.

#### **Donations and other income**

All donations and other income are included in the Statement of Financial Activities and accounted for according to the date of receipt.

Other income is recognised when there is entitlement to the funds, any performance conditions attached to the item of income has been met, and where it is probable that the income will be received, and the amount can be measured reliably.

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

## **Sales and trading activities**

Income from the Retail trading division (charity shops) and sales made as part of the Trust's other trading operations are recognised on point of sale for both donated and purchased goods.

### **Donated services from volunteers**

Donated services from our volunteers are not included within the financial statements.

The services of volunteers are critical to the Trust, particularly in relation to the operation of our retail shops.

These ventures would not be able to continue without the support and time given by our network of volunteers.

### **Donated goods for resale**

The charity receives donated goods for resale in its network of charity shops. Income is recognised at point of sale as the Trustees consider it to be impractical to recognise such gifts on receipt due to the large number of small value items received.

### **Grants/fees**

All revenue grants receivable from the Government agencies and local authorities relating to the period are included in the Statement of Financial Activities. All grants that relate to specific capital expenditure are disclosed as income in the year in which they are receivable and disclosed as restricted funds.

### **Resources expended**

All expenditure is included on an accruals basis and is recognised when:

- There is a legal or constructive obligation to pay at the reporting date as a result of a past event.
- It is more likely than not that a transfer of economic benefit, often cash, will be required in settlement; and
- When the amount of the obligation can be measured or estimated reliably.

Costs have been attributed to one of the functional categories of resources expended in the Statement of Financial Activities:

- a) Costs of raising funds are costs incurred in seeking voluntary contributions, operating charity shops and investment management costs; and
- b) Charitable activity expenditure relates to the costs of running and supporting the Trust's various charitable activities for furthering its charitable aims for the benefit of its beneficiaries.

## **Apportionment of costs**

Costs have been allocated directly to a business heading wherever possible using relevant cost drivers for each support cost department. Support costs that have not been directly allocated to a business heading in this way have been attributed to a business heading based on the results of an activity-based costing exercise undertaken for the organisation as a whole.

## **Operating leases**

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

## **Irrecoverable VAT**

Any irrecoverable VAT is charged to the Statement of Financial Activities or capitalised as part of the cost of the related asset, where appropriate.

## **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Land and buildings transferred as part of the Academies Programme to Shaw Education Trust are reflected within freehold or long leasehold fixed assets at the point of transfer. They are recorded at valuation at the point of transfer and are depreciated from that date.

Where freehold land and buildings are purchased for use by specific services, the difference between the cost and estimated residual value (excluding land) is depreciated on a straight-line basis over the service contract's life.

Long leasehold properties are amortised over the remaining life of the lease. Short leasehold improvements and charity shop fixed assets are depreciated over a period up to the first break clause on individual leases, or over five years if sooner. Assets under construction are not depreciated until they are completed and brought into use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual values, on a straight-line basis over their expected useful economic life as follows:

- Freehold land - not depreciated.
- Freehold buildings 2% (or over the lifetime of the contract if more appropriate).
- Long leasehold buildings 2% (or length of lease if shorter than 50 years).
- Fixtures and fittings 20% (or more if first break clause of lease is within five years).
- Equipment and vehicles 20%.
- Computer equipment 25%; and
- Plant and machinery in Forth Sector 6.75%.

Assets costing less than £3,000 are not capitalised.

### **Intangible fixed assets – goodwill and computer software**

Goodwill represents the excess of the cost of a business combination over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in Intangible Assets. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses.

Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life.

During 2017/18 The Shaw Trust Limited acquired Ixion Holdings (Contracts) Limited and Prospects Group 2011 Limited and the intangible fixed assets include goodwill arising on the purchase.

In determining the period of amortisation, management considered the length of the current contracts, the performance of the business and the likelihood of securing additional future business and concluded that five years was a reasonable time over which to amortise the goodwill arising on these acquisitions.

All goodwill has been fully amortised.

Computer software 25% (or over the lifetime of the contract if more appropriate).

Assets costing less than £3,000 are not capitalised.

### **Donated fixed assets**

All donated fixed assets are included in the financial statements at a reasonable estimate of their market value at the date of receipt.

### **Investments in financial securities**

Fixed asset investments are investments held in listed companies, government and corporate bonds and other investments. These investments are stated at mid-price market value at the period-end.

Unrealised gains/(losses) are derived from the movement in market value during the year and are recorded in the Statement of Financial Activities.

Investments are carried at 'fair value' and therefore stated at market value as at the balance sheet date. Changes in fair value are recognised in the income and expenditure section of the Statement of Financial Activities.

### **Investments in subsidiaries jointly controlled entities and associates**

These investments are held at cost less impairment.

### **Cash at bank and in hand**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## **Current asset investments**

Current asset investments comprise cash held on term deposits with qualifying financial institutions.

## **Basic financial instruments**

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of Financial Instruments.

**Financial Assets:** Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

**Financial liabilities:** Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

## **Stocks**

Stocks are valued at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

## **Designated funds**

Designated funds are those which have been set aside at the discretion of the Trustees for a specific purpose. These funds relate to specific fixed assets or contracts and commitments set aside for the Shaw Trust Foundation's activities.

## **Unrestricted funds**

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the objectives of the Trust.

## **Restricted funds**

These are funds where the purpose for which they can be used has been specifically restricted by the donor, contractual agreement, or the law.

The amounts in the funds represent the monies still remaining for future expenditure or funds represented by fixed assets.

## **Provisions**

Provisions are recognised when the Trust has a legal or constructive financial obligation that can be reliably estimated and for which there is an expectation that payment will be made.

## **Pension costs**

The Trust operates insured defined contribution pensions for eligible employees. All applicable pension costs are charged in the Statement of Financial Activities as incurred.

In addition to the core The Shaw Trust Limited defined contribution pension scheme, the Trust operates a number of defined benefit pension arrangements, which are detailed in note 24 to the Financial Statements.

The actuarial valuations are obtained annually and are updated at each balance sheet date.

The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations.

The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

The costs to the Trust of funding the schemes are accounted for in accordance with FRS 102. The contributions paid by the Trust to the defined contribution schemes are charged as resources expended in the year in which they are payable, in accordance with the rules on accounting for defined contribution pension schemes as set out in FRS 102.

## **Related party transactions**

All related party transactions are disclosed in note 26.

## **Tax and deferred tax**

The charity is a registered charity and is exempt from taxation on its income and gains to the extent that they are applied to its charitable purposes.

Current tax arising in non-charitable subsidiaries is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and law that have been enacted or substantively enacted by the reporting date that are expected to ally to the reversal of the timing difference.

Deferred tax liabilities are presented in creditors and deferred tax assets within debtors.

### **Statement on going concern**

The charity continues to adopt the going concern basis in preparing its financial statements.

The Trust prepares a detailed annual budget and three-year business plan which indicates a positive cash position and operational profitability for the duration of the plan. This plan has been approved by the Trustees.

Having reviewed the charity's and Group's forecasts and its current reserves, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

### **Key accounting estimates and assumptions**

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

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

- (i) Income recognition based on contract terms and estimates of completion.
- (ii) Impairment of investments in subsidiaries (note 9).
- (iii) Recoverability of intercompany debt.
- (iv) Provisions (note 17)

Provision is made for dilapidations, asset retirement obligations and contingencies. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, timing of the cash flows and discount rates used to establish net present value of the obligations require management judgement.

- (v) Defined benefit pension scheme (note 24)

The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases, asset valuation and the corporate bond discount rate. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.



### **Key accounting judgements**

Assessing whether the Group controls SET requires judgement. SET is a wholly owned subsidiary of The Shaw Trust Limited, who is also the sponsor company. Through the SET Articles of Association, The Shaw Trust Limited can appoint members and Trustees to the Shaw Education Trust Board, thereby giving control to the decision making and authority for the work of the academy trust. The Group considers that these powers demonstrate that the Group controls SET.

