

UTC OXFORDSHIRE TRUST
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2016

Company Registration Number:
08296556 (England and Wales)

UTC OXFORDSHIRE TRUST

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UTC OXFORDSHIRE TRUST

Reference and Administrative Details

Trustees	Sally Dicketts Lee Nicholls Paul Hogg Stephen Houseman David Martin Billy McNeil Grace Thompson Philip Waddup Mark Bodeker Amanda Callaghan (Resignation 02/12/2015) Alex Birkhead
Principal	Owain Johns
Senior Management Team	Sue Lea (Vice Principal) Glen Young (Assistant Vice Principal) Richard Hurrell (Assistant Vice Principal)
Registered Office	Activate Learning Oxpens Road Oxford United Kingdom OX1 1SA
Company Registration Number	08296556
Independent Auditor	Mazars LLP Chartered Accountants and Statutory Auditor 90 Victoria Street Bristol BS1 6DP
Bankers	Lloyds Bank Carfax Oxford 1 – 5 High Street Carfax Oxford OX1 4AA

UTC OXFORDSHIRE TRUST

Trustees' Report

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The trustees of UTC Oxfordshire Trust are also the directors of the Charitable Company for the purposes of company law. Details of trustees who served during the year are included in the reference and administrative details on page 3.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

There were no known indemnities due in the financial year.

Principal Activities

To offer specialist programmes in Engineering and Life Science alongside traditional subjects, such as English, Maths and Science for 14 to 19 year olds. There will be a strong focus upon project based learning and industry partnerships.

Method of Recruitment and Appointment or Election of Governors

The Members may appoint up to 10 Trustees provided that in making such appointments the Members shall ensure that nominees of the Industry Partners and Academic Partners form a majority of the total number of Trustees.

The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Trustees (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Trustees.

Trustees are inducted and are offered training and mentorship to enable them to enact their duties to the best of their ability.

Organisational Structure

The Trustees shall exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Academy and shall consider any advice given by the Principal.

The Principal is responsible for the internal organisation, management and control of the Academy; and for advising on and implementing the Academy Trust's strategic framework. In particular, the Principal will formulate aims and objectives, policies and targets for the Board to consider adopting.

The role of the Accounting Officer is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient and effective use of all the resources in their charge.

UTC OXFORDSHIRE TRUST

Trustees' Report *(continued)*

Arrangements for setting pay and remuneration of key management personnel

When determining the appropriate remuneration for management personnel, previous experience, qualifications and role responsibilities are considered in order to determine the most appropriate salary. Pay is determined by the school's pay policy which is agreed with the Governing Body. In principle the school continues to follow the DfE's guidance for the school teachers pay and conditions document.

Risk Management

During the financial year, there were the following risks and risk management strategies:

- Enough students have to be recruited to ensure financial and educational viability, this risk is being managed by monitoring application rates and marketing activity in the run up to opening in September 2015. Maintaining numbers and retaining student has been a key priority with additional added value activities in place throughout the first year. The phased opening of the building (south phase opened October half term) was managed successfully with minimal impact upon teaching and learning.
- The success of UTC Oxfordshire Trust is dependent on the recruitment of high calibre staff members, the risk being that they would not be established in time for the opening. In order to manage this, advertisements are being placed to cover all eventualities. Pro-active recruitment of year 2 staff was in place with recruitment fairs and pro-active recruitment in place in Jan 16. The UTC was fully staffed ready for Sept 2017 and year 2 opening.
- The risk of not having robust IT systems to enable the correct learning environment. This has been mitigated by purchasing a service that has the required expertise.
- UTC Oxfordshire examination results and attainment data is not good. The risk management strategy used was to ensure robust systems are in place to check achievement on a regular basis and to intervene as soon as possible when required.
- Failure to have robust industry links to bring the curriculum alive for the students was a risk as this had been promised during pre-opening. This risk was managed by prioritising these unique industry partnerships and seeking to recruit a Partnership manager in Y2 who will manages current relationships, establish, and develop new industry links.
- Students and parents report that they/or their children are not safe at the UTC thus resulting in a safeguarding risk and reputational damage to the UTC. The risk management strategy used is to ensure robust systems in place to safeguard students and good communication between all stakeholders.
- The risks above were managed successfully and the UTC opened successfully on the 7th September 2015, fully staffed and with 145 students joining. This total exceeded the minimum viable number as outlined by the EFA. A small surplus budget is planned for 2016-2017.

