

# **The Shaw Trust Limited**

Annual report and financial statements

For the year ended 31 August 2025

**Company No. 01744121**

**Charity No. in England and Wales 287785**

**Charity No. in Scotland SC039856**

**Reference and administrative 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 A Hassall I Hughes C S Nicholson K C Ntumba 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

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## Chair's Statement

This has been a year where the need for Shaw Trust's work has never felt more important or urgent. Over the past year our services have supported more than 270,000 people to access and stay in good work. This includes young people navigating the care system, those who are NEET or at risk of disengaging from education and training, and those facing barriers to employment, particularly where their mental health is concerned.

As a charity, our sole motivation is helping these individuals achieve their full potential through the pathways we provide, and we continue to invest back into impact, multiplying the effect of every pound spent. We have invested in becoming the 'single front door' to find the right pathway for people, integrating services around their needs, and by continuously driving insight and innovation.

Our employment support services continue to set the standard. We launched our first Connect to Work service in West London, delivering strong outcomes for the communities there. As a recognised IPS Centre of Excellence, we have continued to grow our IPS contracts, including those directly commissioned by the health service. Our IPS impact report published in February 2025 highlighted the difference our approach makes. The MSK Trailblazer with the West London Alliance to address economic inactivity associated with physical health by combining employment coaching with rapid access to NHS physiotherapy has demonstrated yet another pathway with the potential to scale.

Our local partnerships have grown in depth and reach. This year we channeled nearly £10m through 46 voluntary sector organisations and small and medium-sized enterprises. This strengthens local capacity and roots our support in the communities we serve. This approach was recognised with an 'outstanding' rating in the Supply Chain Partnership Standard - the first organisation to receive this new accreditation.

In September 2025, we moved from acting as a sponsor for Shaw Education Trust (SET) to being a strategic partner of a newly independent organisation. As the original sponsor, we have been pleased to play an important role in the development of SET over the last 11 years to create an education trust that could drive real change across schools and local communities. This is a significant milestone, reflecting the role Shaw Trust has played in supporting SET's growth and the wider impact we aim to have by backing ambitious, values led organisations. There will be no impact on Unrestricted Reserves, for which we continue to improve a position of financial strength, but next year's accounts will show a demerger of the two organisations, with their £207m of Restricted Reserves going into their own Group accounts.

We are also continuing to develop our Foundation as an important engine of innovation and impact. We have invested in the team and improved our ability to invest our charitable funds where need is greatest, testing new approaches and sharing learning to inform future policy. New services have been launched in Ealing, Harrow, and Somerset to help young people leaving care into employment, education, and training. Our pilot with Fortis Academy in Birmingham supported 30 young people with special educational needs to access work placements: a step too often out of reach for this group. Looking forward we are mobilising an innovation trial to create a service supporting NEET young people with health conditions who are not well served by current services. This trial will generate an evidence base to share with national and local government. Our full Impact Report is available [here](#).

None of this happens without the people who make it possible. Our thanks to those we serve, your commitment and the progression you make is why we do what we do. We are grateful to our commissioners and employer partners for the trust you have in us, and our deep appreciation to our colleagues, volunteers, and partners for all you do to make a difference every day.

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

Olly Benzecry  
Chair of the Board of Trustees  
14 May 2026

## Strategic Report

The directors present their strategic report for The Shaw Trust Limited ('Shaw Trust') for the year ended 31 August 2025.

### 1. Charity Overview, Principal Activities and Objectives

#### Our Mission

Shaw Trust aims to provide pathways for individuals facing barriers to work to achieve their full potential.

#### Our Strategy

To deliver our mission we will:

- Plan and deliver the services required, aligned to our impact areas, in response to societal, government, commissioner, and business need.
- Design integrated services and products using data, business intelligence, digital processes, and service design, to drive measurable increases in outcomes and impact.
- Contribute to national-level impact through our strong regional presence and local partnerships. We will use our expertise with voluntary, community, and social enterprise (VCSE) organisations, and small and medium enterprises (SME) with common purpose. This will create more local impact for commissioners through supply chains and partnerships.
- Seek and champion long-term commissioner partnerships that deliver better outcomes over time and allow for re-investment in continual improvement and innovation.
- Act as a trusted partner and advisor to national, devolved, and local government, commissioners, employers, and stakeholders.
- Tackle the challenge of access to good work by innovating and sharing our insights. We will commission trials, strengthen our evidence base, and apply what we learn to influence policy, improve practice, and design better solutions for delivery.
- Continue to invest in technology-enabled services as well as digitally enabled operational excellence. This will allow colleagues to spend more time supporting people and will make our enabling functions more efficient, creating a better working environment for our teams.
- Continue to build a resilient, agile, empowered, and skilled workforce able to respond to the challenges and opportunities as they arise. Our people and their development will remain our greatest strength. We will recruit, nurture, recognise, and reward the diversity of talent we need and invest in ways to empower our people to realise their full potential.
- Remain committed to culture and diversity to attract and retain the best talent and to reflect society and the communities we support, and to corporate social

responsibility. We will look to create more opportunities for interns and apprentices from all backgrounds wherever possible as part of our commitment to social mobility.

- Continue to minimise our impact on the environment by aiming to be carbon negative by 2030.

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

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

- **Careers and Skills:** ensuring skills, training, and education drive individual through-life employment progression.
- **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.
- **Education:** the delivery of academies and specialist schools supporting our children in care and our multi-academy trust, Shaw Education Trust.
- **Work, Wellbeing and Health:** ensuring skills, training, and education drive individuals through-life employment progression.

Supported by a range of additional services and programmes including Community and Retail Operations and Justice Rehabilitation.

### **Careers and Skills**

The market remains dynamic, with a growing need for Shaw Trust services. We remain agile following the launch of Skills England in July 2024, the transfer of the skills agenda from the Department for Education (DfE) to Department for Work and Pensions (DWP) and the ongoing evolution in governmental policy e.g. the recently announced Independent Report into Young People and Work, to be led by the Right Honourable Alan Milburn.

Shaw Trust is well positioned to meet this demand, as we consolidate our offer through Local Skills Improvement Plans that are informed by commissioners and employer needs in the region. These plans address local skills shortages, using apprenticeships, supported internships and other skills programmes, while at the same time developing our Business-to-Business relationships and capabilities.

This year we have:

- Supported over 109,000 individuals on our National Careers Service contract, achieving a 44% learning and 24% job outcome rate for the year<sup>1</sup>.
- Gave Careers, Information, Advice and Guidance to 33,150 young people to help them map out their career ambitions and plans.
- Helped 56,744 Year 11 students to make a positive transition to either employment or remain in education.

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<sup>1</sup> Note: though Shaw Trust consider this data accurate, it has not been officially published by the Department for Education.

- Supported over 1,400 individuals across our Ofsted registered training courses. Of those we helped, 45% were unemployed or economically inactive and 28% had Special Educational Needs and/or Disabilities (SEND).
- Supported hundreds of young people on our study programmes and supported internships.
- Launched new employer-led initiatives such as the 'Power Up' and 'Jobs+Skills Project' with Shell and Higgins respectively. These programmes are designed to support unemployed individuals who may not otherwise be eligible or otherwise able to access existing funded employability schemes, thereby helping to address a critical gap in local provision.

## **Children's Homes**

Demand for our services is significant, with mobilisation of new homes and growth into new regions both achieved and planned. Our particular focus is however on deepening existing services, helping young people in our care achieve the best employment, education and training outcomes during care and post-care.

Achievements of note include:

- Growing to 55 registered children's homes that place 159 children (an increase of two homes with another four in mobilisation). This is alongside our 18 foster families and 38 self-contained flats across two Ofsted-registered sites.
- A consistent performance above the national Ofsted average, with 91% of our homes rated Good or Outstanding between April 2024 and March 2025 (Ofsted average 81% achieving Good or Outstanding).
- 54% of our children attending a mainstream school, a consistent increase over the last five years, and another 33 young people sitting formal exams, including GCSEs, functional skills, and entry-level qualifications.

## **Education**

The Shaw Education Trust continued to operate 31 academies and one specialist college for almost 12,000 pupils aged 2 to 25 years. During the year control over Newfriars College ceased and the activities of Newfriars College are treated as a discontinued activity in these accounts.

All our schools deliver bespoke curricula which gives every young person the knowledge and skills they need for their futures. We continue to foster creativity, innovation, depth, and breadth in pupil/student learning by firing imaginations and fueling intellectual diversity.

During the year nine schools were Ofsted inspected with all receiving a rating of 'Good' or above.

## **Work, Wellbeing and Health**

Work, Wellbeing and Health (WWH) delivers comprehensive support to individuals managing a range of mental and physical health conditions across a wide range of contracts.



This support is grounded in the biopsychosocial model, which considers the complex interplay between biological, psychological, and social factors in health and wellbeing. Our approach to support enables individuals to improve their well-being and ability to overcome challenges they face at home and at work.

The individuals we support often present with complex needs, including severe mental health conditions, long-term physical health issues, learning disabilities, substance use challenges and other co-occurring conditions.

This division delivers a diverse portfolio of services designed to support individuals with health-related barriers to employment and independent living. These services include:

- Work and Health Programme (WHP).
- Connect to Work and other employability programmes such as Restart.
- Individual Placement and Support (IPS).
- Employment Advisers within Talking Therapies.
- Community Wellbeing programmes.
- Day opportunities for individuals with learning disabilities.

In addition to direct employment support, the division facilitates progression towards work through structured pathways such as work placements, supported internships, volunteering opportunities, and personalised guidance on independent living aids. These services are delivered through five dedicated social enterprise sites, as well as via the Accessibility service and the Living Made Easy service.

The division also includes a team of qualified clinical practitioners who provide specialist support to individuals managing their health conditions. This includes clinical assessments and the delivery of targeted interventions, such as counselling, to enable individuals to better manage their conditions and improve their overall wellbeing.

In the year, demand for our services continued to grow, with over 50,000 individuals accessing support. This growth was accompanied by the launch of several new initiatives, including:

- **Connect to Work Programme:** The first of its kind in the country, funded by DWP, this programme operates across seven boroughs in West London.
- **Work Well Contracts:** Two new contracts funded by the DWP were initiated in North Central London and North West London, enhancing our regional employment support offer.
- **Individual Placement and Support (IPS):** A new service supporting individuals with severe and enduring mental health conditions, delivered across Hampshire and the Isle of Wight. This initiative is funded by the Hampshire and Isle of Wight Integrated Care Board (ICB).
- **Link Worker Programme:** Introduced in Kent and Medway to support the Mental Health Transformation agenda.