# Notes to the financial statements

## 1. Total incoming resources/material funders

The total income of the Trust comprises:

	Unrestricted funds	Restricted funds	Year ended 31 August 2024	Unrestricted Funds Restated	Restricted funds	Year ended 31 August 2023 Restated
	£'000	£'000	£'000	£'000	£'000	£'000
Donations and capital grants (note 1a)	351	5,203	5,554	75	5,432	5,507
Other Trading Activities (note 1b)	2,175	720	2,895	2,598	692	3,290
Income on investments, interests and dividends	730	-	730	84	-	84
Other Income	371	-	371	182	-	182
Donation of net assets arising on mergers	-	21,917	21,917	-	6,679	6,679
<b>Incoming resources from generated funds</b>	<b>3,627</b>	<b>27,840</b>	<b>31,467</b>	<b>2,939</b>	<b>12,803</b>	<b>15,742</b>
Contract delivery, social enterprises and other charitable activities	154,557	129,730	284,287	167,017	116,601	283,618
Income from business Interruption insurance	-	-	-	2,500	-	2,500
<b>Total</b>	<b>158,184</b>	<b>157,570</b>	<b>315,754</b>	<b>172,456</b>	<b>129,404</b>	<b>301,860</b>

The Trustees consider material funders to be those contributing over 10% of income.

The principal funder is The Department of Work and Pensions (DWP) from which a total of £41.8m (2023: £52.6m) was earned.

The fair value of net assets acquired from business combinations are treated as a donation (see note 25).

### 1a. Donations and capital grants

	Year ended 31 August 2024 £'000	Year ended 31 August 2023 £'000
SCA Grant (restricted)	3,976	3,896
Capital grants (restricted)	1,227	1,010
Other donations (restricted)	-	526
Other donations (unrestricted)	351	75
<b>Total income – donations and grants</b>	<b>5,555</b>	<b>5,507</b>

**1b. Other Trading Activities**

	<b>Year ended 31 August 2024</b>	<b>Year ended 31 August 2023 (restated)</b>
	<b>£'000</b>	<b>£'000</b>
Income from charitable activities	<b>2,895</b>	3,290
<b>Total income – other trading activities</b>	<b>2,895</b>	3,290

**2. Analysis of total resources expended**

	<b>Year ended 31 August 2024</b>	<b>Year ended 31 August 2023</b>
	<b>£'000</b>	<b>£'000</b>
Raw Materials and Consumables	<b>27,559</b>	37,893
Staff Costs – salaries, NI and pensions	<b>191,644</b>	189,459
Staff Costs – temporary staff, travel and pension charges	<b>7,194</b>	11,415
Other Operating Costs	<b>53,569</b>	54,948
Depreciation	<b>8,955</b>	7,804
Amortisation and Impairment of Goodwill	<b>185</b>	1,439
Pension scheme settlements	-	13,401
Finance Charges	<b>22</b>	53
<b>Total</b>	<b>289,128</b>	316,412

## 2. Analysis of total resources expended (continued)

	2024 Activities undertaken directly £'000	2024 Support costs not directly allocated £'000	2024 Total £'000	2023 Activities undertaken directly £'000	2023 Support costs not directly allocated £'000	2023 Total £'000
<b>Raising Funds</b>						
Charity shops	2,473	-	<b>2,473</b>	2,178	-	2,178
Investment management fees	20	-	<b>20</b>	20	-	20
<b>Total cost of Raising Funds</b>	<b>2,493</b>	<b>-</b>	<b>2,493</b>	<b>2,198</b>	<b>-</b>	<b>2,198</b>
<b>Charitable Activities</b>						
Contract delivery, social enterprises and other charitable Activities (unrestricted)	147,827	1,646	<b>149,473</b>	172,020	2,518	174,538
Contract delivery, social enterprises and other charitable Activities (restricted)	137,162	-	<b>137,162</b>	139,676	-	139,676
<b>Total Cost of Charitable Activities</b>	<b>284,989</b>	<b>1,646</b>	<b>286,635</b>	<b>311,696</b>	<b>2,518</b>	<b>314,214</b>
<b>Total Resources Expended</b>	<b>287,482</b>	<b>1,646</b>	<b>289,128</b>	<b>313,894</b>	<b>2,518</b>	<b>316,412</b>

Support and governance costs not directly allocated comprise the following:

Support costs	Year ended 31 August 2024 £'000	Year ended 31 August 2023 £'000
Management	<b>529</b>	1,086
Corporate Governance	<b>351</b>	356
Finance	<b>253</b>	396
Information Technology	<b>360</b>	425
Human Resources	<b>153</b>	249
Communications and Marketing	-	6
<b>Support costs not directly allocated</b>	<b>1,646</b>	<b>2,518</b>

### 3. Finance costs

	2024 £'000	2023 £'000
Interest on loans	22	36
Net interest (income) / expense on defined benefit pension schemes (note 24)	(369)	270
Total	(347)	306

These charges have been reported in the Statement of Financial Activities under Charitable Activities.

### 4. Net incoming resources

	2024 £'000	2023 £'000
The net incoming resources are stated after charging:		
Amortisation charge for the year on intangible owned assets	185	1,439
Depreciation charge for the year on tangible owned assets	8,955	7,804
Auditors' remuneration: audit services		
- Parent Company and consolidated financial services	98	89
- Audit of the company's subsidiaries	161	159
Auditors' remuneration: other services		
- services relating to taxation	1	20
- all other services	21	19
Operating leases:		
- others	653	560
- property	4,873	4,624
Net loss on disposal of fixed assets	351	156

The comparative for operating leases has been restated to include all Group amounts recorded in that year.

## 5. Employees

The average monthly number of persons employed during the year was:

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2024</b>	2023	<b>2024</b>	2023
	<b>No.</b>	No.	<b>No.</b>	No.
Charitable purposes	<b>5,065</b>	5,198	<b>1,743</b>	1,872
Retail	<b>59</b>	70	<b>59</b>	70
Total	<b>5,124</b>	5,268	<b>1,802</b>	1,942

Employee costs for the above persons during the year were:

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2024</b>	2023	<b>2024</b>	2023
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Wages and salaries	<b>158,129</b>	157,540	47,367	51,546
Social security costs	<b>15,698</b>	14,646	4,613	4,702
Contribution to defined contribution pension schemes	<b>12,500</b>	11,837	1,413	1,357
Operating costs of defined benefit pension schemes (note 24)	<b>5,317</b>	5,436	93	52
Total	<b>191,644</b>	189,459	53,486	57,657

Included in the above figures is a Group figure of £826k (2023: £570k) for redundancies, of which £155k (2023: £171k) was accrued or provided as at the year end.

The number of employees who received employee benefits (excluding employer pension costs) totaling more than £60,000 fell within the following bandings:

	<b>Group 2024 No.</b>	<b>Group 2023 No.</b>
£60,001 - £70,000	<b>112</b>	74
£70,001 - £80,000	<b>48</b>	34
£80,001 - £90,000	<b>26</b>	20
£90,001 - £100,000	<b>19</b>	19
£100,001 - £110,000	<b>15</b>	11
£110,001 - £120,000	<b>6</b>	6
£120,001 - £130,000	<b>1</b>	2
£130,000 - £140,000	<b>4</b>	3
£140,001 - £150,000	<b>4</b>	1
£150,001 - £160,000	<b>1</b>	1
£180,001 - £190,000	-	1
£220,001 - £230,000	-	1
£230,001 - £240,000	<b>1</b>	-
£250,001 - £260,000	-	1
£280,001 - £290,000	<b>1</b>	-

## 6. Trustees' and senior executives' remuneration

- a) During 2024 and 2023, no Trustee received any emoluments from the Trust. Incidental travelling costs of £1,301 (2023: £2,310) were reimbursed or paid on behalf of six (2023: four) Trustees by the Trust.
- b) The 'Directorships' outlined on page 23 of these financial statements in respect of senior executives are nominal titles and accordingly no disclosure of 'Directors' emoluments are included in these financial statements.
- c) Included within the support costs is the amount of £10,651 (2023: £10,651) in respect of indemnity insurance which protects the Trust, up to an agreed limit, against loss arising from defaults of or neglect by its Trustees and officers.
- d) The Key Management Personnel of the Group comprise the Trustees and the Executive Team as listed on page 23 of these financial statements. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Group was £1,831,814 (2023: £2,334,348) for the year.

## 7. Intangible Assets

Group	Goodwill	Computer software	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 September 2023	53,517	9,072	62,589
Additions	-	62	62
Disposals	-	(1,304)	(1,304)
Derecognition of fully amortised goodwill	(53,517)	-	(53,517)
<b>At 31 August 2024</b>	<b>-</b>	<b>7,830</b>	<b>7,830</b>
<b>Accumulated Amortisation</b>			
At 1 September 2023	(53,517)	(8,597)	(62,114)
Charge for the year	-	(185)	(185)
Disposals	-	1,100	1,100
Derecognition of fully amortised goodwill	53,517	-	53,517
<b>At 31 August 2024</b>	<b>-</b>	<b>(7,682)</b>	<b>(7,682)</b>
<b>Net book value</b>			
<b>At 31 August 2024</b>	<b>-</b>	<b>148</b>	<b>148</b>
At 1 September 2023	-	475	475

The goodwill on subsidiary acquisitions during 2017 and earlier has been derecognised due to having completed its five-year useful economic life and having a nil net book value.

