



**Tower Hamlets Education
Partnership**

**Annual Report and
Financial Statements**

31 March 2025

Charity Registration Number
1173381 (England and Wales)

Company Limited by Guarantee
Registration Number
10556338 (England and Wales)

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Legal and administrative information

Trustees	Robert Crothers (Chair) Rebecca Abrahams (<i>from 13.11.24</i>) Shahanaz Begum (<i>to 29.06.25</i>) Aziz Choudhury Lisa Fraser Michael Keating Zafrin Khan-Wheatley Nessa McNeela Sir Alasdair Macdonald Owen O'Regan (<i>to 18.07.24</i>) Jon Ryder Olubunkunola Yusuf
Executive Team	Jemima Reilly, Co-CEO (<i>from 01.09.24</i>) Owen O'Regan, Co-CEO (<i>from 01.09.24</i>) Tracy Smith, Executive Director (<i>to 31.08.24</i>) Ruth Roberts, Director of Operations (<i>to 16.5.25</i>) Alison Gawthrope, Director of Primary Education and Partnerships (<i>to 31.08.24</i>)
Registered office	Rich Mix 35-47 Bethnal Green Road London E1 6LA
Charity registration number	1173381 (England and Wales)
Company registration number	10556338 (England and Wales)
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Principal bankers	National Westminster Bank Stratford Broadway Gratley House 1-11 Broadway Stratford E15 4DX

Trustees' report Year to 31 March 2025

The Trustees, who are also the directors for the purposes of company law, present their statutory report together with the financial statements of the Tower Hamlets Education Partnership ("THE Partnership" or the "charitable company") for the year to 31 March 2025.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report which has been prepared to meet the requirements of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 19 and comply with THE Partnership's memorandum and articles of association, applicable laws and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

Principal aims

The principal activity of THE Partnership in the year under review was the advancement of education for the public benefit in and through member schools and other educational settings and initiatives in the United Kingdom, with an initial focus on the London Borough of Tower Hamlets.

Review of activities

Vision

Our vision is that all children and young people in Tower Hamlets will experience the best possible educational opportunities, outcomes and life chances.

Objectives

To realise this vision, we are building on the existing culture of collaborative working between our schools and other educational settings enabling them to deliver the best possible education for the public benefit.

Review of the year

The Tower Hamlets Partnership has continued to thrive this year under new leadership following the retirement of the Executive Director in August 2024. The role was initially filled on an interim basis with Co-CEOs, Owen O'Regan and Jemima Reilly, established school leaders who are rooted in Tower Hamlets education. Following a selection process in February 2025, Jemima Reilly was appointed as the full-time and permanent CEO effective from 1st September 2025.

The long and rich history of collaboration and partnership working in Tower Hamlets continues to provide the foundation for our work with our member schools.

The very complex challenges facing schools and school leaders at present require us to strengthen our collaborative approach and to collectively, as Michael Fullan says, 'execute public service with a moral purpose' and develop leaders who 'work in their own schools but also participate in the bigger picture'.

OBJECTIVES AND ACTIVITIES (continued)

Review of activities (continued)

Review of the year (continued)

These traits are writ large in the education and wider community in Tower Hamlets and we feel proud of the exceptional leadership found in our partnership of schools and across the wider system. Both our strategic plan and our day-to-day work with schools seeks to promote these traits in further developing a collaborative school-led system.

Our leaders, teachers, staff, governors and the whole community continue to rise to the challenges facing schools in the current difficult climate and demonstrate remarkable commitment to ensure that our children and young people continue to learn and achieve. For our part, we continue to support the whole school community in an increasing variety of ways.

We are proud of the part THE Partnership plays in leading the agenda of collaborative, school improvement in Tower Hamlets and in working collectively to build an even stronger community of schools.

We have developed greater capacity and brought new insights from the expansion of the excellent consultant team, improving our understanding of how to provide high quality support and challenge. This has been enhanced through the very effective role of the Headteacher Reference Group who take their role as a critical friend seriously, providing robust scrutiny of our work.