- **Contract Extensions and Expansions:** Numerous existing contracts were extended or expanded, reflecting continued confidence in our delivery and outcomes.

Key achievements include:

- **Employment Outcomes:** as the largest provider of DWP's Work and Health Programme (WHP) we supported 22,338 individuals, with 6,220 entering employment and 5,138 achieving sustained employment outcomes. In addition, 2,746 individuals secured employment through our Individual Placement and Support (IPS) and Live Well Kent and Medway services, representing a 21% increase compared to the previous year. We also provide a range of other national employability programmes such as Pioneer and Restart.
- **Wellbeing Improvements:** 92% of individuals accessing our services either maintained or improved their personal wellbeing scores, demonstrating the effectiveness of our holistic support approach.
- **Learning and Development:** over 1,200 learners engaged with our training services during the year. Training programmes included Neurodiversity Awareness, Mental Health First Aid, and Trusted Assessor Training, delivering substantial benefits to both customers and service users.
- **Digital Accessibility:** Our Accessibility Services completed more than 60 Digital Accessibility Assessments for clients across the public and private sectors. These assessments enabled improved and equitable access to digital services for over 500,000 individuals.
- **Digital Engagement:** The Living Made Easy website attracted over 450,000 visitors between September 2024 and August 2025. Additionally, our AskSARA portal facilitated over 78,000 completed assessments, supporting individuals in adapting their home environments for improved daily living.

## Other Services

Community and Retail Operations successfully acquired nine charity retail shops and a warehouse from Trussell Trust in November 2024. During the year, we operated a diverse network of 33 sites and piloted an online eBay store. Our shops and wider enterprise sites serve local communities by offering quality second-hand goods tailored to their varied needs, with different pricing options to ensure accessibility, as well as providing day opportunities, supported internships and work experience opportunities. Our warehouse helps generate additional revenue through donated goods, while our online platform enables us to reach a wider audience with specialised items that are not suitable for sale in-store.

Shaw Trust also works in the Justice sector, being committed to empowering individuals to make positive contributions to society and break the cycle of reoffending. During the year, this work included the delivery of the Education provision in HMYOI Feltham A and delivery of the Creating Future Opportunities (CFO) Evolution contract.

CFO was designed to enhance social inclusion among offenders and ex-offenders, particularly those considered most challenging to support within the justice system. We provide assistance to individuals preparing for life beyond incarceration,

including helping them disengage from crime, access training, and secure employment. Through our contracts, we supported over 3,052 new participants, delivering over 18,186 activities, leading to 638 education and training outcomes (accredited and non-accredited) and facilitated employment opportunities for more than 95 individuals.

The 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 324 learners at Feltham, lower than the previous year due to a reduction in the number of children in custody. This resulted in more than 735 accredited achievements, including 29 GCSEs and 1 AS Level which combined consisted of 101 exam papers - the highest total in the Youth Estate.

## **Future plans**

### **Careers and Skills**

- Continue to consolidate the courses offered while embedding our locally led Local Skills Improvement Plan model.
- Launching two new key employer and co-designed programmes over the next twelve months (in line with the Power Up and the Jobs+Skills projects).
- Maintain our strong performance while responsibly transferring the National Careers Service contract back to government when it is scheduled to end in September 2026.
- Target double digits growth in our supported internships and study programmes.

### **Children's Homes**

Recent publications have highlighted the challenges of the market such as the Children's Wellbeing and Schools Bill (2025), Keeping Children Safe, Helping Families Thrive (2024), DfE's Stable Homes, Built on Love Strategy (2023) and Josh MacAlister's Independent Review of Children's Social Care (2022).

In response, we will continue to build on our success to fix the system by targeting double-digit growth each year for the next three years, primarily through deployment of our award-winning strategic partnership model. We will also continue to work with the Shaw Trust Foundation and local authorities to expand our supported work experience and other post-care leaver support programmes. This will be achieved while we maintain our exceptional, above market average quality.

### **Education**

As of 1 September 2025, The Shaw Education Trust (SET) ceased being controlled by Shaw Trust and has become an independent Company. SET currently forms the majority of the restricted funds of the Group.

### **Work, Wellbeing and Health**

The rollout of Connect to Work remains ongoing, with dozens of contracts either in tendering or to commence. Winning and mobilisation of these contracts provides a significant opportunity for the organisation to grow and enter new geographies where

cross-layering of our services can be developed. We will continue to grow and strengthen all service lines at the same time, in recognition of the strong demand for our services.

## **Other Services**

For Community and Retail Operations the focus is on embedding operational excellence while benefiting from economies of scale following the onboarding of the new shops. For Justice, the goal is to win a significant foothold in the Commissioned Rehabilitative Services upcoming tender in order to grow into new services and geographies for our Justice division.

## **Our Values and Differentiators**

Our values define who we are and how we work. They shape how we support each other, our participants, and how we make a difference together.

- We care about people. We support our colleagues and the people we work with to realise their potential and transform their lives.
- We make a difference. We deliver high quality across our services, helping people to improve their lives.
- We are inclusive. We value the ideas, views, and strengths of everyone we work with and support. Everyone is different and everyone deserves equal opportunity.
- We have integrity. We hold ourselves to the highest standards of behaviour.
- We are innovative. We will test new ideas, methods, services, and products to increase the impact and value we add.
- We are collaborative. We believe that by working together with those we support and our partners we create better services and solutions.

Our approach to our mission is defined by four differentiators that set us apart:

- We are impact versus profit motivated. Our motivation is care for the individual and their progress. We are not for profit.
- We continuously drive insight and innovation. We learn, improve impact, and influence change by doing.
- We integrate around the individual. We maximise impact by integrating solutions around the individual – partnering extensively to do so.
- We multiply every pound. As a not for profit, we invest back into charitable impact, multiplying the effect of every pound spent.

## 2. Financial Performance

### Net Income and Expenditure

	Year to 31 August 2025 £m	Year to 31 August 2024 £m
<b>Incoming resources</b>	<b>291.1</b>	315.8
<b>Net income before other recognised gains and losses</b>	<b>2.1</b>	27.0
Depreciation and amortisation	9.7	9.1
Donations and asset transfers in SET	-	(21.9)
<b>Adjusted net income before other recognised gains and losses</b>	<b>11.8</b>	14.2

#### Incoming resources

The incoming resources for the Group have decreased by £24.7m year-on-year, to £291.1m. This has mainly been driven by SET, who had increased revenue in the prior year through additional academies with associated one-off donations of property (2024: £21.9m), in addition to the timing fluctuations of contracts ending in the current year and new contract mobilisations.

#### Total expenditure

During the year our total expenditure remained at £289.1m. Although there was a reduction in the level of charitable activity within contracts during the year we have maintained our cost base to ensure we are ready for the continued growth of our contracts within the Charity in the next few years.

#### Net movement in funds

Total funds have decreased by £0.8m (2024: increased £27.8m). This is after the deconsolidation of Newfriars College in the year which reduces restricted funds by £3.4m. Deconsolidation of Newfriars College occurred as at 31 March 2025 when the Shaw Education Trust was no longer deemed to have control of the entity.

<b>Movement in Funds</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
The Shaw Trust Group operations	2.4	(0.3)	2.1
<b>Net Movement in Funds (before pensions impact)</b>	<b>2.4</b>	<b>(0.3)</b>	<b>2.1</b>
Deconsolidation of Newfriars College	-	(3.4)	(3.4)
Actuarial gains and Net finance return on defined benefit pension scheme	0.2	0.3	0.5
<b>Net Movement in Funds</b>	<b>2.6</b>	<b>(3.4)</b>	<b>(0.8)</b>

## Balance Sheet

At the end of the financial year overall consolidated funds stood at £243.8m compared to £244.6m in the prior year.

Total current assets were £83.4m as at 31 August 2025, an increase from £76.8m in the prior year but are still mainly a reflection of standard movements in the working capital position with a significant proportion of the accrued income being invoiced in September 2025. Short-term creditors remained level at £39.7m (2024: £39.8m). The Group's overall cash position decreased by £4.3m in the year to £27.3m, reflecting the result for the year, capital spend and the removal of Newfriars College cash balances.

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

The decrease in tangible fixed assets of £8.5m was mainly driven by £4.9m of capital additions offset by £9.7m of depreciation charges and £2.9m removal of Newfriars College assets.

On 1 September 2025, SET moved out of the Group when Shaw Trust relinquished being the controlling Member. SET funds are all within restricted funds in the Group financial statements and post year end the restricted funds will therefore reduce by £207.1m.

## Reserves policy

The reserves policy is based on the level of Free Reserves, being the total unrestricted funds less any designated funds. 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 to 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 2025, the Charity had Free Reserves of £33.3m (31 August 2024: £28.9m) as follows:

	<b>At 31 Aug 2025 £m</b>	<b>At 31 Aug 2024 £m</b>
Total Reserves	243.8	244.6
Less: Restricted funds	(207.9)	(211.3)
Less: Designated funds (relating to the Foundation and fixed asset commitments)	(2.6)	(4.4)
<b>Free Reserves</b>	<b>33.3</b>	<b>28.9</b>

The current target is to maintain reserves in the range of two – four months of costs (being approximately £25m – £49m). The increase in Free Reserves is predominantly a reflection of the strong operating performance and demand for Shaw Trust’s services.

In addition to the suggested level of Free Reserves, the Charity’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 Charity.

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

Our investment managers are selected on the basis of reputation and adherence to environmental, 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. The investment objective is to generate a return of CPI plus 3% over a time period of at least 10 years. In year performance has achieved a return of more than CPI plus 3%. Investment performance is monitored and reviewed against a number of benchmarks set by the Finance Committee.

The Charity’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 Charity’s risk appetite.

### **Pension Schemes**

The principal pension scheme available to employees of Shaw Trust is a defined contribution scheme, administered by Standard Life. Contributions to this plan during the year totaled £2.5m (2024: £2.7m).

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. Contributions to these schemes during the year totaled £10.9m (2024: £9.8m).

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 FRS 102 valuation of the Charity's pension schemes at 31 August 2025 showed an overall funding deficit of £0.6m (2024: deficit £3.8m).