Company	Computer software £'000
<b>Cost</b>	
At 1 September 2023 and 31 August 2024	<b>7,403</b>
<b>Accumulated Amortisation</b>	
At 1 September 2023	(7,206)
Charge for the year	(103)
<b>At 31 August 2024</b>	<b>(7,309)</b>
<b>Net book value</b>	
<b>At 31 August 2024</b>	<b>94</b>
At 1 September 2023	197



## 8. Tangible Assets

Group	Freehold land and buildings £'000	Long leasehold Property £'000	Assets under construction £'000	Equipment and vehicles £'000	Fixtures and fittings £'000	Total £'000
<b>Cost or valuation</b>						
At 1 September 2023	51,790	175,689	990	1,417	18,010	247,896
Acquisitions of academies	-	5,857	-	17	166	6,040
Additions	-	3,499	806	133	2,519	6,957
Transfers	-	3,966	-	-	-	3,966
Donations	-	10,741	-	-	-	10,741
Disposals	(667)	(50)	-	(624)	(381)	(1,722)
Reclassifications	-	821	(1,016)	-	195	-
<b>At 31 August 2024</b>	<b>51,123</b>	<b>200,523</b>	<b>780</b>	<b>943</b>	<b>20,509</b>	<b>273,878</b>
<b>Accumulated depreciation</b>						
At 1 September 2023	(17,894)	(24,985)	-	(1,103)	(13,526)	(57,508)
Charge for the year	(319)	(5,994)	-	(106)	(2,536)	(8,955)
Disposals	245	24	-	404	275	948
Reclassifications	-	-	-	-	-	-
<b>At 31 August 2024</b>	<b>(17,968)</b>	<b>(30,955)</b>	<b>-</b>	<b>(805)</b>	<b>(15,787)</b>	<b>(65,515)</b>
<b>At 31 August 2024</b>	<b>33,155</b>	<b>169,568</b>	<b>780</b>	<b>138</b>	<b>4,722</b>	<b>208,363</b>
At 1 September 2023	33,896	150,704	990	314	4,484	190,388
Company	Freehold land and buildings £'000	Long leasehold Property £'000	Assets under construction £'000	Equipment and vehicles £'000	Fixtures and fittings £'000	Total £'000
<b>Cost or valuation</b>						
At 1 September 2023	-	3,152	-	543	8,203	11,898
Additions	-	-	-	-	223	223
Disposals	-	-	-	-	(347)	(347)
Transfers	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
<b>At 31 August 2024</b>	<b>-</b>	<b>3,152</b>	<b>-</b>	<b>543</b>	<b>8,079</b>	<b>11,774</b>
<b>Accumulated depreciation</b>						
At 1 September 2023	-	(1,219)	-	(543)	(6,277)	(8,039)
Charge for the year	-	(30)	-	-	(933)	(963)
Disposals	-	-	-	-	265	265
Transfers	-	-	-	-	-	-
<b>At 31 August 2024</b>	<b>-</b>	<b>(1,249)</b>	<b>-</b>	<b>(543)</b>	<b>(6,945)</b>	<b>(8,737)</b>
<b>Net book value</b>						
<b>At 31 August 2024</b>	<b>-</b>	<b>1,903</b>	<b>-</b>	<b>-</b>	<b>1,134</b>	<b>3,037</b>
At 1 September 2023	-	1,933	-	-	1,926	3,859

Land and buildings transferred to Shaw Education Trust (SET) as part of the Academies Programme are reflected within freehold or long leasehold fixed assets at the point of transfer.

The land and buildings transferred as part of the Academies Programme are subject to the provisions of the individual academy funding agreements and the master funding agreement.

These provisions may include preventing the company from selling the land and buildings. Upon termination of a funding agreement, whether as a result of the Secretary of State for Education or SET serving notice, the assets relating to that agreement will return to the Secretary of State.

The value of the land and buildings to which these academy agreements apply is:

£193,905k (2023: £175,200k).

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable.

The value of the transferred assets has been recognised in the Statement of Financial Activities as net assets taken on with mergers and transfers.

The tangible assets held by Forth Sector are pledged as security against the borrowings of the Company (see note 16).

## 9. Investments in Subsidiary Undertakings

### Company interests in group undertakings

	<b>2024</b>
	<b>£'000</b>
At 1 September 2023	23,355
Additions	2,200
<b>At 31 August 2024</b>	<b>25,555</b>
Amortisation	
At 1 September 2023	-
Impairment	(7,987)
<b>At 31 August 2024</b>	<b>(7,987)</b>
<b>Net book value</b>	
<b>At 31 August 2024</b>	<b>17,568</b>
At 1 September 2023	23,355

The Trust made a further investment in Ixion Holdings (Contracts) Limited in the year, recapitalising its investment with an injection of 2,000,000 shares. At the year end, this investment was impaired.

Good Work Partners Limited was incorporated on 17 January 2024. The Trust made an investment of £200,000.

The Trust has the following wholly owned subsidiaries.

Name of subsidiary	Company No.	Control	Status
Shaw Education Trust	9067175 (Exempt charity)	Controlling member rights	Active
Prospects Group 2011 Limited	7708678	100% Ordinary shares	Active
Ixion Holdings (Contracts) Limited	6886337	100% Ordinary shares	Active
Forth Sector	SC124791 (Charity reg: SC016414)	Sole member	Active
Good Work Partners Limited	15420664	100% Ordinary shares	Active
Shaw Trust International Partnerships Limited	5859747	100% Ordinary shares	Dormant
Disabled Living Foundation	1837993 (Charity reg: 290069)	Sole member	Dormant
Careers Development Group	1647371	Sole member	Dormant

Other subsidiary undertakings of the Group:

Name of subsidiary	Company No.	Control	Status
Prospects Services	03042176	100% Ordinary shares	Active
Homes 2 Inspire Limited	10592680	100% Ordinary shares	Active
Forth Sector Development Limited	SC372526	100% Ordinary shares	Active
Homes2Inspire Services Limited	15420675	100% Ordinary shares	Active
Prospects Education Services Limited	09598618	100% Ordinary shares	Active
Ixion Social Enterprise Limited	05028081	Sole member	Active
Ixion CG Limited	03091483	100% Ordinary shares	Active
Newfriars College	11426256 (Exempt charity)	Sole member	Active
Prospects Services Midco Limited	07596398	100% Ordinary shares	Dormant
Prospects Distribution Services Limited	03656764	100% Ordinary shares	Dormant

All subsidiaries, other than those that are dormant, are included in the consolidated financial statements.

The registered address for all of the above subsidiaries (with the exception of The Shaw Education Trust, Newfriars College, Forth Sector and Homes2Inspire Ltd) is Black Country House, Rounds Green Road, Oldbury, B69 2DG.

The registered address for The Shaw Education Trust and Newfriars College is: Kidsgrove Secondary School, Gloucester Road, Kidsgrove, Stoke-on-Trent ST7 4DL.

The registered address for Forth Sector and Forth Sector Development Ltd is: Duddingston Yards, Duddingston Park South, Edinburgh, Lothian, EH15 3NT.

The registered address for Homes2Inspire Ltd is: Lumonics House, Valiant Office Suites, Valley Drive, Swift Valley Industrial Estate, Rugby, England, CV21 1TQ.

The Shaw Trust share of:	Total assets	Total liabilities	Gross incoming resources	Net surplus / (deficit) of income over expenditure
<b>2024</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Forth Sector	2,078	(3,099)	742	(427)
Ixion Holdings (Contracts) Limited	3,166	(2,609)	11,200	(1,550)
Prospects Services	24,744	(6,150)	30,789	1,029
Homes2Inspire Limited	17,595	(15,608)	38,685	2,866
Shaw Education Trust	226,746	(16,949)	150,782	21,391
<b>Total</b>	<b>274,329</b>	<b>(44,415)</b>	<b>232,198</b>	<b>23,310</b>
<b>2023</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Forth Sector	2,437	(3,030)	1,166	(7)
Ixion Holdings (Contracts) Limited (restated)	4,183	(4,075)	14,750	(1,782)
Prospects Services	24,483	(6,918)	30,611	(5,423)
Homes2Inspire Limited	15,673	(16,553)	30,021	5,247
Shaw Education Trust	206,538	(18,132)	120,171	(651)
<b>Total</b>	<b>253,314</b>	<b>(48,708)</b>	<b>196,719</b>	<b>(2,616)</b>

Only the material subsidiaries' results have been disclosed. Prospects Services and Homes2Inspire Limited are part of the Prospects Group.