UTC OXFORDSHIRE TRUST

Trustees' Report *(continued)*

Objectives and Activities

Objects and Aims

The Academy Trust's object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Objectives, Strategies and Activities

The UTC intends to ensure that all students go into employment, further/higher education or training. The strategy to achieve this will include ensuring that appropriate education and skills training are built into the learning environment.

Public Benefit

The vision is for students to be inspired by the relevance and challenge of solving real-life industrial and community problems. They will rapidly gain the confidence and both the technical and personal skills to become the creative contributors on whom our businesses and public services can rely for shaping and driving the future of our society.

Strategic

Achievements and Performance

The aim for the financial year was to meet the target recruitment of students for entry in September 2016, to ensure the UTC operates within its aims and to achieve good examination achievements at the end of the first academic year.

The UTC failed to meet its student recruitment target of 300 students recruiting only 270 in September 2016.

The UTC has, through the Board of Governors, the Principal, Leadership Team, staff, students, parents, partners and other stakeholders been held to its original aim to 'deliver computer science and engineering excellence for 14-18 year olds'.

Going Concern

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

Key Financial Performance Indicators

Key Performance indicators in year 1 were to maintain a balanced budget and maintain a healthy recruitment profile. Other financial indicators were to maximise other revenue opportunities and develop community facilities for hirings and lettings.

UTC OXFORDSHIRE TRUST

Trustees' Report *(continued)*

Financial Review

The UTC has received a total of £1,093,000 of funding from the EFA during the year and expended £1,108,000 leaving a net deficit balance of £15,000 for the year. Unrestricted funding had an income of £106,000 and expended £90,000 leaving a surplus of £16,000 thus leaving an overall surplus of £1000 before the pension adjustment of £11000 made up of net interest on defined pension liability of £1000 and pension costs of £12000.

Financial and Risk Management Objectives and Policies

The UTC has a finance committee that meets termly and reports directly into the Board of Governors. At the committee a risk management register is considered, discussed and actioned upon, where necessary.

The UTC now has a full set of financial policies required to meet its obligations.

Principal Risks and Uncertainties

The principal risk centred around opening on time and successfully. Developing a strong local reputation and ensuring early momentum was established and maintained as the UTC moved from Year 1 into Year 2. Maintaining high levels of staffing and high quality staff resulting in good teaching and learning.

Reserves Policy

Given the nature of the UTC, it is unlikely that a high level of reserves would be held. If the sum becomes material, UTC Oxfordshire Trust will update the accounts as necessary.

Investment Policy

The UTC holds no investments. Cash is deposited in the bank.

Plans for Future Periods

UTC Oxfordshire has a mission to educate and train the next generation of scientists, engineers and industrial innovators. This will be done by drawing on the expertise and resources of industry and academic partners; building and continuously refreshing the curriculum with their guidance and input.

Our vision is for our students to be inspired by the relevance and challenge of solving real-life industrial and community problems. They will rapidly gain the confidence and both the technical and personal skills to become the creative contributors on whom our businesses and public services can rely for shaping and driving the future of our society.

This will be achieved by:

- Establishing Engineering & Computer Science (which will also help deliver Digital Literacy skills) as a core curriculum subject in UTC Oxfordshire at Key Stage 4, and building a technical and scientific curriculum that provides specialisations at Key Stage 4 and corresponding progression pathways at Key Stage 5, to include:
- Life Sciences
- Engineering and systems.