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 Charity 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.

The Charity has 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 of Trustees has overall responsibility for risk management and internal control, and the executive management team 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 Charity'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 Charity's material risk exposures and raise risk awareness across the organisation.
- To positively impact the defined risk culture of the Charity.
- To support the Board of Trustees and Executive Management Team in planning, formulating, and executing strategic business decisions to achieve the long-term targets of the Charity.
- To provide means for the Board of Trustees and Executive Management Team 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 Charity's actual risk profile with the risk appetite.
- The Board of Trustees are responsible for setting the tone and influencing the culture of risk management within the Charity, including the attitude to risk. Through the Executive Management 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 Executive Management Team and the Board of Trustees, 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 Charity 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 Charity has sufficient reserves and liquid investments to cover foreseeable requirements.

Credit risk on amounts owed to the Charity 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 Charity 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 2025 of £0.1m (2024: £0.2m) 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 failure in the welfare, safeguarding or duty of care of our beneficiaries.	We regularly work with vulnerable client groups, and a failure could result in potential loss of business or have an adverse effect on performance.	We maintain comprehensive safeguarding and related 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.

<b>Risk description</b>	<b>Potential impact</b>	<b>Mitigation</b>
Significant staff induction and turnover affects costs and operational quality.	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.
Failure to win or poor mobilisation of key contracts.	Failure to win bids or mobilise them well could restrict growth opportunities, resulting in onerous contracts and therefore have an adverse effect on financial performance.	To win contracts, 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. To mobilise contracts well, we have a dedicated operational excellence team, clear mobilisation project governance, supersession and succession plans in place to support capacity and carefully forecast FTE and other group needs to ensure required resource is in place.
Environmental headwinds.	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.
A failure to achieve revenue targets due to commissioner delays.	The margin between costs and income is reduced, affecting the scope and scale of the Trust's strategic ambition and objectives.	We continuously review and adjust structures, costs-to-achieve, investments and other costs to ensure the Trust is appropriately scaled relative to revenue.  Additionally, we consider bids that sit outside the Risk Appetite Statement case-by-case to determine opportunities to increase revenue.
Organisational capacity inadequate to deliver plan effectively and assure robustness or resilience.	Strategic objectives and KPIs are not delivered to plan as a result of pace/extent of growth or change.	We maintain standardised Business Development and Investment processes to ensure the right resources are allocated to maximise the right opportunities and manage/mitigate risks effectively. We operate a number of investment and development roadmaps as part of our Strategic Planning team, alongside a multi-year investment programme.
Major information	As a provider of public services, we have to handle sensitive and	We ensure that all our staff receive information security training and run staff

<b>Risk description</b>	<b>Potential impact</b>	<b>Mitigation</b>
security breach.	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.	awareness campaigns in line with organisational policy 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 due to cyber event or otherwise.	Business continuity is put at risk as operations fail to function, meaning an inability to deliver services and additional costs are incurred reinstating operability.	We target Business Continuity Plans and Serious Incident Response Plans at both Group and team level in preparation for IT or other events. This is done on a 'when', not 'if' basis. These are reinforced as part of regular tabletop exercises and other external assessments to improve readiness. We follow and consider a range of other guidelines and frameworks, including Cyber Essentials Plus or the previously mentioned ISO27001.

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

General confirmation of the Board of Trustees and Directors' duties:

The Board of Trustees 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 of Trustees consideration and approval.

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

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

##### **S172(1) (B) "The interests of the company's employees"**

The Board of Trustees recognise that Shaw Trust 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. Shaw Trust seeks the promotion and application of certain general principles in such relationships. The Charity supports the government strategy to support SMEs via doing business with

them and paying promptly. The Charity 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 Board of Trustees 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 of Trustees receives information on these topics to 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 of Trustees 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 of Trustees is informed and monitors compliance with relevant governance standards.

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



Olly Benzecry  
Chair  
14 May 2026

## Directors' Report

The Board of Trustees ('the Trustees'), who are also the Directors of the Charity, present their report and the audited financial statements of the Charity for the year ended 31 August 2025. 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 £243.8m. Further information on the business performance is detailed on pages 6 to 15 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 Trustees have overall responsibility for the governance of the Charity 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 Charity 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 Executive Management Team to whom the Trustees have delegated the daily management of the Charity are performing to the standards expected.

The Trustees 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 Charity's external operating environment and major internal change programmes.

The following committees of the Board of Trustees discharge 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 Charity's strategic risk register.

- The HR Committee is responsible for determining the Charity's overall HR strategy and approving major changes to the Charity's structure, employees' terms and conditions and the pay and reward for the Executive Management Team. The Charity 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 Charity can attract and retain the best talent.
- The Finance Committee is responsible for the Charity's financial performance on behalf of the Trustees 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 Trustees in relation to business investment and opportunities for growth (both organic and inorganic) in accordance with the Charity's strategy, and to oversee the operational performance of Shaw Trust.

The Trustees have delegated the daily management of the Charity to the Group Chief Executive and the Executive Management Team. The current Chief Executive, Chris Luck CB MBE DL, was appointed in May 2019, and joined the Charity after a distinguished career in the armed forces.

The Charity 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 Trustees 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 Charity'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 Charity's latest reports and financial statements; a copy of the Code of Practice adopted by the Trustees; details of the Charity's Executive Management 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 Charity's operations through visits and presentations.

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

## **Committee Membership and Executive Management Team**

### **Trustees**

Gregory Allen ♦ (resigned 26 February 2025)  
Paul Baldwin \* ~  
Olly Benzecry Chairman  
Diane Côté \* ~ (resigned 7 November 2024)  
Audrey Coutinho \* ^  
Deborah Dorman ♦ (resigned 26 February 2026)  
Annamarie Hassall MBE (resigned 24 February 2025, reappointed 20 October 2025) ♦  
Ian Hughes MBE (appointed 24 March 2025) ^ ♦  
Carl Nicholson ^ ~  
Cedric Ntumba (appointed 24 March 2025) ^ ~  
Dr Mike Nussbaum ^ ♦ (resigned 14 May 2025)  
Lara Oyesanya ^ ♦  
Kalm Paul-Christian ^ (resigned 26 February 2025)  
Stephen Pegge OBE ~  
Steve Shaw \* ♦  
James Stewart OBE ~  
Christine Swabey \*

\* 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*

James Robertson

*Chief Commercial Officer*

Richard Clifton

*Chief Operating Officer*

Shelley Southon

*Chief Corporate and Risk Officer*

Scott Miller

*Chief People Officer*

Mark Earl

*Chief Impact Officer*

Julie Leonard (from 16 September 2024)

*Company Secretary*

Carol McKinley



## **Disabled employees**

The Charity 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 Charity gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. To this end, the Charity 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 Charity.

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

## **Employee involvement**

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

The Charity 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 Management 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 Charity 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 Charity 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.

## **Statement on going concern**

The Charity 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 Charity's principal lenders.

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

The Charity 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 expense). Electricity is procured from a renewable source and is therefore zero emissions.

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

- Installed mains-fed water coolers with ECO SIP technology from AquAid, reducing engineer visits to twice per year (no bottle deliveries).
- Recycled one tonne of mixed office waste from the Ramsgate site (Suite 7, The Argyle Centre, York Street, Ramsgate CT11 9DS) on 28 October 2025 via Russell Fewins Ltd.
- Achieved 70.9% recycling rate for scheduled waste services (138.651 tonnes recycled out of 195.478 tonnes total) and 75.0% recycling rate for skip collections (5.228 tonnes out of 6.970 tonnes).
- Estimated 900kg of materials responsibly disposed from garden centre clearance project.
- Maintained 100% renewable electricity procurement across all Shaw Trust Group sites.
- Purchasing energy efficient equipment where appropriate in our offices.
- Replacing HVAC systems with energy-efficient equipment where possible.

- Adopting behavioural change measures where possible.
- Whilst not included in our carbon emission calculations we sell second hand goods through our charity retail shops, which avoids the emissions incurred if they went to landfill or incinerated.

Shaw Trust have a longstanding commitment to tackling climate change. Calculated carbon footprint for the current financial year is **1,143.34 tCO<sub>2</sub>e**, whilst energy consumption was 4,553,35 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 2024/25, 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.

## 2024/2025 Emissions

	Shaw Trust	The Shaw Education Trust
	kWh	kWh
Energy consumption (kWh)	4,553,335	41,965,966
<u>2024/2025 Emissions</u>	tCO <sub>2</sub> e	tCO <sub>2</sub> e
Tonnes CO <sub>2</sub> equivalent (tCO <sub>2</sub> e):		
<u>Scope 1 emissions</u>		
Natural gas heating	359	6,320
Owned transport	385	148
<u>Scope 2 emissions</u>		
Purchased electricity	-	1,434
<u>Scope 3 emissions</u>		
Business travel – employee mileage and T&D losses	399	103
Optional (Train travel)	36	-
<b>Total (Scope 1+2+3 Mandatory)</b>	<b>1,143</b>	<b>8,005</b>
	tCO <sub>2</sub> e/employee	tCO <sub>2</sub> e/pupil
Scope 1, 2 and 3 carbon intensity	0.44	0.67

The Shaw Education Trust emissions and energy consumption have been separately disclosed above due to the sector difference including the recommended intensity ratio per pupil. Further details can be found in the Trustees report of The Shaw Education Trust annual report and financial statements for the year ended 31 August 2025.

## **Efficiency Measures Taken**

During the year, the Charity has continued to develop energy efficiency initiatives to reduce environmental impact and improve long term sustainability across its estate.

Actions taken include upgrading to LED lighting where possible within the estate and in several academies; installation of improved building management systems to reduce unnecessary consumption include PIR sensors where possible and installing EV charging across some of the academy sites.

## **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.

### **Public Benefit**

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  
Chair  
14 May 2026

# **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 2025 which comprise the Group Statement of Financial Activities, the Group and Charity 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 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **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 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 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 requires us to report to you if, in our opinion:

- the parent company has not kept adequate accounting records; or
- the parent company 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 trustees' responsibilities statement 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**

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 available 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 internal specialists and 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 operate, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102), and tax regulations. 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 necessary to the group's ability to operate or to avoid a material penalty. 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 also considered the opportunities and incentives that may exist within the group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management and revenue recognition in relation to grants and contracts. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and revenue, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

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. 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.