## 10. Investments in financial securities

As a part of the Trust's investment policy, a portion of funds available for investment is held in a broad range of UK and overseas listed equities, Government and corporate bonds and alternative investments, in order to generate capital growth without exposure to undue risk. These funds were held for the medium-term and as a result, and in accordance with accounting guidance, these investments were classified as fixed assets.

The movement on the value of the investments during the year is as follows:

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At 1 September 2023	4,949	4,826	4,949	4,826
Additions at cost	3,000	-	-	-
Dividends received	52	67	52	67
Interest received	63	20	63	20
Management charges paid	(20)	(20)	(20)	(20)
Net gain on revaluation	375	59	273	59
<b>At 31 August 2024</b>	<b>8,419</b>	<b>4,949</b>	<b>5,317</b>	<b>4,949</b>

Value of investments	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Investments listed on a UK recognised stock exchange, or valued by reference to one	756	925	756	925
Investments listed on a non-UK recognised stock exchange, or valued by reference to one	2,200	2,507	2,200	2,507
UK Government and Corporate Bonds	799	750	799	750
Other investments	3,510	565	408	565
Cash and settlements pending	1,154	202	1,154	202
<b>At 31 August 2024</b>	<b>8,419</b>	<b>4,949</b>	<b>5,317</b>	<b>4,949</b>

### Short term investments

	2024	2023
	£'000	£'000
Unlisted investments in fixed interest bank accounts	7,340	10,475
	<b>7,340</b>	<b>10,475</b>

## 11. Palmer Gardens

The Shaw Trust Limited is the corporate Trustee of Palmer Gardens, which is a charitable trust, first registered as a charity on 25 March 1977. Under a Scheme dated 21 August 2008, a uniting direction was passed combining The Shaw Trust Limited and Palmer Gardens for accounting purposes. Consequently, the trading results, assets and liabilities of Palmer Gardens are accounted for within the restricted funds of The Shaw Trust Limited. The financial results of Palmer Gardens are shown below.

As at 31 August 2024, Palmer Gardens has a Revenue Fund of £Nil (2023: £Nil) and a Capital Fund of £454,000 (2023: £435,000). The income and expenditure account for the Revenue Fund is set out below:

Revenue Fund	2024 £'000	2023 £'000
Turnover	720	718
Cost of sales	(334)	(363)
Gross Profit	386	355
Selling and distribution	(348)	(346)
Administration	(92)	(79)
Finance	(9)	(11)
Operating deficit	(63)	(81)
Support costs	(28)	(28)
Depreciation	15	(14)
Net deficit	(76)	(123)
Palmer Gardens Revenue Fund brought forward	-	-
Transfer from capital fund	(15)	14
Donation from The Shaw Trust Limited to Palmer Gardens	91	109
Balance of restricted revenue reserve (see note 19)	-	-

The assets and liabilities for the Capital Fund are set out below:

<b>Capital Fund</b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Fixed assets		
Palmer Gardens	<b>454</b>	435
Analysis of net assets:		
Current assets – stock	<b>115</b>	111
Current liabilities - creditors The Shaw Trust Limited	<b>(115)</b>	(111)
Net current assets	-	-
Total assets less current liabilities	<b>454</b>	435
Funds		
Restricted capital funds	<b>454</b>	435
Total (see note 19)	<b>454</b>	435

## 12. Stocks

	Group		Company	
<b>Finished goods</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Plants, shrubs, nursery and books	<b>193</b>	286	<b>193</b>	286
Shop stock	<b>9</b>	4	<b>9</b>	4
Total	<b>202</b>	290	<b>202</b>	290

## 13. Debtors – amounts falling due within one year

	Group		Company	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts falling due within one year:				
Trade debtors	<b>16,323</b>	19,937	<b>4,784</b>	8,801
Amounts due from group undertakings	-	-	<b>894</b>	2,841
Deferred tax asset	<b>41</b>	58	-	-
Other debtors	<b>2,237</b>	1,212	<b>193</b>	183
Prepayments and accrued income	<b>18,757</b>	20,942	<b>7,682</b>	7,224
Total	<b>37,358</b>	42,149	<b>13,553</b>	19,049

## 14. Debtors – amounts falling due after more than one year

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Deferred tax asset	302	335	-	-
Total debtors greater than one year	302	335	-	-

## 15. Deferred Taxation

	2024	2023
	£'000	£'000
Accelerated capital allowances	199	256
Short term timing differences – trading	144	137
	<b>343</b>	<b>393</b>
Analysed as:		
Amount due within one year	41	58
Amount due after more than one year	302	335
	<b>343</b>	<b>393</b>
<b>Movement in year</b>		
Opening balance	393	472
Changes in deferred tax	(50)	(79)
Closing balance	<b>343</b>	<b>393</b>

The amount of the net reversal of deferred tax expected to occur next year relating to the reversal of existing timing differences on tangible fixed assets and the origination of new timing differences on intangible fixed assets is £nil.

The Group has unrecognised deferred tax assets of £280k (2023: £1,857k).



## 16. Creditors - amounts falling due within one year

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	3,044	4,360	964	1,078
Taxation and social security	6,154	6,581	2,576	2,569
Other creditors	6,361	5,646	1,762	1,322
Other loans	224	450	-	-
Accruals	10,382	8,565	3,099	2,597
Deferred income	13,640	14,087	9,611	8,423
<b>Total</b>	<b>39,805</b>	<b>39,689</b>	<b>18,012</b>	<b>15,989</b>

The comparatives for accruals and deferred income have been amended to correctly reflect a reclassification between the categories. There is no impact on total creditors.

### Analysis of movement in deferred income

	Group £'000	Company £'000
At 1 September 2023	14,087	8,423
Deferred in year	13,423	9,395
Released as income in year	(13,870)	(8,207)
At 31 August 2024	13,640	9,611

Deferred income relates to income from several service contracts where invoicing in advance has been agreed so as to provide funding prior to the periods in which the services are delivered and performance obligations satisfied.

## 16b. Creditors - amounts falling due after one year

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
<b>Amounts falling due after one year:</b>				
Other loans	365	589	-	-
<b>Total</b>	<b>365</b>	<b>589</b>	<b>-</b>	<b>-</b>

Other loans are wholly repayable within five years. Interest is incurred at various rates including an interest-free loan, 1.23% and 2.21% concessionary loans and 5% fixed rate loans.

## 17. Provision for liabilities and charges

<b>Group</b>	<b>Dilapidations</b>	<b>Other Provisions</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 September 2023 (restated)	1,994	3,905	<b>5,899</b>
Created during the Year	665	745	<b>1,410</b>
Utilised during the year	(306)	(1,777)	<b>(2,083)</b>
<b>At 31 August 2024</b>	<b>2,353</b>	<b>2,873</b>	<b>5,226</b>

<b>Company</b>	<b>Dilapidations</b>	<b>Other Provisions</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 September 2023	1,057	1,582	<b>2,639</b>
Created during the Year	437	248	<b>685</b>
Utilised during the year	(211)	(754)	<b>(965)</b>
<b>At 31 August 2024</b>	<b>1,283</b>	<b>1,076</b>	<b>2,359</b>

The dilapidations provision relates to the costs that the Trust will possibly incur in reinstating its leased properties to original condition, accrued over the length of the lease. We have estimated the cost at a historic average cost and used the calculation to estimate the future cost. This rate will be reassessed on an annual basis to keep it up to date. Future costs are uncertain, hence the provision.

The other provisions are provided for Shaw Trust employability contracts taking into account contractual obligation and rates from the most recent inspections. Some contracts are being inspected now, and others will be subject to inspection very soon. The Trust is finalising the details with relevant commissioners.