We would like to express our thanks for all the support from our member schools, the Local Authority and the wider community and look forward to working with you again next year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

THE Partnership was incorporated on 10 January 2017 as a company limited by guarantee, company registration number 10556338 (England and Wales), in accordance with the requirements of The School Companies Regulations 2002. It was registered as a charity on 13 June 2017, charity registration number 1173381 (England and Wales). In the event of winding up, each of the members is liable to contribute towards the assets of the charitable company up to the amount of £25.

The Trustees approve the strategic plan and the budget for each financial year. Management of the day-to-day operations is delegated to the Co-CEOs, subject to appropriate financial limits. The Trustees monitor the activities of THE Partnership at Board meetings which take place three times per year; the Chair meets more regularly with the Co-CEOs to review progress. A full review of the 2022-25 strategic plan has been undertaken over the past year, which identified development needs in terms of both organisational growth and sustainability, and in the strategic direction of our provision for schools. Board committees have been created to take these themes forward. Priorities were shared at the full board in July 2025. The strategic plan for the next three years will continue to be shaped by these committees and by the full board over the coming months with a view to finalising it early in 2026.

A Organisational Development sub-committee meets three times a year to review financial and operational matters including audit. The Trustees also hold an annual strategy day to consider emerging education policies and practice and to discuss ongoing strategic planning.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees

The Trustees who were in office throughout the year, and as at the date of signature of the financial statements are listed at page 1 of these financial statements.

The Trustees have been selected to include an appropriate mix of educational and business skills and representation of the local community. Following the resignation of a Trustee in July 2024, a new Trustee was appointed by the Board in November 2024.

Induction and training

The Trustees have been provided with guidance on their responsibilities as Trustees and new Trustees are provided with a comprehensive induction programme.

Key management personnel

The key management personnel of the charitable company comprise the Trustees and the Executive Team (as listed at page 1). The salaries of the Executive Team are reviewed on an annual basis, taking into account external benchmarks and the terms of their contracts.

No remuneration was paid to any Trustee in connection with his or her services as a Trustee.

Fundraising

The charitable company does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charity protects personal data and never sells data or swaps data with other organisations. During 2024/25, the charity received no complaints about fundraising activities.

Public benefit

The Trustees have noted the Charity Commission guidance on the public benefit requirement under the Charities Act 2011 and are confident that the activities of THE Partnership comply with this requirement.

The Trustees will ensure that, in administering the charitable company, they will continue to pay due regard to the Charity Commission guidance on public benefit.

Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that year.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' responsibilities (continued)

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Each of the Trustees confirms that:

- ♦ so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of 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.

FINANCIAL REVIEW

Financial report

A summary of the year's results can be found on page 14 of the financial statements.

Total income for the year amounted to £1,287,807 (2024 - £1,216,936) and total expenditure amounted to £1,106,689 (2024 - £1,239,164), resulting in a surplus for the year of £181,118 (2024 - £22,228 deficit). This was as a result of a decrease in staffing cost. The funds will be put towards the development plan which is being drawn up and which will be communicated to schools. Total reserves at 31 March 2025 amounted to £750,814 (2024 - £569,696) and the total cash and short-term deposits balance was £1,214,401 (2024 - £841,405). The Trustees consider that this is sufficient to cover the current commitments and continuing activities.

Reserves policy and financial position

Reserves policy

The Trustees have reviewed the reserves policy and the need for free reserves, being those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. Having considered the current income streams, committed expenditure and key financial risks, it is felt that such reserves are necessary to cover any temporary shortfalls in income due to timing differences between income and expenditure and to allow for unforeseen reductions in income pending the implementation of action plans to reduce expenditure. After an assessment of risk, the Trustees have approved a target level of free reserves that is sufficient to cover a minimum of three months' average expenditure. At 31 March 2025, the free reserves (unrestricted funds excluding tangible fixed assets) amounted to £737,719 (2024: £551,966), which exceeds the minimum target level when compared to the expenditure in the year then ended. In the light of reduction in expected income, this level of reserves is considered to be sufficient to achieve the target level of free reserves in 2024-25.