Julia Poulter

Senior Statutory Auditor

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

**London**

**26<sup>th</sup> May 2026**

# The Shaw Trust Limited consolidated statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 August 2025

		Continuing operations		Discontinued operations		Total funds 2025 £'000
	Note	£'000		£'000		
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds	Total
<b>Income and endowments from:</b>						
Donations and capital grants	1b	214	5,416	-	-	5,630
Charitable activities	1a	138,844	137,638	-	4,345	280,827
Other trading activities	1c	3,465	-	-	-	3,465
Income on investments, interest, and dividends		123	591	-	-	714
Other income		438	-	-	-	438
<b>Group incoming resources</b>		143,084	143,645	-	4,345	291,074
<b>Expenditure on:</b>						
Raising funds	2a	(4,058)	-	-	-	(4,058)
Charitable activities	2b	(136,927)	(144,346)	-	(3,738)	(285,011)
<b>Total resources expended</b>		(140,985)	(144,346)	-	(3,738)	(289,069)
<b>Net income / (expenditure) before gains on investments</b>	4	2,099	(701)	-	607	2,005
Gains/(losses) on fixed asset investments	10	311	(110)	-	-	201
Transfers between funds		101	(101)	-	-	-
<b>Net income / (expenditure) before taxation</b>		2,511	(912)	-	607	2,206
Taxation	21	(81)	-	-	-	(81)
<b>Group net income / (expenditure) before other recognised gains and losses</b>		2,430	(912)	-	607	2,125
Loss on disposal of subsidiaries and discontinued activities		-	-	-	(3,380)	(3,380)
Actuarial gains on defined benefit pension schemes	24	224	244	-	-	468
<b>Net movement in funds</b>		2,654	(668)	-	(2,773)	(787)
Fund balances brought forward		33,246	208,548	-	2,773	244,567
<b>Fund balances carried forward</b>	20	35,900	207,880	-	-	243,780

# The Shaw Trust Limited consolidated statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 August 2024

		Continuing operations		Discontinued operations		Total funds 2024
	Note	£'000		£'000		£'000
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds	Total
<b>Income and endowments from:</b>						
Donations and capital grants	1b	351	5,015	-	188	5,554
Charitable activities	1a	152,523	123,788	2,034	5,942	284,287
Other trading activities	1c	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	151,440	2,034	6,130	315,754
<b>Expenditure on:</b>						
Raising funds	2a	(2,493)	-	-	-	(2,493)
Charitable activities	2b	(147,423)	(131,303)	(2,050)	(5,859)	(286,635)
<b>Total resources expended</b>		(149,916)	(131,303)	(2,050)	(5,859)	(289,128)
<b>Net income / (expenditure) before gains on investments</b>		6,234	20,137	(16)	271	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	19,936	(1,832)	649	27,001
Taxation	21	(4)	-	(15)	-	(19)
<b>Group net income / (expenditure) before other recognised gains and losses</b>		8,244	19,936	(1,847)	649	26,982
Gain / (loss) on disposal of subsidiaries and discontinued activities		-	-	453	(221)	232
Actuarial gains on defined benefit pension schemes		21	307	-	263	591
<b>Net movement in funds</b>		8,265	20,243	(1,394)	691	27,805
Fund balances brought forward		24,981	188,305	1,394	2,082	216,762
<b>Fund balances carried forward</b>	20	33,246	208,548	-	2,773	244,567

## Group and Charity Balance Sheets

Company No. 01744121

For the year ended 31 August 2025

	Note	Group 2025 £'000	2024 £'000	Charity 2025 £'000	2024 £'000
<b>Fixed assets</b>					
Intangible assets	7	87	148	50	94
Tangible assets	8	199,889	208,363	2,088	3,037
Investments in subsidiaries	9	-	-	22,568	17,568
Investments in financial securities	10	8,710	8,419	5,717	5,317
<b>Total fixed assets</b>		<b>208,686</b>	<b>216,930</b>	<b>30,423</b>	<b>26,016</b>
<b>Current assets</b>					
Stocks	12	134	202	134	201
Debtors: Due within one year	13	48,018	37,358	16,398	13,553
Debtors: Due over one year	14	178	302	-	-
Short-term investments	10	7,760	7,340	109	107
Cash at bank and in hand		27,342	31,637	9,264	8,557
<b>Total current assets</b>		<b>83,432</b>	<b>76,839</b>	<b>25,905</b>	<b>22,418</b>
Creditors - amounts falling due within one year	16	(39,724)	(39,805)	(21,399)	(18,012)
<b>Net current assets</b>		<b>43,708</b>	<b>37,034</b>	<b>4,506</b>	<b>4,406</b>
<b>Total assets less current liabilities</b>		<b>252,394</b>	<b>253,964</b>	<b>34,929</b>	<b>30,422</b>
Creditors - amounts falling due after one year	16b	(227)	(365)	-	-
Provision for liabilities and charges	17	(7,817)	(5,226)	(4,476)	(2,359)
<b>Net assets before pension liability</b>		<b>244,350</b>	<b>248,373</b>	<b>30,453</b>	<b>28,063</b>
Pension liability	24	(570)	(3,806)	-	-
<b>Net assets after pension liability</b>		<b>243,780</b>	<b>244,567</b>	<b>30,453</b>	<b>28,063</b>
<b>Funds</b>					
Designated funds	18	2,588	4,414	1,360	3,169
General funds	18	33,312	28,832	27,635	22,729
<b>Total unrestricted funds</b>		<b>35,900</b>	<b>33,246</b>	<b>28,995</b>	<b>25,898</b>
Pension liability		(570)	(3,806)	-	-
Restricted funds		208,450	215,127	1,458	2,165
<b>Total restricted funds</b>	19	<b>207,880</b>	<b>211,321</b>	<b>1,458</b>	<b>2,165</b>
<b>Total Funds</b>	20	<b>243,780</b>	<b>244,567</b>	<b>30,453</b>	<b>28,063</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 Charity has taken the exemption from preparing a separate statement of financial activities as permitted under Section 408 of Companies Act 2006. The Parent Charity's total income for the year amounted to £74,784k (2024: £81,483k) and net movement in funds for the year was an increase of £2,390k (2024: decrease of £9,869k).

The financial statements were approved by the Board of Directors on 14 May 2026 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Olly', with a long horizontal flourish extending to the right.

Olly Benzecry  
Chair

# Consolidated statement of cash flows

For the year ended 31 August 2025

	Note	Year ended 31 August 2025 £'000	Year ended 31 August 2025 £'000	Year ended 31 August 2024 £'000	Year ended 31 August 2024 £'000
<b>Net cash generated from operating activities</b>	a)		<b>2,601</b>		<b>17,831</b>
<b>Cash flow from investing activities</b>					
Cash disposed of with subsidiary undertakings		(1,957)		-	
Purchase of tangible assets	8	(4,922)		(6,957)	
Purchase of intangible assets	7	-		(62)	
Net purchase of investments		(420)		135	
Cash from investments		-		(95)	
Cash from disposal of fixed assets		-		423	
Investment income received		626		730	
<b>Net cash expended from investing activities</b>			<b>(6,673)</b>		<b>(5,826)</b>
<b>Cash flow from financing activities</b>					
Interest and charges paid		(8)		(22)	
Repayment of loans		(215)		(451)	
<b>Net cash used in financing activities</b>			<b>(223)</b>		<b>(472)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>			<b>(4,295)</b>		<b>11,532</b>
Cash and cash equivalents at the beginning of the period at 1 September			<b>31,637</b>		<b>20,105</b>
<b>Cash and cash equivalents at 31 August</b>			<b>27,342</b>		<b>31,637</b>

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

	Year ended 31 August 2025 £'000	Year ended 31 August 2024 £'000
Net incoming resources before other recognised gains	2,125	26,982
Donation of net assets arising on acquisition	-	(20,747)
Pensions - adjustment to net incoming resources	(2,220)	(1,829)
Investment income received	(714)	(730)
Bank charges and interest paid	8	22
Taxation	81	-
Depreciation charge on fixed assets	9,660	8,955
Amortisation of goodwill	61	185
Net loss on disposal of tangible fixed assets	862	351
Net loss on disposal of intangible fixed assets	-	204
Net gain on disposal of investments	(201)	(143)
Decrease in stock	68	88
(Increase) / decrease in debtors	(10,705)	4,824
(Decrease) / increase in creditors	(625)	789
Increase / (decrease) in deferred income	1,610	(447)
Increase / (decrease) in provisions for liabilities and charges	2,591	(673)
<b>Net cash inflow from operating activities</b>	<b>2,601</b>	<b>17,831</b>

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

	1 September 2024 £'000	Cash Flow (Continuing Activities) £'000	Discontinued Activities £'000	31 August 2025 £'000
Cash at bank and in hand	31,637	(2,338)	(1,957)	27,342
Total cash and cash equivalents	31,637	(2,338)	(1,957)	27,342
Loans due within one year	(224)	2	50	(172)
Loans due after more than one year	(365)	213	10	(142)
<b>Total</b>	<b>31,048</b>	<b>(2,123)</b>	<b>(1,897)</b>	<b>27,028</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 Charity") 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 Charity 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 Charity and its subsidiary undertakings (note 9) made up to 31 August 2025. Intra-Group transactions and profits are eliminated on consolidation. The results, assets and liabilities of the subsidiary undertakings are combined with those of the Charity in the results of the Group on a line-by-line basis.

During the year, following a change in operational and management structure, Shaw Education Trust was deemed to no longer control Newfriars College and it has therefore been deconsolidated out of the Group.

### 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 Charity's Trustees.

The Charity 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 Charity'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 Charity'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 have 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 Charity'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 Charity, 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 Charity's various charitable activities for furthering its charitable aims for the benefit of its participants/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%.

Fixed assets costing less than £3,000 for non-computer equipment and less than £250 for computer equipment are charged against profit on the date of purchase.

### **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 Shaw Trust 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 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 Charity.

## **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 Charity 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 Charity 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 Shaw Trust defined contribution pension scheme, the Charity 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 Charity of funding the schemes are accounted for in accordance with FRS 102. The contributions paid by the Charity 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 laws that have been enacted or substantively enacted by the reporting date that are expected to apply 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 Charity 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.