## 18. Unrestricted funds

Group	Movement in Funds				At 31 August 2024
	At 1 September 2023	Incoming	(Outgoing)	Transfer	
	Restated £'000	£'000	£'000	£'000	
Designated funds	2,616	-	-	1,798	4,414
General funds	23,759	159,033	(151,985)	(1,975)	28,832
Total unrestricted funds	26,375	159,033	(151,985)	(177)	33,246

Company	Movement in Funds				At 31 August 2024
	At 1 September 2023	Incoming	(Outgoing)	Transfer	
	£'000	£'000	£'000	£'000	
Designated funds	2,411	-	-	758	3,169
General funds	33,331	75,899	(85,578)	(923)	22,729
Total unrestricted funds	35,742	75,899	(85,578)	(165)	25,898

The designated fund represents the Trust's fixed assets which are not subject to restriction or linked to the revolving credit facility and commitments set aside for the Shaw Trust Foundation's activities.

2023 comparatives	Movement in Funds				At 31 August 2023 Restated £'000
	At 1 September 2022	Incoming	(Outgoing)	Transfer	
	Restated £'000	£'000	£'000	£'000	
Group					
Designated funds	2,666	1,133	(1,183)	-	2,616
Revaluation reserve	1,113	-	(1,113)	-	-
General funds	13,367	171,323	(160,819)	(112)	23,759
Total unrestricted funds	17,146	172,456	(163,115)	(112)	26,375

2023 comparatives	Movement in Funds				At 31 August 2023
	At 1 September 2022	Incoming	(Outgoing)	Transfer	
	£'000	£'000	£'000	£'000	
Company					
Designated funds	2,461	1,133	(1,183)	-	2,411
General funds	24,297	92,553	(84,546)	1,027	33,331
Total unrestricted funds	26,758	93,686	(85,729)	1,027	35,742

### Prior year adjustment

The restatement for the prior year relates to the movement of a provision balance into the prior years to which it relates in one of the subsidiary entities.

	<b>31 August 2024 £000</b>	31 August 2023 £000
Opening balance on unrestricted funds as previously stated	<b>27,493</b>	18,119
Restatement impact on provision balances	<b>(1,118)</b>	(973)
Opening balance on unrestricted funds as restated	<b>26,375</b>	17,146
Net incoming resources for the year as previously stated	<b>6,871</b>	9,374
Restatement impact on net incoming resources for the year	-	(145)
Net incoming resources for the year as restated	<b>6,871</b>	9,229
Closing balance on unrestricted funds as restated	<b>33,246</b>	26,375

## 19. Restricted funds

Group and Company	At 1 September 2023	Incoming	(Outgoing)	Transfers	At 31 August 2024
	£'000	£'000	£'000	£'000	£'000
DIG for Dinner	38	-	-	-	38
Doncaster Borough Council (guarantee)	250	-	-	-	250
Palmer Gardens Fund (Capital)	435	-	15	4	454
Palmer Gardens Fund (Revenue)	-	720	(811)	91	-
Employment Action Centre (Capital)	669	-	(20)	-	649
Disability Action Centre (Capital)	790	-	(24)	-	766
Shaw Trust Clamp Hill	5	-	-	-	5
DLF	-	108	(108)	-	-
Charities Aid Foundation	-	18	(88)	70	-
Find Your Future	-	216	(216)	-	-
Spark Change	-	373	(373)	-	-
West London Works	-	2,494	(2,494)	-	-
Thrive 2.0	-	1,984	(1,984)	-	-
Other	3	-	-	-	3
<b>Total company</b>	<b>2,190</b>	<b>5,913</b>	<b>(6,103)</b>	<b>165</b>	<b>2,165</b>
Shaw Education Trust	188,406	150,782	(129,391)	-	209,797
Forth Sector Group	(235)	875	(1,307)	-	(667)
Charities Aid Foundation (Ixion)	-	-	(11)	11	-
National Lottery Community Fund (Ixion)	-	-	(1)	1	-
Somerset Partnership (Homes2Inspire)	26	-	-	-	26
<b>Total Group</b>	<b>190,387</b>	<b>157,570</b>	<b>(136,813)</b>	<b>177</b>	<b>211,321</b>

<b>Group and Company</b>	<b>At 1 September 2022</b>	<b>Incoming</b>	<b>(Outgoing)</b>	<b>Transfers</b>	<b>At 31 August 2023</b>
2023 Comparison	£'000	£'000	£'000	£'000	£'000
DIG for Dinner	38	-	-	-	38
Doncaster Borough Council (guarantee)	250	-	-	-	250
Palmer Gardens Fund (Capital)	449	-	(14)	-	435
Palmer Gardens Fund (Revenue)	-	718	(827)	109	-
Employment Action Centre (Capital)	690	-	(21)	-	669
Disability Action Centre (Capital)	814	-	(24)	-	790
Shaw Trust Clamp Hill	5	-	-	-	5
Aim4Work (Building Better Opportunities) North and East London	-	616	(582)	(34)	-
- Delivery	-	-	-	-	-
Aim4Work (Building Better Opportunities) South London - Delivery	-	440	(452)	12	-
DLF	201	-	(201)	-	-
Charities Aid Foundation	-	2,480	(2,480)	-	-
Find Your Future	-	761	(761)	-	-
Spark Change	-	1,282	(1,282)	-	-
West London Works	-	830	(830)	-	-
Other	3	-	-	-	3
<b>Total company</b>	<b>2,450</b>	<b>7,127</b>	<b>(7,474)</b>	<b>87</b>	<b>2,190</b>
Shaw Education Trust	189,033	120,171	(120,822)	24	188,406
Forth Sector Group	(215)	1,206	(1,226)	-	(235)
Charities Aid Foundation (Ixion)	-	-	1	(1)	-
National Lottery Community Fund (Ixion)	-	874	(874)	-	-
Spark Change (Prospects Services)	-	-	(2)	2	-
Somerset Partnership (Homes2Inspire)	-	26	-	-	26
<b>Total Group</b>	<b>191,268</b>	<b>129,404</b>	<b>(130,397)</b>	<b>112</b>	<b>190,387</b>

The DIG for Dinner project aims to establish a sustainable community food growing initiative in a deprived area of County Durham by teaching people how to grow their own food, to produce food locally and to contribute to local food networks. The project provides practical and purposeful activities for people with learning disabilities and mental ill health as well as volunteering opportunities for local people, school children and community groups. Funding has also been received from Rothley Trust

and Hadrian Trust.

Doncaster Borough Council guarantee relates to an amount held in relation to a pension scheme.

Palmer Gardens is a vocational training centre, and the restricted capital fund relates to the construction of the original training centre and later expansion of the facilities. Depreciation is charged in the normal course of business and is initially charged to unrestricted costs and transferred here to reduce the capital value of the asset.

The Employment Action Centre (EAC) provides, within a multi-functional resource centre, a holistic approach to the employment needs of people living in Middlesbrough who are disabled and disadvantaged. The fund relates to the construction of the centre which was carried out with contributions from Big Lottery Fund, European Regional Development Fund, Middlesbrough Council, and the West Middlesbrough Neighbourhood Trust. Depreciation is charged in the normal course of business and is initially charged to unrestricted costs and transferred here to reduce the capital value of the asset.

The Disability Action Centre (DAC) is a highly innovative, multi-function centre, which integrates independent living services with training, employment, and disability consultancy services. The fund relates to the construction of the centre. Depreciation is charged in the normal course of business and is initially charged to unrestricted costs and transferred here to reduce the capital value of the asset. Revenue is not affected so the balance was written off in the year.

Shaw Trust Clamp Hill received donations to contribute towards client activities.

Aim4Work is funded by the European Social Fund and The National Lottery Community Fund under the Building Better Opportunities programme and forms part of their commitment to invest in local projects to tackle the root causes of poverty, promote social inclusion and drive jobs and growth.

Disabled Living Foundation (DLF) restricted reserves relate to a donation received to support DLF activities. It has been used to support activities during the year.

Find your Future – This was the European Social Fund Grant awarded to Shaw Trust for two years, which started in November 2021 and completed in December 2024. The Project mainly supported the Operational Programme for England as adopted by the European Commission setting out its contribution to the Union Strategy to improve employment opportunities, strengthen social inclusion, fight poverty, promote education, skills and life-long learning and develop active, comprehensive, and sustainable policies and thereby contribute to economic, social and territorial cohesion.

West London Works - Individual Placement and Support (IPS) is an employment support approach originally developed for people experiencing long-term mental health needs. The approach is now increasingly implemented in a range of settings including supporting people with mild to moderate mental health needs, people with physical health issues and people with substance misuse issues. The IPS model has colleagues from Shaw Trust embedded into NHS services providing a wraparound approach. This supports people in and regularly sees an overall improvement in wellbeing. Aiming to support 2400 people to achieve their goals and improve their

wellbeing over two years.