UTC OXFORDSHIRE TRUST

Trustees' Report *(continued)*

Funds held as Custodian Trustee on behalf of others

There are no assets being held.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 16/12/16 and signed on the board's behalf by:



Lee Nicholls
Chair of Trustees

UTC OXFORDSHIRE TRUST

Governance Statement

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that UTC Oxfordshire Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between UTC Oxfordshire Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met six times during the year. Attendance during the year at meetings of the board was as follows:

Trustee	Meetings attended	Out of possible
Lee Nicholls (Chair)	6	6
Owain Johns (Principal and Accounting Officer)	6	6
Paul Hogg	3	6
Stephen Houseman	5	6
David Martin	3	6
Billy McNeil	5	6
Grace Thompson	4	6
Philip Waddup	6	6
Mark Bodeker	6	6
Amanda Callaghan	1	4
Alex Birkhead	2	3
Zoe Pooley	2	2

UTC OXFORDSHIRE TRUST

Governance Statement (*continued*)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in UTC Oxfordshire Trust for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed an Audit Committee, which will oversee the procurement of a range of checks on the Academy Trust's financial systems. The Audit Committee will report to the Governing Body on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities.

Review of Effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed, where appropriate, by:

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;

UTC OXFORDSHIRE TRUST

Governance Statement (*continued*)

- the work of the executive managers within the UTC Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been and will be advised of the implications of the result of the above reviews and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Review of Value for Money

As accounting officer, the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.


The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Achieving positive outcomes when visited during two DFE monitoring visits.
- Achieving above National Averages for the percentage of students gaining 5 or more A*-C grades including English and Mathematics;
- Ensuring at least good progress of all students, but in particular those at the end of an examination course. Year 11 students' progress in English and Mathematics is above national averages as is the value added of students' who took Level 3 vocational courses;
- 82% of students who took A level courses passed; with 100% pass rates in Biology, EPQ, Further Maths and Physics.
- Yr10 students who were entered into BTEC level 2 courses in Science achieved a 100% pass rate.
- Working with industry to meet the aims of the UTC. The work with industry partners is seen as best practice with many other educational establishments visiting to learn from our work and take this back to their own establishments. The UTC is also leading the way in working with industry partners to broaden the education received by our students.

The following improvements are also planned:

- The UTC will continue to work closely to industry partners to ensure the local economic needs are at the forefront of planning for future projects;
- Ensure that we continue to have a robust quality assurance process that will deliver even better results in 2016/2017;
- Continue to develop a robust marketing to ensure the UTC reaches its desired student numbers and makes best use of the available resources; and
- Continue to develop partnership working with local schools, UTC and industry to improve the STEM provision.

Approved by order of the members of the Board of Trustees on 16/12/16 and signed on its behalf by:


Lee Nicholls
Chair of Trustees


Owain Johns
Accounting Officer

UTC OXFORDSHIRE TRUST

Statement on Regularity, Propriety and Compliance

As accounting officer of UTC Oxfordshire Trust I have considered my responsibility to notify the UTC trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement, which will be in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust governing body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



Owain Johns
Accounting Officer

UTC OXFORDSHIRE TRUST

Statement of Trustees' Responsibilities

The trustees (who act as governors of UTC Oxfordshire Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

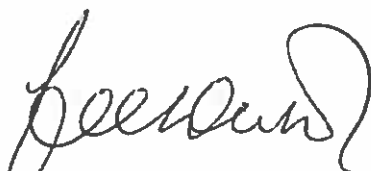
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 16/12/16 and signed on its behalf by:



Lee Nicholls
Chair of Trustees

UTC OXFORDSHIRE TRUST

Independent auditor's report to the members of UTC Oxfordshire Trust

We have audited the financial statements of UTC Oxfordshire for the year ended 31 August 2016, which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees (who are also the trustees of the charitable company for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an 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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

Opinion on the other matter prescribed by the Companies Act 2006

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

UTC OXFORDSHIRE TRUST

Independent auditor's report to the members of UTC Oxfordshire Trust (*continued*)

Matters on which we are required to report by exception

We report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.



Richard Bott (Senior Statutory Auditor)
for and on behalf of
Mazars LLP
Chartered Accountants
Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP
Date: 21/12/16

UTC OXFORDSHIRE TRUST

Independent Reporting Accountant's Assurance Report on Regularity to the Governing Body of UTC Oxfordshire Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 6 November 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by UTC Oxfordshire during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to UTC Oxfordshire and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to UTC Oxfordshire and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UTC Oxfordshire and the EFA, for our review work, for this report, or for the opinion we have formed.