Financial position

The balance sheet shows total net assets of £750,814 (2024 - £569,696), all of which relates to unrestricted funds. The Trustees consider that this is sufficient to cover commitments and to finance the continued running of activities in accordance with the reserves policy set out above.

Risk management

The Trustees, together with the Executive team, have assessed the major risks to which the charitable company is exposed. The Trustees believe that they have established effective systems to mitigate those risks by putting operational plans in place, by monitoring reserve levels, by ensuring that there are adequate controls over key financial systems and by periodically reassessing the operational and business risks.

The Trustees have identified the key risks as set out below.

FINANCIAL REVIEW (continued)

Risk management (continued)

Financial risks

There are a number of risks to our long-term viability: over-dependency on income from limited sources, lack of capacity and capability to diversify income sources and a failure to convince members of the benefits of diversification and growth. The re-subscription of all our member schools this year, along with significant in-year savings arising from staffing reorganisations, provides evidence of the active management of these risks.

Public policy risks

The trustees are aware of risks with regard to political change and take steps to mitigate them. This involved consultation with member schools, identification of the options for potential MAT structures and consideration of these options at a Board Strategy Day.

Discussions with the local authority and maintained schools have continued in order to

manage the transition of funding for commissioned services from a Department for Education grant to de-delegated schools funding.

Service delivery risks

In times of significant change, there is a constant requirement for our service offer to be adapted appropriately so that it remains fit for purpose and schools are willing to retain their membership.

Service delivery on our behalf by consultants or contractors needs effective quality management systems in place to protect our reputation and membership levels. Feedback from member surveys continues to indicate that these risks are being managed effectively and the Executive Team will continue to regularly review our service offer to members. The Board are provided with details of service delivery, current and planned, at each meeting.

Workforce risks

We must ensure our people have the necessary skills and motivation to deliver high-quality services and to operate in an efficient and effective way. We have reviewed our staffing structures to ensure they remain appropriate and provided professional development opportunities to enable staff to maintain and enhance their capacity to deliver relevant services. This review has resulted in a reorganisation of the Operations Team and changes to some Executive Team roles during 2024-25.

We remain acutely aware that the loss of key staff, in addition to creating a risk to the ongoing operations at least in the short-term, could have an impact on the financial and service delivery risks. The actions to mitigate this risk include developing robust systems for the review and appraisal of performance, for personal and professional development and for remuneration.

Trustees' report Year to 31 March 2025

Future plans

A full review of the 2022-25 strategic plan has been undertaken over the past year , which identified development needs in terms of both organisational growth and sustainability, and in the strategic direction of our provision for schools. Board committees have been created to take these themes forward. . Priorities were shared at the full board in July 2025. The strategic plan for the next three years will continue to be shaped by these committees and by the full board over the coming months with a view to finalising it early in 2026.

Approved by the Trustees and signed on their behalf by:

Trustee:

Date:

Independent auditor's report to the members of Tower Hamlets Education Partnership

Opinion

We have audited the financial statements of Tower Hamlets Education Partnership (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, and the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 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 other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- ◆ the information given in the trustees' report, which is also the directors' report 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 trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provision for gifts in kind were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report Year to 31 March 2025

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. 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, for our audit work, for this report, or for the opinions we have formed.

Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

[\[Date\]](#)

Statement of financial activities (including income and expenditure account)

Year to 31 March 2025

	Notes	Unrestricted funds £	Total 2025 £	Total 2024 £
Income from:				
Grants and donations	1	—	—	9,000
Charitable activities	2	1,287,807	1,287,807	1,207,936
Total income		1,287,807	1,287,807	1,216,936
Expenditure on:				
Charitable activities	3	1,106,689	1,106,689	1,239,164
Total expenditure		1,106,689	1,106,689	1,239,164
Net income (expenditure) and net movement in funds	5	181,118	181,118	(22,228)
Reconciliation of funds:				
Balances brought forward at 1 April 2024		569,696	569,696	591,924
Balances carried forward at 31 March 2025		750,814	750,814	569,696

All of the charitable company's activities derived from continuing operations. All funds in the current and prior year were unrestricted.

There is no difference between the net movement in funds above and the historical cost equivalent.

Balance sheet As at 31 March 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Tangible fixed assets	9		13,095		17,730
Current assets					
Debtors	10	42,854		63,364	
Short term deposits		500,000		500,000	
Cash at bank and in hand		714,401		341,405	
		1,257,255		904,769	
Creditors: amounts falling due within one year	11	(519,536)		(352,803)	
Net current assets			737,719		551,966
Total net assets			750,814		569,696
The funds of the charity:					
Unrestricted funds					
. General fund			750,814		569,696
			750,814		569,696

Approved by the Trustees of Tower Hamlets Education Partnership, Company Registration No. 10556338 (England and Wales) and signed on their behalf by:

Trustee:

Approved on:

Statement of cash flows Year to 31 March 2025

	Notes	Year to 31 March 2025 £	Year to 31 March 2024 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	381,430	(66,986)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(8,434)	(2,780)
Change in cash and cash equivalents in the year		372,996	(69,766)
Cash and cash equivalents at 1 April 2024	B	841,405	911,171
Cash and cash equivalents at 31 March 2025	B	1,214,401	841,405

Notes to the statement of cash flows for the year

A Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	Year to 31 March 2025 £	Year to 31 March 2024 £
Net movement in funds (as per the statement of financial activities)	181,118	(22,228)
Adjustments for:		
Depreciation charge	13,069	28,012
Decrease in debtors	20,510	15,043
Decrease (increase) in creditors	166,733	(87,813)
Net cash provided by (used in) operating activities	381,430	(66,986)

B Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	714,401	341,405
Short term deposits (3 months or less)	500,000	500,000
Total cash and cash equivalents	1,214,401	841,405

C Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	341,405	372,996	714,401
Short term deposits (3 months or less)	500,000	—	500,000
Total	841,405	372,996	1,214,401

Principal accounting policies Year to 31 March 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2025 with comparative information displayed in respect of the year to 31 March 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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

The charitable company constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation;
- ◆ estimating accrued expenditure; and
- ◆ determining the apportionment of expenditure between governance and other support costs and between support costs and the various other categories of expenditure.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have concluded that greater financial pressures in the wider education system may, in the longer term, result in greater risk in relation to the fundraising for the charity.

However, they believe that the charity is a going concern on the basis of financial forecasts and the budgeted level of reserves which are significantly in excess of the minimum level identified in the reserves policy. Based on this, the Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

Principal accounting policies Year to 31 March 2025

Income recognition

Income is recognised in the year in which the charitable company is entitled to receipt, it is probable the charitable company will receive the income, and the amount can be measured with reasonable certainty. Income is deferred only when the charitable company has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations, membership fees, fees for work commissioned by third parties, growth funding from the local authority and income from training and events.

The membership period is coterminous with the year end. Any membership fees relating to the following year received in advance of the year end are deferred to the following year.

Fees from work commissioned by third parties and income from training and events are recognised to the extent that it is probable that the economic benefits will flow to the charitable company and the revenue can be reliably measured.

Expenditure and the basis of apportioning costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure on charitable activities includes expenditure associated with the primary charitable purposes as described in the Trustees' report. Such costs include direct costs and an allocation of support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charitable company it is necessary to provide support in the form of financial procedures, IT, office services and equipment and a suitable working environment.