During the year, following a change in operational and management structure, Shaw Education Trust was deemed to no longer control Newfriars College and it has therefore been deconsolidated out of the Group. This is with effect from 31 March 2025, when a change in Directors of the College took place. Newfriars College is therefore shown as a disposal in the restricted funds.

# Notes to the financial statements

## 1. Total incoming resources/material funders

### 1a. Analysis of income from charitable activities

	2025 £'000	2024 £'000
Careers and Skills	37,870	43,786
Work, Wellbeing and Health	52,441	51,069
Children's Homes	43,046	38,685
Education	135,358	123,047
Other Services	12,112	27,700
<b>Total income from charitable activities</b>	<b>280,827</b>	<b>284,287</b>

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

The principal funders are Department for Work and Pensions (DWP), from which a total of £21.7m (2024: £41.8m) was earned, and Department for Education (DfE), from which a total of £107.2m (2024: £111.1m) was earned.

### 1b. Analysis of income from donations and capital grants

	2025 £'000	2024 £'000
SCA Grant (restricted)	3,483	3,976
Capital grants (restricted)	1,907	1,227
Other donations (restricted)	26	-
Other donations (unrestricted)	214	351
<b>Total income from donations and capital grants</b>	<b>5,630</b>	<b>5,554</b>

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

### 1c. Analysis of income from other trading activities

	2025 £'000	2024 £'000
Charity shops	3,465	2,895
<b>Total income from other trading activities</b>	<b>3,465</b>	<b>2,895</b>

## 2. Analysis of total resources expended

### 2a. Analysis of expenditure on raising funds

	2025			2024	
	Direct costs £'000	Support costs £'000	Total £'000	Direct costs £'000	Total £'000
Charity shops	3,589	445	4,034	2,473	2,473
Investment management fees	24	-	24	20	20
<b>Total expenditure on raising funds</b>	<b>3,613</b>	<b>445</b>	<b>4,058</b>	<b>2,493</b>	<b>2,493</b>

### 2b. Analysis of expenditure on charitable activities

	2025			2024		
	Activities undertaken directly £'000	Support costs £'000	Total £'000	Activities undertaken directly £'000	Support costs £'000	Total £'000
Careers and Skills	32,957	5,516	38,473	40,358	5,251	45,609
Work, Wellbeing and Health	41,711	6,998	48,709	39,291	5,657	44,948
Children's Homes	37,647	5,268	42,915	32,877	3,532	36,409
Education	110,124	30,735	140,859	98,451	31,612	130,063
Other Services	12,326	1,729	14,055	26,767	2,839	29,606
<b>Total expenditure on charitable activities</b>	<b>234,765</b>	<b>50,246</b>	<b>285,011</b>	<b>237,744</b>	<b>48,891</b>	<b>286,635</b>

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

### 2c. Analysis of support costs

	Raising funds	Careers and Skills	Work, Wellbeing and Health	Children's Homes	Education	Other Services	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Management	162	1,791	1,746	1,195	-	508	5,402	5,217
Corporate Governance	22	1,264	1,838	844	1,105	341	5,414	5,280
Finance	96	725	992	955	-	313	3,081	2,539
Information Technology	88	950	1,321	1,083	2,768	309	6,519	5,791
Human Resources	58	595	809	1,088	-	193	2,743	2,067
Communications and Marketing	19	191	292	103	-	65	670	11
Academy support staff costs	-	-	-	-	10,014	-	10,014	9,849
Other academy support costs	-	-	-	-	6,508	-	6,508	6,419
Academy premises expenses	-	-	-	-	10,340	-	10,340	11,718
<b>Total support costs</b>	<b>445</b>	<b>5,516</b>	<b>6,998</b>	<b>5,268</b>	<b>30,735</b>	<b>1,729</b>	<b>50,691</b>	<b>48,891</b>

Support costs are allocated to activities where directly attributable or on a basis appropriate to the type of cost, such as by activity staff numbers, revenue, and number of transactions.

## 3. Finance costs

	2025	2024
	£'000	£'000
Interest on loans	8	22
Net interest income on defined benefit pension schemes (note 24)	(354)	(369)
<b>Total</b>	<b>(346)</b>	<b>(347)</b>

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

#### 4. Net income / (expenditure) before gains on investments

	2025	2024
The net income / (expenditure) before gains on investments are stated after charging:	£'000	£'000
Amortisation charge for the year on intangible owned assets	61	185
Depreciation charge for the year on tangible owned assets	9,660	8,955
Auditors' remuneration: audit services		
- Parent Charity and consolidated financial services	97	98
- Audit of the Charity's subsidiaries	167	161
Auditors' remuneration: other services		
- services relating to taxation	6	1
- all other services	20	21
Operating leases:		
- others	661	653
- property	5,053	4,873
Net loss on disposal of fixed assets	862	351

#### 5. Employees

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

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	No.	No.	No.	No.
Charitable purposes	4,919	5,065	1,602	1,743
Retail	79	59	79	59
Total	4,998	5,124	1,681	1,802

Employee costs for the above persons during the year were:

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Wages and salaries	162,366	158,129	49,108	47,367
Social security costs	18,083	15,698	5,368	4,613
Contribution to defined contribution pension schemes	13,931	12,500	1,416	1,413
Operating costs of defined benefit pension schemes (note 24)	4,952	5,317	-	93
Total	199,332	191,644	55,892	53,486

Included in the above figures is a Group figure of £1,320k (2024: £826k) for redundancies, of which £114k (2024: £155k) was unpaid and accrued or provided as at the year end.

## 5. Employees (continued)

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

	Group 2025 No.	Group 2024 No.
£60,001 - £70,000	136	112
£70,001 - £80,000	57	48
£80,001 - £90,000	28	26
£90,001 - £100,000	17	19
£100,001 - £110,000	13	15
£110,001 - £120,000	9	6
£120,001 - £130,000	3	1
£130,000 - £140,000	2	4
£140,001 - £150,000	5	4
£150,001 - £160,000	1	1
£160,001 - £170,000	2	-
£170,001 - £180,000	1	-
£180,001 - £190,000	1	-
£220,001 - £230,000	1	-
£230,001 - £240,000	-	1
£270,001 - £280,000	1	-
£280,001 - £290,000	-	1
£300,001 - £310,000	1	-

## 6. Trustees' and executive management team's remuneration

- a) During 2025 and 2024, no Trustee received any emoluments from the Charity. Incidental travelling costs of £1,296 (2024: £1,301) were reimbursed or paid on behalf of six (2024: six) Trustees by the Charity.
- b) The 'Directorships' outlined on page 23 of these financial statements in respect of Executive Management Team 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 (2024: £10,651) in respect of indemnity insurance which protects the Charity, 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 Management Team as listed on page 23 of these financial statements and seven other key members of the senior leadership team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Group was £2,719,415 (2024: £2,005,649) for the year.

## 7. Intangible assets

<b>Computer software</b>	<b>Group</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>		
At 1 September 2024	7,830	7,403
Disposals	(5,579)	(5,304)
<b>At 31 August 2025</b>	<b>2,251</b>	<b>2,099</b>
<b>Accumulated Amortisation</b>		
At 1 September 2024	7,682	7,309
Charge for the year	61	44
Disposals	(5,579)	(5,304)
<b>At 31 August 2025</b>	<b>2,164</b>	<b>2,049</b>
<b>Net book value</b>		
<b>At 31 August 2025</b>	<b>87</b>	<b>50</b>
At 1 September 2024	148	94

## 8. Tangible assets

<b>Group</b>	<b>Freehold land and buildings</b>	<b>Long leasehold Property</b>	<b>Assets under construction</b>	<b>Equipment and vehicles</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>						
At 1 September 2024	51,123	200,523	780	943	20,509	273,878
Additions	188	2,256	1,107	50	1,321	4,922
Disposals	-	(2,169)	-	(3,342)	(6,939)	(12,450)
Deconsolidation	(3,091)	(459)	-	(96)	(316)	(3,962)
Reclassifications	-	563	(495)	2,806	(2,874)	-
<b>At 31 August 2025</b>	<b>48,220</b>	<b>200,714</b>	<b>1,392</b>	<b>361</b>	<b>11,701</b>	<b>262,388</b>
<b>Accumulated depreciation</b>						
At 1 September 2024	17,968	30,955	-	805	15,787	65,515
Charge for the year	1,083	6,219	-	79	2,279	9,660
Disposals	-	(1,330)	-	(3,342)	(6,916)	(11,588)
Deconsolidation	(548)	(232)	-	(66)	(242)	(1,088)
Reclassifications	-	17	-	2,772	(2,789)	-
<b>At 31 August 2025</b>	<b>18,503</b>	<b>35,629</b>	<b>-</b>	<b>248</b>	<b>8,119</b>	<b>62,499</b>
<b>At 31 August 2025</b>	<b>29,717</b>	<b>165,085</b>	<b>1,392</b>	<b>113</b>	<b>3,582</b>	<b>199,889</b>
At 1 September 2024	33,155	169,568	780	138	4,722	208,363

## 8. Tangible assets (continued)

Charity	Long leasehold Property £'000	Equipment and vehicles £'000	Fixtures and fittings £'000	Total £'000
<b>Cost or valuation</b>				
At 1 September 2024	3,152	543	8,079	11,774
Additions	-	-	614	614
Disposals	(1,086)	(509)	(5,804)	(7,399)
<b>At 31 August 2025</b>	<b>2,066</b>	<b>34</b>	<b>2,889</b>	<b>4,989</b>
<b>Accumulated depreciation</b>				
At 1 September 2024	1,249	543	6,945	8,737
Charge for the year	43	-	814	857
Disposals	(403)	(509)	(5,781)	(6,693)
<b>At 31 August 2025</b>	<b>889</b>	<b>34</b>	<b>1,978</b>	<b>2,901</b>
<b>Net book value</b>				
<b>At 31 August 2025</b>	<b>1,177</b>	<b>-</b>	<b>911</b>	<b>2,088</b>
At 1 September 2024	1,903	-	1,134	3,037

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 entity 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: £186,738k (2024: £193,905k).

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.

Tangible fixed assets of Forth Sector with a net book value of £1.8m (2024: £1.9m) are pledged as security against capital grant funding totalling £1.0m (2024: £1.0m) and against loans totalling £0.1m (2024: £0.2m).