Respective responsibilities of UTC Oxfordshire Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of UTC Oxfordshire's funding agreement with the Secretary of State for Education dated 1 September 2015 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter. The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

UTC OXFORDSHIRE TRUST

Independent Reporting Accountant's Assurance Report on Regularity to the Governing Body of UTC Oxfordshire Trust and the Education Funding Agency (*continued*)

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Mazars

Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

21/1/16

UTC OXFORDSHIRE TRUST

Statement of Financial Activities for the year ended 31 August 2016

(Including Income and Expenditure Account)

	Notes	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2016 £'000	Total 2015 £'000
Income and endowments from:						
Donations and capital grants	3	-	-	2,544	2,544	8,871
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	4	98	1,093	-	1,191	120
Other trading activities	5	8	-	-	8	-
Investment income	6	1			1	
Total incoming resources		107	1,093	2,544	3,744	8,991
Resources expended						
<i>Charitable activities:</i>						
Academy trust educational operations	7	102	1,108	368	1,578	221
Total resources expended		102	1,108	368	1,578	221
Net (expenditure)/income for the year		5	(15)	2,176	2,166	8,770
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes		0	(35)	0	(35)	0
Net movement in funds		5	(50)	2,176	2,131	8,770
Reconciliation of funds						
Total funds brought forward 1 Sep-15		-	(8)	8,871	8,863	93
Total funds carried forward 31 Aug-16	15	5	(58)	11,047	10,994	8,863

All of the Academy's activities derive from continuing operations during the above financial year.

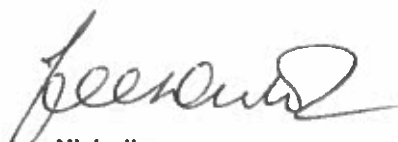
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

UTC OXFORDSHIRE TRUST

Balance sheet as at 31 August 2016

	Notes	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Fixed assets					
Tangible assets	12		11,047		8,871
Current assets					
Cash at bank and in hand		1,008		21	
Debtors	13	<u>102</u>		<u>582</u>	
		1,110		603	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(1,117)</u>		<u>(611)</u>	
Net current liabilities			(7)		(8)
Net liabilities excluding pension liability			<u>11,040</u>		<u>8,863</u>
Defined benefit pension scheme liability	22		(46)		0
Total Net liabilities			<u>10,994</u>		<u>8,863</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	15	11,047		8,871	
General fund	15	(7)		(8)	
Pension reserve		<u>(46)</u>		<u>0</u>	
Total restricted funds			10,994		8,863
Total funds			<u>10,994</u>		<u>8,863</u>

The financial statements on pages 16 to 24 were approved by the Trustees, and authorised for issue on 16/12/16 and are signed on their behalf by:


Lee Nicholls
 Chair of Trustees

UTC OXFORDSHIRE TRUST

Cash flow statement for the year ended 31 August 2016

	<i>Note</i>	2016 £'000	2015 £'000
Net cash (outflow)/inflow from operating activities	18	987	(141)
Capital expenditure		-	-
(Decrease)/Increase in cash in the year		987	(141)
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2015		21	162
Net funds at 31 August 2016	20	1,008	21

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016

1 Statement of Accounting Policies

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

UTC Oxfordshire Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees have reviewed the Financial Statements which incorporates the Statement of Financial Activities, Balance sheet, Cash flow and balanced budget and are confident the Trust will continue as a going concern.

Incoming Resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in the restricted fixed asset fund.

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

1 Statement of Accounting Policies (continued)

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

- **Donated Services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of generating funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations.

- **Governance Costs**

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

1 Statement of Accounting Policies (continued)

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write-off the cost of each asset on a straight line basis over its expected useful life as follows:

Freehold Buildings	50 years
Motor Vehicles	4 years
Fixtures, Fittings and Equipment	5 years
ICT equipment	3 years
Furniture	10 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Leased Assets

Rentals under operating leases are charged on a straight line basis over the term of the lease.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost of net realisable value.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2011 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

1 Statement of Accounting Policies (continued)

Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 29, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus 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.

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the [Education Funding Agency/Department for Education].

Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions 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 carrying amounts of assets and liabilities within the next financial year are discussed below.

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

1 Statement of Accounting Policies (continued)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Fund Accounting

Unrestricted income funds represent those resources, which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the trustees.