Spark Change was a European Social Fund Match Funded contract (matched by five London Boroughs) to improve employment opportunities, strengthen social inclusion, fight poverty, promote education, skills and life-long learning and develop active, comprehensive and sustainable inclusion policies and thereby contribute to economic, social and territorial cohesion.

Charities Aid Foundation - This was a grant awarded in March 2021 from the Covid-19 Support Fund (initially a three-year contract but funds were spent by September 2024). With a particular focus on care, construction and business sectors it was to fund learning and development post-Covid to support people back into employment. Income and expenditure during the year relates to the final month of operational activity and a transfer from unrestricted funds made to remove the resulting operational deficit.

The funds received by The Shaw Education Trust from the Department of Education can only be used to run the organisation and the academies that form part of The Shaw Education Trust.



## 20. Analysis of net assets between funds

	Designated	Unrestricted	Restricted	Total funds 2024
Group	£'000	£'000	£'000	£'000
<b>Fund balances are represented by:</b>				
Intangible fixed assets	-	99	49	148
Tangible fixed assets	2,414	5,000	200,949	208,363
Investments in financial securities	-	5,317	3,102	8,419
Net current assets	2,000	23,642	11,392	37,034
Long-term liabilities	-		(365)	(365)
Provisions for liabilities and charges	-	(5,226)	-	(5,226)
Pension liability	-	-	(3,806)	(3,806)
<b>Total net assets at 31 August 2024</b>	<b>4,414</b>	<b>28,832</b>	<b>211,321</b>	<b>244,567</b>

	Designated	Unrestricted	Restricted	Total funds 2024
Company	£'000	£'000	£'000	£'000
<b>Fund balances are represented by:</b>				
Intangible fixed assets	-	94	-	94
Tangible fixed assets	1,169	-	1,868	3,037
Investment in subsidiaries	-	17,568	-	17,568
Investments in financial securities	-	5,317	-	5,317
Net current assets	2,000	2,109	297	4,406
Long-term liabilities	-	-	-	-
Provisions for liabilities and charges	-	(2,359)	-	(2,359)
<b>Total net assets at 31 August 2024</b>	<b>3,169</b>	<b>22,729</b>	<b>2,165</b>	<b>28,063</b>

2023 Comparison	Designated	Unrestricted Restated	Restricted	Total funds 2023
Group	£'000	£'000	£'000	£'000
<b>Fund balances as at 31 August 2023 are represented by:</b>				
Intangible fixed assets	-	471	4	475
Tangible fixed assets	-	8,828	181,560	190,388
Investments in financial securities	-	4,949	-	4,949
Net current assets	2,616	15,410	15,639	33,665
Long-term liabilities	-	-	(589)	(589)
Provisions for liabilities and charges	-	(5,899)	-	(5,899)
Pension liability	-	-	(6,227)	(6,227)
<b>Total net assets as at 31 August 2023</b>	<b>2,616</b>	<b>23,759</b>	<b>190,387</b>	<b>216,762</b>

	Designated	Unrestricted	Restricted	<b>Total funds 2023</b>
<b>Company</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fund balances as at 31 August 2023 are represented by:</b>				
Intangible fixed assets	-	197	-	197
Tangible fixed assets	-	1,965	1,894	3,859
Investment in subsidiaries	-	23,355	-	23,355
Investments in financial securities	-	4,949	-	4,949
Net current assets	2,411	5,504	296	8,211
Long-term liabilities	-	-	-	-
Provisions for liabilities and charges	-	(2,639)	-	(2,639)
<b>Total net assets at 31 August 2023</b>	<b>2,411</b>	<b>33,331</b>	<b>2,190</b>	<b>37,932</b>

## 21. Taxation

The Trust has no liability to corporation tax as it satisfies the criteria for its income and gains to be exempt from corporation tax. Members of the Group without charitable status are charged corporation tax on their income and gains.

Deferred tax assets recognised by Group companies are shown in note 15. Tax charges for the year are:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Total current tax	-	-
Deferred tax:		
Origination and reversal of timing differences	<b>28</b>	(2,599)
Adjustment in respect of prior periods	-	(6)
Total deferred tax	<b>28</b>	(2,605)
<b>Tax on income and expenditure</b>	<b>28</b>	(2,605)
Tax on other recognised gains and losses	<b>(9)</b>	2,684
<b>Total tax charge recognised in the SOFA</b>	<b>19</b>	79

	2024	2023 Restated
	£'000	£'000
Net income / (expenditure) before taxation	27,001	(14,493)
Net income / (expenditure) before tax multiplied by the UK Corporation Tax rate of 25% (2023:21.52%)	6,750	(3,120)
Effects of:		
Charitable income and expenditure not subject to corporation tax	(4,468)	508
Expenses not deductible for tax purposes	75	3,269
Income not taxable	(1,808)	(1,249)
Qualifying charitable donations	(24)	(22)
Movement in unprovided deferred tax	(448)	3,785
Adjustments in respect of prior periods (deferred tax)	-	(6)
Other timing differences	(49)	(5,770)
<b>Tax on income and expenditure</b>	<b>28</b>	<b>(2,605)</b>
Timing differences arising on pensions remeasurement gains and losses	(9)	2,684
<b>Total tax charge recognised in the SOFA</b>	<b>19</b>	<b>79</b>

## 22. Financial commitments

At 31 August 2024 the Group and Company had future minimum lease payments under non-cancellable operating leases expiring as follows:

Group	Property		Other	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Within one year	2,941	4,260	443	303
Between one and five years	4,547	5,247	352	350
After five years	853	830	-	-
<b>Total</b>	<b>8,341</b>	<b>10,337</b>	<b>794</b>	<b>653</b>

Company	Property		Other	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Within one year	1,083	1,546	35	33
Between one and five years	635	514	21	16
After five years	-	20	-	-
<b>Total</b>	<b>1,718</b>	<b>2,080</b>	<b>56</b>	<b>49</b>

Other operating leases relate to motor vehicles and computer equipment.

## **23. Capital commitments**

As at 31 August 2024 the Group had capital commitments of £331k (2023: £2,319k).

## **24. Pension commitments**

During the year the Company and other members of the Group participated in defined benefit pension schemes including Prudential Platinum Pension Schemes, the Local Government Pension Scheme (LGPS) and the Teachers' Pension Scheme England and Wales (TPS).

The Group has accounted for its contributions to the TPS as if it were a defined contribution scheme. The Group's academic and related employees of the Shaw Education Trust belong to the TPS, which is a statutory, contributory, defined benefit scheme. The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. A copy of the valuation report and supporting documentation is on the Teachers' Pensions website:

(<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx> )

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Group has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The employer's pension costs paid to TPS in the year amounted to £9,660k (2023 - £7,935k).

The defined benefit pension schemes for which the Group is able to identify its share of the fair value of the assets and liabilities were:

	Total share of scheme assets	Present value of scheme liabilities	Asset ceiling	<b>2024 Net pension deficit</b>	2023 Net pension deficit
	£'000	£'000	£'000	£'000	£'000
Shaw Trust: Platinum Pension Scheme	856	(742)	(114)	-	-
<b>Total Company</b>	<b>856</b>	<b>(742)</b>	<b>(114)</b>	<b>-</b>	<b>-</b>
Shaw Education Trust: LGPS - Staffordshire, Greater Manchester, West Midlands, Cheshire, Derbyshire, and Newfriars College Pension Funds.	91,216	(87,527)	(7,495)	<b>(3,806)</b>	(6,227)
Prospects Services: Platinum Pension Scheme and LGPS - Gloucestershire, Northamptonshire, and West Midlands Pension Funds.	32,612	(22,591)	(10,021)	-	-
<b>Total Group</b>	<b>124,684</b>	<b>(110,860)</b>	<b>(17,630)</b>	<b>(3,806)</b>	<b>(6,227)</b>

The total consolidated cost recognised in the SOFA relating to the above defined benefit plans was:

	<b>Group 2024 £'000</b>	Group 2023 £'000
Expenditure on charitable activities:		
Operating costs	<b>5,317</b>	5,436
Settlements	-	13,401
Net interest (income) / expense	<b>(369)</b>	270
<b>Total recognised in resources expended</b>	<b>4,948</b>	19,107
Other recognised gains and losses:		
Remeasurement gains	<b>(591)</b>	(22,920)
<b>Total recognised in the SOFA</b>	<b>(3,806)</b>	<b>(6,227)</b>

Operating costs include current and past service costs and administration expenses.