## 9. Investments in subsidiary undertakings

### Charity interests in group undertakings

	<b>2025 £'000</b>
At 1 September 2024	25,555
Additions	5,000
<b>At 31 August 2025</b>	<b>30,555</b>
Amortisation	
At 1 September 2024	(7,987)
Impairment	-
<b>At 31 August 2025</b>	<b>(7,987)</b>
<b>Net book value</b>	
<b>At 31 August 2025</b>	<b>22,568</b>
At 1 September 2024	17,568

The Charity made a further investment in Ixion Holdings (Contracts) Limited in the year, recapitalising its investment with an injection of 5,000,000 shares.

The Charity had the following wholly owned subsidiaries as at 31 August 2025.

<b>Name of subsidiary</b>	<b>Company No.</b>	<b>Control</b>	<b>Status</b>
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

## 9. Investments in subsidiary undertakings (continued)

Other subsidiary undertakings of the Group as at 31 August 2025:

Name of subsidiary	Company No.	Control	Status
Prospects Services	03042176	100% Ordinary shares	Active
Homes2Inspire 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
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. Newfriars College ceased to be a subsidiary on 31 March 2025 and is included within discontinued activities in the Statement of Financial Activities.

Post year end, applications have been made to Companies House to strike off Ixion Social Enterprise Limited, Ixion CG Limited, Shaw Trust International Partnerships, Careers Development Group and Prospects Distribution Services Limited.

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

The registered address for The Shaw Education Trust 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.

Shaw Trust share of:	Total assets	Total liabilities	Gross incoming resources	Net surplus / (deficit) of income over expenditure
<b>2025</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Forth Sector	2,007	(3,021)	477	7
Ixion Holdings (Contracts) Limited	5,616	(1,520)	4,470	(1,460)
Prospects Services	22,875	(2,747)	26,725	1,534
Homes2Inspire Limited	17,889	(15,687)	41,215	215
Homes2Inspire Services Limited	5,256	(5,224)	6,588	(69)
Shaw Education Trust	223,149	(16,092)	137,020	33
<b>Total</b>	<b>276,792</b>	<b>(44,291)</b>	<b>216,495</b>	<b>260</b>

Shaw Trust share of:	Total assets	Total liabilities	Gross incoming resources	Net surplus / (deficit) of income over expenditure
2024	£'000	£'000	£'000	£'000
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>23,309</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 Charity'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		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At 1 September 2024	<b>8,419</b>	4,949	<b>5,317</b>	4,949
Additions at cost	-	3,000	-	-
Dividends received	<b>71</b>	52	<b>71</b>	52
Interest received	<b>42</b>	63	<b>41</b>	63
Management charges paid	<b>(23)</b>	(20)	<b>(23)</b>	(20)
Net gain on revaluation	<b>201</b>	375	<b>311</b>	273
<b>At 31 August 2025</b>	<b>8,710</b>	8,419	<b>5,717</b>	5,317

## 10. Investments in financial securities (continued)

Value of investments	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Investments listed on a UK recognised stock exchange, or valued by reference to one	861	756	861	756
Investments listed on a non-UK recognised stock exchange, or valued by reference to one	3,154	2,200	3,154	2,200
UK Government and Corporate Bonds	1,002	799	1,002	799
Other investments	3,568	3,510	575	408
Cash and settlements pending	125	1,154	125	1,154
<b>At 31 August 2025</b>	<b>8,710</b>	<b>8,419</b>	<b>5,717</b>	<b>5,317</b>

Short term investments	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Unlisted investments in fixed interest bank accounts	7,760	7,340	109	107

## 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 2025, Palmer Gardens has a Revenue Fund of £Nil (2024: £Nil) and a Capital Fund of £442,000 (2024: £435,000).

## 11. Palmer Gardens (continued)

The income and expenditure account for the Revenue Fund is set out below:

<b>Revenue Fund</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	<b>752</b>	720
Cost of sales	<b>(346)</b>	(334)
Gross Profit	<b>406</b>	386
Selling and distribution	<b>(391)</b>	(348)
Administration	<b>(90)</b>	(92)
Finance	<b>(10)</b>	(9)
Operating deficit	<b>(85)</b>	(63)
Support costs	<b>(103)</b>	(28)
Depreciation	<b>(17)</b>	15
Net deficit	<b>(205)</b>	(76)
Palmer Gardens Revenue Fund brought forward	-	-
Transfer from capital fund	<b>17</b>	(15)
Donation from Shaw Trust to Palmer Gardens	<b>188</b>	91
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>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Fixed assets		
Palmer Gardens	<b>442</b>	454
Analysis of net assets:		
Current assets – stock	<b>117</b>	115
Current liabilities - creditors Shaw Trust	<b>(117)</b>	(115)
Net current assets	-	-
Total assets less current liabilities	<b>442</b>	454
Funds		
Restricted capital funds	<b>442</b>	454
Total (see note 19)	<b>442</b>	454

## 12. Stocks

Finished goods	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Plants, shrubs, nursery, and books	116	193	116	192
Shop stock	18	9	18	9
Total	134	202	134	201

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

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	18,164	16,323	3,270	4,784
Amounts due from group undertakings	-	-	-	894
Deferred tax asset	84	41	-	-
Other debtors	3,768	2,237	131	193
Prepayments and accrued income	26,002	18,757	12,997	7,682
Total	48,018	37,358	16,398	13,553

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

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Deferred tax asset	178	302	-	-
Total debtors greater than one year	178	302	-	-

## 15. Deferred taxation

	2025 £'000	2024 £'000
Accelerated capital allowances	198	199
Short term timing differences – trading	64	144
	<b>262</b>	<b>343</b>
Analysed as:		
Amount due within one year	84	41
Amount due after more than one year	178	302
	<b>262</b>	<b>343</b>
<b>Movement in year</b>		
Opening balance	343	393
Changes in deferred tax	(81)	(50)
Closing balance	<b>262</b>	<b>343</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 £358k (2024: £280k).

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

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade creditors	2,729	3,044	1,315	964
Taxation and social security	6,322	6,154	2,211	2,576
Other creditors	4,425	6,361	1,634	1,762
Other loans	172	224	-	-
Amounts due to group undertakings	-	-	2,887	-
Accruals	10,826	10,382	3,364	3,099
Deferred income	15,250	13,640	9,988	9,611
<b>Total</b>	<b>39,724</b>	<b>39,805</b>	<b>21,399</b>	<b>18,012</b>

## 16. Creditors - amounts falling due within one year (continued)

### Analysis of movement in deferred income

	Group £'000	Charity £'000
At 1 September 2024	13,640	9,611
Deferred in year	14,709	9,629
Released as income in year	(13,099)	(9,252)
At 31 August 2025	15,250	9,988

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		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Amounts falling due after one year:</b>				
Other loans	142	365	-	-
Other creditors	85	-	-	-
<b>Total</b>	<b>227</b>	<b>365</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 2024	2,353	2,873	<b>5,226</b>
Transfers in (shops)	241	-	<b>241</b>
Created during the Year	413	3,150	<b>3,563</b>
Utilised during the year	(222)	(991)	<b>(1,213)</b>
<b>At 31 August 2025</b>	<b>2,785</b>	<b>5,032</b>	<b>7,817</b>

  

<b>Charity</b>	<b>Dilapidations</b>	<b>Other Provisions</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 September 2024	1,283	1,076	<b>2,359</b>
Transfers in (shops)	241	-	<b>241</b>
Created during the Year	162	2,487	<b>2,649</b>
Utilised during the year	(208)	(565)	<b>(773)</b>
<b>At 31 August 2025</b>	<b>1,478</b>	<b>2,998</b>	<b>4,476</b>

The dilapidations provision relates to the costs that the Charity 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 Charity is finalising the details with relevant commissioners.

## 18. Unrestricted funds

Group	Movement in Funds				At 31 August 2025
	At 1 September 2024	Incoming	(Outgoing)	Transfer	
	£'000	£'000	£'000	£'000	£'000
Designated funds	4,414	-	-	(1,826)	2,588
General funds	28,832	143,084	(140,531)	1,927	33,312
Total unrestricted funds	33,246	143,084	(140,531)	101	35,900

Charity	Movement in Funds				At 31 August 2025
	At 1 September 2024	Incoming	(Outgoing)	Transfer	
	£'000	£'000	£'000	£'000	£'000
Designated funds	3,169	-	-	(1,809)	1,360
General funds	22,729	68,447	(65,423)	1,883	27,636
Total unrestricted funds	25,898	68,447	(65,423)	74	28,996

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.

2024 comparatives	Movement in Funds				At 31 August 2024
	At 1 September 2023	Incoming	(Outgoing)	Transfer	
	£'000	£'000	£'000	£'000	£'000
Group					
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

2024 comparatives	Movement in Funds				At 31 August 2024
	At 1 September 2023	Incoming	(Outgoing)	Transfer	
	£'000	£'000	£'000	£'000	£'000
Charity					
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

## 19. Restricted funds

Group and Charity	At 1 September 2024	Incoming	(Outgoing)	Transfers	At 31 August 2025
	£'000	£'000	£'000	£'000	£'000
DIG for Dinner	38	-	-	(38)	-
Doncaster Borough Council (guarantee)	250	-	-	(250)	-
Palmer Gardens Fund (Capital)	454	-	(17)	5	442
Palmer Gardens Fund (Revenue)	-	752	(940)	188	-
Employment Action Centre (Capital)	649	-	(649)	-	-
Disability Action Centre (Capital)	766	-	(25)	-	741
Shaw Trust Clamp Hill	5	-	(5)	-	-
Foundation – Somerset Partnership	-	212	(33)	-	179
Foundation – Northamptonshire Children's Trust	-	56	-	-	56
Foundation – West London Alliance	-	40	-	-	40
Charities Aid Foundation	-	-	(21)	21	-
West London Works	-	2,556	(2,556)	-	-
Thrive 2.0	-	2,453	(2,453)	-	-
Other	3	-	(3)	-	-
<b>Total Charity</b>	<b>2,165</b>	<b>6,069</b>	<b>(6,702)</b>	<b>(74)</b>	<b>1,458</b>
Shaw Education Trust	207,023	137,020	(136,986)	-	207,057
Newfriars College	2,774	4,345	(7,119)	-	-
Forth Sector Group	(667)	556	(524)	-	(635)
Charities Aid Foundation (Ixion)	-	-	1	(1)	-
Somerset Partnership (Homes2Inspire)	26	-	-	(26)	-
<b>Total Group</b>	<b>211,321</b>	<b>147,990</b>	<b>(151,330)</b>	<b>(101)</b>	<b>207,880</b>

## 19. Restricted funds (continued)

Group and Charity	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
Disabled Living Foundation	-	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 Charity</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>

The DIG for Dinner project established 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 provided 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 was also received from Rothley Trust and Hadrian Trust.