They include governance costs which are the costs associated with the governance of the charitable company and the costs associated with the strategic, as opposed to day to day, management of the charitable company's activities. Support costs are allocated in full to expenditure on charitable activities.

Fixed Assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation. Appropriate expenditure of £1,000 or more is capitalised. Depreciation is recognised on a straight-line basis so as to write off the cost over the useful lives of fixed assets as follows:

Computer equipment and software	- over 3 years
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Principal accounting policies Year to 31 March 2025

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand and short-term deposits

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Short term deposits are cash amounts held by the charity with a maturity date of less than one year. They are measured at the cash value of the deposit.

Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charitable company anticipates it will pay to settle the debt.

Pension costs

The pension costs represent payments in respect of individuals seconded to the charitable company. These costs are charged to the Statement of Financial Activities in the period to which they relate. The charitable company's only obligation is to pay the pension contributions applicable to the periods during which the relevant individuals are seconded to it.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Fund structure

Unrestricted funds comprise those monies which are freely available for application towards meeting the charitable objectives of the charitable company at the discretion of the Trustees.

Restricted funds represent monies which have been raised for a specific purpose or which are subject to restrictions on their use. Once the purposes have been fulfilled, or the funds used in accordance with the conditions, they are released to unrestricted funds.

Notes to the financial statements Year to 31 March 2025

1 Donations

	Total 2025 £	Total 2024 £
Total	—	9,000

2 Income from charitable activities: School improvements

	Year to 31 March 2025 £	Year to 31 March 2024 £
Membership fees	571,450	383,724
Training and events	204,024	173,844
Interest received	16,330	13,651
Primary Education support packages	62,420	112,080
Commission for school improvement and other funding from London Borough of Tower Hamlets	373,464	449,796
Other trading activity	60,119	74,841
	1,287,807	1,207,936

3 Expenditure on charitable activities: School improvements

	Direct £	Support £	Year to 31 March 2025 £
Consultants	334,195	—	334,195
Educational materials and data	93,507	—	93,507
Staff costs	358,759	160,101	518,860
Depreciation	12,586	483	13,069
IT costs	—	68,961	68,961
Other support costs	—	78,097	78,097
Total expenditure 2025	799,047	307,642	1,106,689

	Direct £	Support £	Year to 31 March 2024 £
<i>Consultants</i>	<i>338,638</i>	<i>—</i>	<i>338,638</i>
<i>Educational materials and data</i>	<i>85,551</i>	<i>—</i>	<i>85,551</i>
<i>Staff costs</i>	<i>488,449</i>	<i>155,543</i>	<i>643,992</i>
<i>Depreciation</i>	<i>26,080</i>	<i>1,932</i>	<i>28,012</i>
<i>IT costs</i>	<i>—</i>	<i>64,674</i>	<i>64,674</i>
<i>Other support costs</i>	<i>—</i>	<i>78,297</i>	<i>78,297</i>
<i>Total expenditure 2024</i>	<i>938,718</i>	<i>300,446</i>	<i>1,239,164</i>

Notes to the financial statements Year to 31 March 2025

4 Support costs

	Year to 31 March 2025 £	Year to 31 March 2024 £
Premises costs	39,640	38,582
Staff costs	160,101	155,543
IT costs	68,961	64,674
Depreciation	483	1,932
Other expenses	12,717	17,075
Governance costs		
. Audit and accountancy fees	25,740	22,640
	307,642	300,446

5 Net expenditure

This is stated after charging:

	Year to 31 March 2025 £	Year to 31 March 2024 £
Operating lease costs	22,846	33,967
Auditor's remuneration:		
. Statutory audit	11,150	9,150
. Other services: Accounts preparation	1,950	1,600

6 Staff costs

No individuals were directly employed by the charitable company during the year (2024 – none). Staff costs below represents the costs of individuals seconded to the charitable company and other staff costs including agency staff, during the year:

	Year to 31 March 2025 £	Year to 31 March 2024 £
Wages and salaries	367,655	479,983
Other staff costs	39,699	18,177
Social security costs	43,734	57,644
Pension costs	67,772	88,188
	518,860	643,992

The average number of staff during the year, calculated on a headcount and full-time equivalent basis was as follows:

	2025 FTE	2025 Headcount	2024 FTE	2024 Headcount
Seconded staff	5	6	7	7

6 Staff costs (continued)

The number of staff who earned £60,000 or more during the year (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2025 Number	2024 Number
£80,001 – £90,000	—	1
£90,001 – £100,000	—	1
£100,001 – £110,000	1	—
£130,001 – £140,000	—	1

Employer pension contributions in respect of the above higher earners during the year amounted to £34,241 (2024: £57,284).

The key management personnel of the charitable company in charge of directing and controlling, running and operating the charitable company on a day-to-day basis comprise the Trustees and the Executive Team. The total remuneration (including taxable benefits, employer's national insurance contributions and employers pension contributions) of the key management personnel for the year was £284,784 (2024: £379,535).

7 Transactions with Trustees and connected parties

No Trustees were remunerated for services provided as Trustees (2024: none). During the year, no Trustees were reimbursed expenses (2024: none).

Owing to the nature of the charitable company's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee may have an interest. Membership subscriptions and services paid for by member schools in which a member of the Board of Trustees has an interest are on an arm's length basis and amounted to £53,695 (2024: £23,062). Supplier payments of £45,464 (2024: £10,173) were paid on an arm's length basis to member schools in which a member of the Board of Trustees has an interest.

One Trustee is appointed on the basis that they undertake the role of Director of Children's Services for the London Borough of Tower Hamlets. In their role with the London Borough of Tower Hamlets they have the ability to influence transactions between the London Borough of Tower Hamlets and the charitable company, subject to such further review and approval as the London Borough of Tower Hamlets may require. In view of the potential conflict of interest (which has been considered and authorised by the other Trustees in accordance with the Companies Act 2006), the other Trustees of the charitable company review and approve transactions with the London Borough of Tower Hamlets. Transactions with the London Borough of Tower Hamlets during the year were as shown in the table which follows.

Notes to the financial statements Year to 31 March 2025

7 Transactions with Trustees and connected parties (continued)

	Year to 31 March 2025 £	Year to 31 March 2024 £
Income:		
Commission for school improvement and other funding	385,828	450,091
Expenditure:		
Staff and related costs	479,161	625,937
Premises and other expenses	17,480	44,696
Amount receivable at 31 March	8,190	22,404
Amount payable at 31 March	479,161	291,933

8 Taxation

The charitable company is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2024	59,644
Additions	8,434
Disposals	—
At 31 March 2025	68,078
Accumulated depreciation	
At 1 April 2024	41,914
Charge for the year	13,069
Disposals	—
At 31 March 2025	54,983
Net book value	
At 31 March 2025	13,095
At 31 March 2024	17,730

10 Debtors

	2025 £	2024 £
Other debtors: Local authority and other funding	8,190	22,404
Trade debtors	30,018	40,960
Sundry debtors	1,295	—
VAT refund due	3,351	—
	42,854	63,364

Notes to the financial statements Year to 31 March 2025

11 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	373,805	147,806
Accruals and deferred income	133,481	166,376
VAT payable	—	20,247
Other creditors	12,250	18,374
	519,536	352,803

12 Lease commitments

The charitable company occupies its premises under a licence issued by the Rich Mix Cultural Foundation and at 31 March 2025 the total related commitments under non- cancellable terms were as follows:

Land and buildings	2025 £	2024 £
Amounts due:		
. within one year	15,906	8,492
. between one and five years	27,836	—
	43,742	8,492

Equipment	2025 £	2024 £
Amounts due:		
. within one year	994	—
. between one and five years	3,228	—
	4,222	—