Remeasurement gains and losses include actuarial gains and losses, return on plan assets (excluding interest) and change in asset ceiling (derecognised surplus).

## The Shaw Trust Ltd: Platinum Pension Scheme

The Shaw Trust joined the Platinum multi-employer passported pension scheme in October 2010 in order to accommodate the pension arrangements for staff whose employment transferred to the Trust under TUPE, as a result of the Trust being awarded the Work Choice contract. A full actuarial valuation of the Scheme was carried out as at 31 March 2021 and has been updated to 31 August 2024 by a qualified independent actuary.

The principal actuarial assumptions used were:

	2024	2023
Expected rate of salary increases	<b>N/A</b>	N/A
Expected rate of increase of pensions in payments	<b>3.20%</b>	3.20%
Rate of inflation	<b>3.00%</b>	3.20%
Discount rate	<b>5.00%</b>	5.40%

The mortality assumptions used were as follows:

Longevity at age 65 for current pensioners:

- Men	<b>85.8</b>	<b>85.9</b>
- Women	<b>88.3</b>	<b>88.7</b>

Longevity at 65 for future pensioners:

- Men	<b>87.1</b>	<b>87.2</b>
- Women	<b>89.8</b>	<b>89.9</b>

Reconciliation of scheme assets and liabilities:

	Assets	Liabilities	Asset ceiling	Total
	£'000	£'000	£'000	£'000
At 1 September 2023	873	(685)	(188)	-
Administration expenses	(93)	-	-	<b>(93)</b>
Benefits paid	(17)	17	-	-
Employer contributions	29	-	-	<b>29</b>
Interest income / (expense)	45	(37)	-	<b>8</b>
Change in asset ceiling	-	-	74	<b>74</b>
Remeasurement gains / losses				
- Actuarial gain / (loss)	-	(37)	-	<b>(37)</b>
- Return on plan assets excluding interest income	19	-	-	<b>19</b>
At 31 August 2024	<b>856</b>	<b>(742)</b>	<b>(114)</b>	-

The major categories of plan assets as a percentage of total plan assets were:

	2024	2023
Corporates	0%	53%
Index linked	0%	47%
Cash	13%	0%
Insured annuities	87%	0%

The total actual return on plan assets (including interest income) for the year was £64k (2023: negative £146k).

The total cost recognised in the SOFA relating to the Company's defined benefit plans was:

	2024	2023
	£'000	£'000
Recognised in total resources expended	85	1,184
Other recognised gains and losses	(56)	(1,148)
<b>Total recognised in the SOFA</b>	<b>29</b>	<b>36</b>

The comparative year includes costs relating to the LGPS South Yorkshire Pension Fund which was exited in August 2023.

### The Shaw Education Trust: LGPS

The Group's non-teaching employees of The Shaw Education Trust belong to the multi-employer Local Government Pension Scheme (LGPS). The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee administered funds. The Group participated in pension funds for Staffordshire, Greater Manchester, West Midlands, Cheshire, Derbyshire, and Newfriars College. The latest actuarial valuation of the LGPS was as at 31 March 2022 and has been updated to 31 August 2024 by a qualified independent actuary.

The principal actuarial assumptions used were:

	2024	2023
Expected rate of salary increases	<b>3.15 - 3.65%</b>	3.45 - 4.00%
Expected rate of increase of pensions in payments	<b>2.65%</b>	2.95 - 3.00%
Rate of inflation	<b>2.64 - 2.65%</b>	2.95 - 3.00%
Discount rate	<b>5.00%</b>	5.20%

The mortality assumptions used were as follows:

Longevity at age 65 for current pensioners:

- Men	<b>84.7 - 85.9</b>	84.8 - 86.0
- Women	<b>88.2 - 89.0</b>	88.2 - 89.1

Longevity at 65 for future pensioners:

- Men	<b>83.7 - 86.5</b>	83.8 - 86.6
- Women	<b>89.6 - 90.3</b>	89.6 - 90.3

Reconciliation of scheme assets and liabilities:

	Assets	Liabilities	Asset ceiling	Total
	£'000	£'000	£'000	£'000
At 1 September 2023	71,675	(74,613)	(3,289)	<b>(6,227)</b>
Acquired on conversion	3,669	(3,640)	-	<b>29</b>
Transfers in	144	(196)	-	<b>(52)</b>
Current service cost	-	(4,521)	-	<b>(4,521)</b>
Interest income / (expense)	3,942	(4,045)	-	<b>(103)</b>
Employer contributions	6,663	-	-	<b>6,663</b>
Employee contributions	1,518	(1,518)	-	-
Benefits paid	(1,089)	1,089	-	-
Past service costs	-	(165)	-	<b>(165)</b>
Change in asset ceiling	-	-	(4,206)	<b>(4,206)</b>
Remeasurement gains / losses				
- Actuarial gain	-	82	-	<b>82</b>
- Return on plan assets excluding interest income	4,694	-	-	<b>4,694</b>
At 31 August 2024	<b>91,216</b>	<b>(87,527)</b>	<b>(7,495)</b>	<b>(3,806)</b>

The major categories of plan assets as a percentage of total plan assets were:

	2024	2023
Equities	<b>63%</b>	67%
Corporate bonds	<b>26%</b>	21%
Property	<b>8%</b>	8%
Cash and other liquid assets	<b>4%</b>	3%



The total actual return on plan assets (including interest income) for the year was £8,636k (2023: £55k).

The total cost recognised in the SOFA relating to the Shaw Education Trust's defined benefit plans was:

	2024	2023
	£'000	£'000
Recognised in total resources expended	4,789	5,449
Other recognised gains and losses	(570)	(9,279)
<b>Total recognised in the SOFA</b>	<b>4,219</b>	<b>(3,830)</b>

### Prospects Services: Platinum Scheme and LGPS

During the year a Group subsidiary, Prospects Services, participated in defined benefit pension schemes with Prudential Platinum and the Local Government Pension Scheme (LGPS). The Platinum Scheme has been certified by the Government Actuary's Department as broadly comparable to the Principal Civil Service Pension Scheme. The LGPS is a funded multi-employer defined benefit pension scheme, with the assets held in separate Trustee administered funds. Pension funds were held for Gloucestershire, Northamptonshire and West Midlands. The latest actuarial valuations of the Platinum Scheme and LGPS have been updated to 31 August 2024 by qualified independent actuaries. Post year end the Gloucestershire and Platinum funds were exited.

The principal actuarial assumptions used were:

	2024	2023
Expected rate of salary increases	3.15 - 3.65%	3.45 - 4.00%
Expected rate of increase of pensions in payments	2.65 - 3.00%	2.95 - 3.20%
Rate of inflation	2.65 - 3.00%	2.95 - 3.20%
Discount rate	5.00%	5.20 - 5.40%

The mortality assumptions used were as follows:

Longevity at age 65 for current pensioners:

- Men	85.5 - 87.0	85.6 - 87.1
- Women	87.8 - 90.0	87.8 - 90.1

Longevity at 65 for future pensioners:

- Men	86.3 - 87.1	86.5 - 87.2
- Women	90.0 - 90.5	90.1 - 90.6

Reconciliation of scheme assets and liabilities:

	<b>Assets</b>	<b>Liabilities</b>	<b>Asset ceiling</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 September 2023	30,218	(21,135)	(9,083)	-
Administration expenses	(149)	-	-	<b>(149)</b>
Benefits paid	(298)	298	-	-
Employer contributions	109	-	-	<b>109</b>
Employee contributions	121	(121)	-	-
Current service cost	-	(389)	-	<b>(389)</b>
Interest income / (expense)	1,578	(1,114)	-	<b>464</b>
Change in asset ceiling	-	-	(938)	<b>(938)</b>
Remeasurement gains / losses:				
- Actuarial gain	-	295	-	<b>295</b>
- Other assumptions	-	(425)	-	<b>(425)</b>
- Return on plan assets excluding interest income	1,033	-	-	<b>1,033</b>
At 31 August 2024	<b>32,612</b>	<b>(22,591)</b>	<b>(10,021)</b>	<b>-</b>

The major categories of plan assets as a percentage of total plan assets were:

	<b>2024</b>	<b>2023</b>
Equities	<b>50%</b>	60%
Corporate bonds	<b>18%</b>	26%
Property	<b>10%</b>	12%
Insured annuities	<b>18%</b>	0%
Cash	<b>3%</b>	2%

The total actual return on plan assets (including interest income) for the year was £2,611k (2023: £1,167k).