Doncaster Borough Council guarantee relates to an amount held in relation to a pension scheme. This pension scheme has been exited, and this guarantee is no longer required.

## **19. Restricted funds (continued)**

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) provided, within a multi-functional resource centre, a holistic approach to the employment needs of people living in Middlesbrough who are disabled and disadvantaged. This centre was disposed of in the year.

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.

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

Three Foundation funds have been established in the year linked to the operational contracts where an element of the contract funding received must be used on specific projects in conjunction with the contract funder.

West London Works and Thrive 2.0 are employment contracts with specific contract terms and conditions requiring them to be treated as restricted funds, including restrictions on the use of the funding, approval of any changes to the projects and ability to withhold spend.

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. Movement during the year relates to the costs of operational activity and a transfer from unrestricted funds made to remove the resulting operational deficit.

The total funds of the charity subsidiary, Forth Sector, are treated as restricted in the consolidated accounts due to their charitable objectives being narrower in scope. Forth Sector is now making a surplus annually and the deficit funds are expected to be made good over time.

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.

Newfriars College has been separated from the SET Group and deconsolidated after control of the entity ceased as at 31 March 2025.

## 20. Analysis of net assets between funds

	Designated	Unrestricted	Restricted	Total funds 2025
Group	£'000	£'000	£'000	£'000
<b>Fund balances are represented by:</b>				
Intangible fixed assets	-	52	35	87
Tangible fixed assets	2,133	5,000	192,756	199,889
Investments in financial securities	-	5,717	2,993	8,710
Net current assets	455	30,445	12,808	43,708
Long-term liabilities	-	(85)	(142)	(227)
Provisions for liabilities and charges	-	(7,817)	-	(7,817)
Pension liability	-	-	(570)	(570)
<b>Total net assets at 31 August 2025</b>	<b>2,588</b>	<b>33,312</b>	<b>207,880</b>	<b>243,780</b>

	Designated	Unrestricted	Restricted	Total funds 2025
Charity	£'000	£'000	£'000	£'000
<b>Fund balances are represented by:</b>				
Intangible fixed assets	-	49	-	49
Tangible fixed assets	905	-	1,184	2,089
Investment in subsidiaries	-	22,568	-	22,568
Investments in financial securities	-	5,717	-	5,717
Net current assets	455	3,777	274	4,506
Provisions for liabilities and charges	-	(4,476)	-	(4,476)
<b>Total net assets at 31 August 2025</b>	<b>1,360</b>	<b>27,635</b>	<b>1,458</b>	<b>30,453</b>

### 2024 Comparison

	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>

## 20. Analysis of net assets between funds (continued)

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

## 21. Taxation

The Charity 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>2025</b>	2024
	<b>£'000</b>	£'000
Total current tax	-	-
Deferred tax:		
Origination and reversal of timing differences	<b>36</b>	28
Adjustment in respect of prior periods	-	-
Total deferred tax	<b>36</b>	28
<b>Tax on income and expenditure</b>	<b>36</b>	28
Tax on other recognised gains and losses	<b>45</b>	(9)
<b>Total tax charge recognised in the SOFA</b>	<b>81</b>	19

## 21. Taxation (continued)

The tax assessed for the year is lower (2024: lower) than the standard rate of corporation tax of 25% (2024: 25%). The differences are explained as follows:

	2025	2024
	£'000	£'000
Net income before taxation	2,206	27,001
Net income before tax multiplied by the UK Corporation Tax rate of 25%	551	6,750
Effects of:		
Charitable income and expenditure not subject to corporation tax	(663)	(4,468)
Expenses not deductible for tax purposes	115	75
Income not taxable	-	(1,808)
Qualifying charitable donations	(30)	(24)
Movement in unprovided deferred tax	63	(448)
Other timing differences	-	(49)
<b>Tax on income and expenditure</b>	<b>36</b>	<b>28</b>
Timing differences arising on pensions remeasurement gains and losses	45	(9)
<b>Total tax charge recognised in the SOFA</b>	<b>81</b>	<b>19</b>

## 22. Financial commitments

At 31 August 2025 the Group and Charity had future minimum lease payments under non-cancellable operating leases expiring as follows:

Group	Property		Other	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Within one year	2,934	2,941	409	443
Between one and five years	5,145	4,547	216	352
After five years	6,297	853	-	-
<b>Total</b>	<b>14,376</b>	<b>8,341</b>	<b>625</b>	<b>794</b>

Charity	Property		Other	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Within one year	1,177	1,083	32	35
Between one and five years	760	635	15	21
After five years	-	-	-	-
<b>Total</b>	<b>1,937</b>	<b>1,718</b>	<b>47</b>	<b>56</b>

Other operating leases relate to motor vehicles and computer equipment.



## **23. Capital commitments**

As at 31 August 2025 the Group had capital commitments of £Nil (2024: £331k).

## **24. Pension commitments**

At 31 August 2025 the Charity and other members of the Group participated in defined benefit pension schemes including the Local Government Pension Scheme (LGPS) and the Teachers' Pension Scheme England and Wales (TPS). The Group exited a Gloucestershire LGPS on 30 September 2024 and is in the process of exiting the Prudential Platinum Pension Schemes. Liability for the Newfriars College LGPS transferred out of the Group on 31 March 2025.

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 £11,342k (2024: £9,660k).

## 24. Pension commitments (continued)

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	2025 Net pension deficit	2024 Net pension deficit
	£'000	£'000	£'000	£'000	£'000
Shaw Trust: Prudential Platinum (being exited)	-	-	-	-	-
<b>Total Charity</b>	-	-	-	-	-
Shaw Education Trust: LGPS	99,994	(73,075)	(27,489)	(570)	(3,806)
Prospects Services: Prudential Platinum (being exited) and LGPS	2,808	(1,346)	(1,462)	-	-
<b>Total Group</b>	<b>102,802</b>	<b>(74,421)</b>	<b>(28,951)</b>	<b>(570)</b>	<b>(3,806)</b>

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

	Group 2025 £'000	Group 2024 £'000
Expenditure on charitable activities:		
Operating costs	4,952	5,317
Settlements	50	-
Net interest income	(354)	(369)
<b>Total recognised in resources expended</b>	<b>4,648</b>	<b>4,948</b>
Other recognised gains and losses:		
Disposal of operations (Newfriars College)	(549)	-
Remeasurement gains	(468)	(591)
<b>Total recognised in the SOFA</b>	<b>3,631</b>	<b>4,357</b>

In addition to the above, estimated fund exit credits totaling £50k (2024: £Nil) have also been recognised in the SOFA.

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

## 24. Pension commitments (continued)

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

At 31 August 2025 Shaw Trust no longer actively participated in any defined benefit pension schemes. The Prudential Platinum defined benefit pension scheme is in the process of being formally exited. A full actuarial valuation of the Scheme was carried out as at 31 March 2021 and has been updated as below by a qualified independent actuary.

The principal actuarial assumptions used were:

	2025	2024
Expected rate of salary increases	<b>N/A</b>	N/A
Expected rate of increase of pensions in payments	<b>2.90%</b>	3.20%
Rate of inflation	<b>2.90%</b>	3.00%
Discount rate	<b>6.00%</b>	5.00%
The mortality assumptions used were as follows:		
Longevity at age 65 for current pensioners:		
- Men	<b>85.3</b>	85.8
- Women	<b>88.2</b>	88.3
Longevity at 65 for future pensioners:		
- Men	<b>87.1</b>	87.1
- Women	<b>89.6</b>	89.8

Reconciliation of scheme assets and liabilities:

	Assets	Liabilities	Asset ceiling	Total
	£'000	£'000	£'000	£'000
At 1 September 2024	856	(742)	(114)	-
Benefits paid	(33)	33	-	-
Interest income / (expense)	42	(36)	-	<b>6</b>
Change in asset ceiling	-	-	65	<b>65</b>
Remeasurement gains / losses				
- Actuarial gain	-	123	-	<b>123</b>
- Return on plan assets excluding interest income	(144)	-	-	<b>(144)</b>
Settlements – Plan exit	(721)	622	49	<b>(50)</b>
At 31 August 2025	-	-	-	-

## 24. Pension commitments (continued)

The total actual loss on plan assets (including interest income) for the year was £102k loss (2024: £64k return).

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

	2025 £'000	2024 £'000
Recognised in total resources expended	44	85
Other recognised gains and losses	(44)	(56)
<b>Total recognised in the SOFA</b>	-	29

In addition to the above, an estimated fund exit credit of £50k (2024: £Nil) has also been recognised in the SOFA.

### 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. Newfriars College ceased to be a subsidiary during the year. The latest actuarial valuation of the LGPS was as at 31 March 2022 and has been updated to 31 August 2025 by a qualified independent actuary.

## 24. Pension commitments (continued)

The principal actuarial assumptions used were:

	2025	2024
Expected rate of salary increases	<b>3.20 - 3.70%</b>	3.15 - 3.65%
Expected rate of increase of pensions in payments	<b>2.70%</b>	2.65%
Rate of inflation	<b>2.70%</b>	2.64 - 2.65%
Discount rate	<b>6.05 - 6.10%</b>	5.00%
The mortality assumptions used were as follows:		
Longevity at age 65 for current pensioners:		
- Men	<b>85.1 - 86.1</b>	84.7 - 85.9
- Women	<b>88.2 - 89.1</b>	88.2 - 89.0
Longevity at 65 for future pensioners:		
- Men	<b>83.9 - 86.8</b>	83.7 - 86.5
- 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 2024	91,216	(87,527)	(7,495)	<b>(3,806)</b>
Transfer out – Newfriars College	(4,139)	4,688	-	<b>549</b>
Current service cost	-	(4,686)	-	<b>(4,686)</b>
Interest income / (expense)	4,527	(4,261)	-	<b>266</b>
Employer contributions	6,863	-	-	<b>6,863</b>
Employee contributions	1,682	(1,682)	-	-
Benefits paid	(1,412)	1,412	-	-
Change in asset ceiling	-	-	(19,994)	<b>(19,994)</b>
Remeasurement gains / losses				
- Actuarial gain	-	18,981	-	<b>18,981</b>
- Return on plan assets excluding interest income	1,257	-	-	<b>1,257</b>
At 31 August 2025	<b>99,994</b>	<b>(73,075)</b>	<b>(27,489)</b>	<b>(570)</b>

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

	2025	2024
Equities	<b>61%</b>	63%
Corporate bonds	<b>27%</b>	26%
Property	<b>8%</b>	8%
Cash and other liquid assets	<b>4%</b>	4%

## 24. Pension commitments (continued)

The total actual return on plan assets (including interest income) for the year was £5,784k (2024: £8,636k).