The total cost recognised in the SOFA relating to the Prospects Services defined benefit plans was:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Recognised in total resources expended	<b>74</b>	12,474
Other recognised gains and losses	<b>35</b>	(12,438)
<b>Total recognised in the SOFA</b>	<b>109</b>	36

The comparative year includes costs relating to the London Pension Fund Authority (LPFA) scheme which was exited in October 2022.

## 25. Business combinations

### Academy conversions: The Shaw Education Trust (SET)

SET was incorporated as a wholly owned subsidiary on 2 June 2014 as a multi academy trust to affect the sponsorship of three special schools/academies in Staffordshire. SET has grown to operate over thirty academies and a Specialist Independent College across several areas of the UK.

During the year three schools were acquired by SET (2023: one):

- Brookhaven School - transferred 1 January 2024.
- Russet School - transferred 1 July 2024.
- Hallwood Park School - transferred 1 July 2024.

No cash consideration has been paid on acquisition, and so no goodwill adjustments are required (2023: £Nil). The assets and liabilities transferred were valued at their fair value and recognised in the Group balance sheet. A fair value adjustment was recorded to increase the book value of assets by £1,057k (2023: £Nil).

The following table sets out the total fair values of the identifiable assets and liabilities transferred.

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Tangible fixed assets	<b>20,747</b>	7,007
Cash at bank	<b>1,606</b>	-
Current Assets	<b>65</b>	-
Liabilities < one year	<b>(477)</b>	-
Pension liability	<b>(24)</b>	(328)
Net assets acquired	<b>21,917</b>	6,679
Acquisition Cost	-	-
Goodwill arising from acquisition	-	-

The tangible fixed assets acquired include £20,747k of property (2023: £7,007k). The net assets acquired have been recorded as a donation received in the Group Statement of Financial Activities.

Related party transactions amongst Group entities for the year included staff and central management recharges, Gift Aid profits, cash transfers, loans and balances written off and purchases of goods and services. The transactions in year of each entity with other Group entities are disclosed below.

Intra-Group Transactions – year ended 31 Aug 2024	Central and staff recharges 2024 £'000	Purchase of services 2024 £'000	Corporate Gift Aid 2024 £'000	Share capital 2024 £'000	Net advances and repayments 2024 £'000	Balance write offs 2024 £'000	Investment impairment 2024 £'000
Forth Sector	(140)	-	-	-	(358)	12	-
Forth Sector Development Ltd	(2)	-	(102)	-	24	-	-
Good Work Partners Ltd	(125)	-	-	200	(125)	-	-
Homes2Inspire Ltd	(2,639)	(2)	-	-	4,102	5	-
Homes2Inspire Services Ltd	-	-	-	100	(25)	-	-
Ixion Holdings (Contracts) Ltd	(3,682)	46	-	2,000	982	122	-
Optimus Education Ltd	(179)	7	-	-	210	(44)	-
Prospects Education Services Ltd	-	-	-	-	(2)	-	-
Prospects Group (2011) Ltd	-	-	-	(100)	(2)	-	-
Prospects Services	(10,080)	(1)	-	-	5,058	430	-
The Shaw Trust Ltd	16,847	(27)	102	(2,200)	(9,699)	(690)	(7,987)
Shaw Trust Services Ltd	-	6	-	-	(165)	165	-
The Shaw Education Trust	45	(28)	-	-	-	-	-
Newfriars College	(45)	-	-	-	-	-	-
Total	-	-	-	-	-	-	(7,987)

Intra-Group Transactions – year ended 31 Aug 2023	Central and staff recharges 2023 £'000	Purchase of services 2023 £'000	Corporate Gift Aid 2023 £'000	Share capital 2023 £'000	Net advances and repayments 2023 £'000	Balance write offs 2023 £'000	Receivables impairment 2023 £'000
Forth Sector	(178)	-	113	-	626	(0)	-
Forth Sector Development Ltd	(9)	-	(113)	-	236	-	-
Homes2Inspire Ltd	(2,606)	-	-	-	(1,500)	5,622	-
Ixion CG Ltd	-	-	-	-	26	-	-
Ixion Social Enterprise Ltd	-	-	-	-	128	-	-
Ixion Holdings (Contracts) Ltd	(4,682)	7	-	2,000	3,196	2	-
Optimus Education Ltd	(555)	4	-	-	281	1,302	-
Prospects Education Services Ltd	-	-	-	-	(3)	1,884	-
Prospects Group (2011) Ltd	-	-	-	-	(3)	(1,869)	-
Prospects Services	(8,034)	-	-	-	18,899	(4,883)	-
The Shaw Trust Ltd	16,212	12	-	(2,000)	(22,131)	(2,243)	(3,033)
Shaw Trust Services Ltd	(148)	28	-	-	246	185	-
The Shaw Education Trust	44	(51)	-	-	-	-	-
Newfriars College	(44)	-	-	-	-	-	-
Total	-	-	-	-	-	-	(3,033)

Net advances and repayments includes the net of working capital cash transfers, and VAT, payroll and supplier payments on behalf of other entities in the Group.

During the year The Shaw Education Trust transferred land and buildings to fellow subsidiary, Newfriars College, under the terms of a lease agreement. No rental charge is incurred by Newfriars College. The fair value of the property was considered to be the carrying value of the property at the point of transfer of £2,557,000.

The net amount outstanding with other entities within the Group at the year end are:

<b>Intra-Group Balances</b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Forth Sector	<b>(2,845)</b>	(2,359)
Forth Sector Development Ltd	<b>142</b>	222
Good Work Partners Ltd	<b>(51)</b>	-
Homes2Inspire Ltd	<b>(12,805)</b>	(14,270)
Homes2Inspire Services Ltd	<b>75</b>	-
Ixion CG Ltd	<b>26</b>	26
Ixion Social Enterprise Ltd	<b>751</b>	751
Ixion Holdings (Contracts) Ltd	<b>13</b>	545
Optimus Education Ltd	<b>-</b>	12
Prospects Education Services Ltd	<b>(8)</b>	(6)
Prospects Group (2011) Ltd	<b>(6,759)</b>	(6,657)
Prospects Services	<b>10,868</b>	15,461
The Shaw Trust Ltd	<b>7,559</b>	3,241
The Shaw Trust Ltd - receivables impaired	<b>3,033</b>	3,033
The Shaw Education Trust	<b>522</b>	357
Newfriars College	<b>(522)</b>	(357)
<b>Total</b>	<b>-</b>	<b>-</b>

The Trust requires all Trustees and the Executive Team to complete a Declaration of Interest. The table below shows all the related parties that have been disclosed and the value of both income and expenditure that the Trust has incurred with these bodies during the period ended 31 August 2024. These transactions were as a result of normal business activity. The entities below have key management personnel in common with the Trustees and Executive Team of the Group.

<b>Related Party</b>	<b>Value of expenditure 2024 £</b>	<b>Outstanding balance at 31 August 2024 £</b>	<b>Value of expenditure 2023 £</b>	<b>Outstanding balance at 31 August 2023 £</b>
Business Services Association	11,582	-	13,111	-
ERSA (UK) Limited	28,475	-	7,000	-
Social Enterprise Coalition CIC	5,435	-	2,800	-
Equals Charity	966	-	913	-
RM Education Ltd	11,476	-	59,245	-
Care Management Associates Ltd	43,697	-	-	-

## 27. Financial Instruments

	Note	Group 2024 £'000	2023 £'000	Company 2024 £'000	2023 £'000
<b>Financial Assets</b>					
Trade debtors	13	16,323	19,937	4,784	5,768
Intercompany		-	-	893	5,874
Other debtors	13	2,237	1,212	193	183
Investment in financial securities	10	15,652	15,424	5,317	4,949
<b>Total Financial Assets</b>		<b>34,212</b>	<b>36,573</b>	<b>11,187</b>	<b>16,774</b>
<b>Financial Liabilities</b>					
Trade creditors	16	3,044	4,360	964	1,078
Other creditors	16	6,362	5,646	1,762	1,322
Loans	16/16b	588	1,039	-	-
Accruals	16	10,382	6,506	3,099	2,597
<b>Total Financial Liabilities</b>		<b>20,376</b>	<b>17,551</b>	<b>5,825</b>	<b>4,997</b>