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

	2025 £'000	2024 £'000
Recognised in total resources expended	4,420	4,789
Other recognised gains and losses	(793)	(570)
<b>Total recognised in the SOFA</b>	<b>3,627</b>	<b>4,219</b>

## Prospects Services: Platinum Scheme and LGPS

At 31 August 2025 a Group subsidiary, Prospects Services, held defined benefit pension funds with the Local Government Pension Scheme (LGPS) for Northamptonshire and West Midlands. The LGPS is a funded multi-employer defined benefit pension scheme, with the assets held in separate trustee administered funds. A Gloucestershire LGPS was exited on 30 September 2024 and a Prudential Platinum defined benefit pension scheme is in the process of being formally exited.

The latest actuarial valuations of the schemes have been updated to 31 August 2025 by qualified independent actuaries.

The principal actuarial assumptions used were:

	2025	2024
Expected rate of salary increases	3.20 - 3.70%	3.15 - 3.65%
Expected rate of increase of pensions in payments	2.70 - 2.90%	2.65 - 3.00%
Rate of inflation	2.70 - 2.90%	2.65 - 3.00%
Discount rate	6.00 - 6.05%	5.00%

The mortality assumptions used were as follows:

Longevity at age 65 for current pensioners:

- Men	85.3 - 86.3	85.5 - 87.0
- Women	88.2 - 90.1	87.8 - 90.0

Longevity at 65 for future pensioners:

- Men	86.6 - 87.1	86.3 - 87.1
- Women	89.6 - 90.1	90.0 - 90.5

## 24. Pension commitments (continued)

Reconciliation of scheme assets and liabilities:

	Assets	Liabilities	Asset ceiling	Total
	£'000	£'000	£'000	£'000
At 1 September 2024	32,612	(22,591)	(10,021)	-
Administration expenses	(236)	-	-	(236)
Benefits paid	(106)	106	-	-
Employer contributions	4	-	-	4
Employee contributions	12	(12)	-	-
Current service cost	-	(30)	-	(30)
Interest income / (expense)	446	(364)	-	82
Change in asset ceiling	-	-	(214)	(214)
Remeasurement gains / losses:				
- Actuarial gain	-	1,337	-	1,337
- Other assumptions	-	7	-	7
- Return on plan assets excluding interest income	(950)	-	-	(950)
Settlements – Plan exit	(28,974)	20,201	8,773	-
At 31 August 2025	<b>2,808</b>	<b>(1,346)</b>	<b>(1,462)</b>	-

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

	2025	2024
Equities	53%	50%
Corporate bonds	30%	18%
Property	14%	11%
Insured annuities	0%	18%
Cash	3%	3%

The total actual loss on plan assets (including interest income) for the year was £504k loss (2024: £2,611k return).

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

	2025	2024
	£'000	£'000
Recognised in total resources expended	184	74
Other recognised gains and losses	(180)	35
<b>Total recognised in the SOFA</b>	<b>4</b>	<b>109</b>

## 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, no schools were acquired by SET (2024: three acquired).

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

	2025 £'000	2024 £'000
Tangible fixed assets	-	20,747
Cash at bank	-	1,606
Current Assets	-	65
Liabilities < one year	-	(477)
Pension liability	-	(24)
Net assets acquired	-	21,917
Acquisition Cost	-	-
Goodwill arising from acquisition	-	-

The net assets acquired in the prior year were 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 August 2025	Central and staff recharges	Purchase of services	Corporate Gift Aid	Share capital	Net advances and repayments	Balance write offs	Investment impairment
2025	2025	2025	2025	2025	2025	2025	2025
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Forth Sector	(156)	-	96	-	34	-	-
Forth Sector Development Ltd	(3)	-	(96)	-	342	-	-
Good Work Partners Ltd	(38)	-	-	-	9	78	-
Homes2Inspire Ltd	(2,846)	3,553	-	-	405	-	-
Homes2Inspire Services Ltd	(1,809)	(3,553)	-	-	1,053	(100)	-
Ixion CG Ltd	-	-	-	-	-	(26)	-
Ixion Social Enterprise Ltd	-	-	-	-	-	(751)	-
Ixion Holdings (Contracts) Ltd	(2,259)	16	-	5,000	950	782	-
Prospects Education Services Ltd	-	-	-	-	(21)	21	-
Prospects Group (2011) Ltd	-	-	-	-	(57)	100	-
Prospects Services	(9,680)	(13)	-	-	12,752	(1)	-
The Shaw Trust Ltd	16,791	13	-	(5,000)	(15,483)	(103)	-
The Shaw Education Trust	-	(16)	-	-	16	-	-
Total	-	-	-	-	-	-	-

## 26. Related party transactions (continued)

<b>Intra-Group Transactions – year ended 31 August 2024</b>	Central and staff recharges	Purchase of services	Corporate Gift Aid	Share capital	Net advances and repayments	Balance write offs	Investment impairment
	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
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	(28)	102	(2,200)	(9,699)	(690)	(7,987)
Shaw Trust Services Ltd	-	6	-	-	(165)	165	-
The Shaw Education Trust	45	(28)	-	-	-	-	-
Newfriars College	(45)	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,987)</b>

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.

## 26. Related party transactions (continued)

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

<b>Intra-Group Balances</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Forth Sector	<b>(2,872)</b>	(2,845)
Forth Sector Development Ltd	<b>384</b>	142
Good Work Partners Ltd	<b>(1)</b>	(51)
Homes2Inspire Ltd	<b>(11,693)</b>	(12,805)
Homes2Inspire Services Ltd	<b>(4,334)</b>	75
Ixion CG Ltd	-	26
Ixion Social Enterprise Ltd	-	751
Ixion Holdings (Contracts) Ltd	<b>4,501</b>	13
Prospects Education Services Ltd	-	(8)
Prospects Group (2011) Ltd	<b>(57)</b>	(6,759)
Prospects Services	<b>13,926</b>	10,869
The Shaw Trust Ltd	<b>(2,887)</b>	7,559
The Shaw Trust Ltd - receivables impaired	<b>3,033</b>	3,033
The Shaw Education Trust	-	522
Newfriars College	-	(522)
<b>Total</b>	<b>-</b>	<b>-</b>

## 26. Related party transactions (continued)

The Charity requires all Trustees and the Executive Management 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 Charity has incurred with these bodies during the period ended 31 August 2025. These transactions were as a result of normal business activity. The entities below have key management personnel in common with the Trustees and Executive Management Team of the Group.

Related Party	Value of sales 2025 £	Value of expenditure 2025 £	Outstanding balance at 31 August 2025 £	Value of expenditure 2024 £	Outstanding balance at 31 August 2024 £
<sup>1</sup> Business Services Association	-	24,322	-	11,582	-
<sup>1</sup> ERSA (UK) Limited	-	19,692	10,380	28,475	12,000
<sup>1</sup> Social Enterprise Coalition CIC	-	3,250	-	5,435	-
<sup>2</sup> Care Management Associates Ltd	-	56,588	25,174	43,697	-
<sup>3</sup> Horizons Therapeutic Education Trust	61,099	-	17,160	-	-
<sup>4</sup> Equals Charity	-	-	-	966	-
<sup>4</sup> RM Education Ltd	-	18,375	22,999	11,476	-
<sup>4</sup> Ambition Institute	-	23,693	-	-	-
<sup>5</sup> The National Association of Special Educational Needs (nasen)	-	487	-	-	-

<sup>1</sup> The related parties have a director who is a member of the Charity's key management personnel. Transactions are purchases of memberships, sponsorships, and exhibitions.

<sup>2</sup> The related party is under control of a member of the Charity's key management personnel. Transactions are purchases of Director's services for a subsidiary.

<sup>3</sup> The related party is under significant influence of a Trustee of the Charity. Transactions are sales of governance and finance services.

<sup>4</sup> The related parties have a director or member of the senior management team who is a Trustee of SET. Transactions are purchases of education related services.

<sup>5</sup> The related party has a member of the senior management team who is a Trustee of the Charity. Transactions are purchases of education related services.

## 27. Financial instruments

	Note	Group 2025 £'000	2024 £'000	Charity 2025 £'000	2024 £'000
<b>Financial Assets</b>					
Trade debtors	13	<b>18,164</b>	16,323	<b>3,270</b>	4,784
Intercompany		-	-	-	893
Other debtors	13	<b>3,768</b>	2,237	<b>131</b>	193
Investment in financial securities	10	<b>16,361</b>	15,652	<b>5,717</b>	5,317
<b>Total Financial Assets</b>		<b>38,293</b>	34,212	<b>9,118</b>	11,187
<b>Financial Liabilities</b>					
Trade creditors	16	<b>2,729</b>	3,044	<b>1,315</b>	964
Amounts due to group undertakings	16	-	-	<b>2,887</b>	-
Other creditors	16	<b>4,425</b>	6,361	<b>1,634</b>	1,762
Loans	16/16b	<b>314</b>	589	-	-
Accruals	16	<b>10,826</b>	10,382	<b>3,364</b>	3,099
<b>Total Financial Liabilities</b>		<b>18,294</b>	20,376	<b>9,200</b>	5,825

## 28. Post balance sheet events

On 1 September 2025, SET moved out of the Group when Shaw Trust relinquished being the controlling Member. SET funds are all within restricted funds in the Group financial statements and post year end the restricted funds will therefore reduce by £207.1m. During the year ended 31 August 2025 the total income and expenditure of SET was £137.0m and £137.1m respectively.

On 27 February 2026, the DAC was sold to a third party. The DAC capital fund forms part of the restricted funds and the sale will be recognised in the financial statements for the year ended 31 August 2026.