Restricted fixed asset funds are resources, which are to be applied to specific capital purposes imposed by the Education Funding Agency where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education and Education Funding Agency.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2016.

3 Donations and capital grants

	Restricted Funds £'000	Restricted Fixed Asset Funds £'000	Total 2016 £'000	Total 2015 £'000
Capital Grants	-	2,544	2,544	8,871
Start Up Grants	-	-	-	120
	-	2,544	2,544	8,991

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

4 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2016 £000	Total 2015 £000
DfE / EFA grants				
General Annual Grant (GAG)	-	1,009	1,009	-
Other DfE/EFA grants	-	74	74	-
	-	1083	1,083	-
Other income from the academy trust's educational operations	98	7	105	-
Other Government Grants				
Local Authority Grant		3	3	-
	98	1,093	1,191	-

5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2016 £000	Total 2015 £000
Hire of facilities	8	-	8	-
	8	-	8	-

6 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2016 £000	Total 2015 £000
Net interest on defined pension liability	1	-	1	0
	1	-	1	0

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

7 Expenditure

	Staff Costs £000	Non pay Expenditure Premises £000	Other £000	Total 2016 £000	Total 2015 £000
Expenditure on raising funds	-	-	-	-	-
Academy's educational operations:					
. Direct costs	662	-	76	738	216
. Allocated support costs	107	446	287	840	-
	<u>769</u>	<u>446</u>	<u>363</u>	<u>1,578</u>	<u>216</u>

Net income/(expenditure) for the period includes:

	2016 £000	2015 £000
Depreciation	368	-
Fees payable to auditor for:		
- audit	<u>5</u>	<u>5</u>

8 Charitable activities – Academy's educational operations

	2016 £000	2015 £000
Support costs - educational operations		
Support staff costs	107	137
Premises costs	78	-
Governance costs	5	5
Other support costs	<u>282</u>	<u>79</u>
Total support costs	<u>472</u>	<u>221</u>

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

9 Staff costs

Staff costs during the year were:

	2016 £'000	2015 £'000
Wages and salaries	605	111
Social security costs	49	11
Operating costs of defined benefit pension schemes	115	15
	<u>781</u>	<u>137</u>
Supply staff costs	24	-
	<u>793</u>	<u>137</u>

The average number of persons employed by the academy during the year expressed as full time equivalent was as follows:

	2016 Number	2015 Number
Teachers	17	-
Administration and support	5	2
Management	2	1
	<u>24</u>	<u>3</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016 No.	2015 No.
£60,001 - £70,000	1	0
£70,001 - £80,000	1	1

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £287,676 (2015: £113,149).

10 Related Party Transactions - Trustees' Remuneration and Expenses

The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments or expenses from the UTC trust in respect of their role as trustees. Related party transactions involving the trustees are set out in note 21.

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

11 Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2016 was £3,125. The cost of this insurance is included in the total insurance cost.

12 Tangible Fixed assets

	Freehold Land and Buildings	Furniture and Equipment	Computer Hardware	Total
	£000	£000	£000	£000
Cost				
At 1 September 2015	8,493	147	231	8,871
Additions	1,781	295	468	2,544
Disposals	-	-	-	-
At 31 August 2016	10,274	442	699	11,415
Depreciation				
At 1 September 2015	-	-	-	-
Charged in year	185	66	117	368
At 31 August 2016	185	66	117	368
Net book values				
At 31 August 2015	8,493	147	231	8,871
At 31 August 2016	10,089	376	582	11,047

13 Debtors

	2016 £'000	2015 £'000
Trade debtors	3	-
VAT recoverable	84	581
Prepayments and accrued income	15	1
	<u>102</u>	<u>582</u>

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

14 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	766	-
Amounts due to related parties	77	24
Social security and taxation	16	581
Accruals and deferred income	258	6
	1,117	611

Deferred income

	2016 £000	2015 £000
Deferred income at 1 September 2015	-	-
Released from previous years	-	-
Resources deferred in the year	4	-
Deferred income at 31 August 2016	4	-

Deferred income of £4,000 relates pupil premium that relates to 2016-17

15 Funds

	Balance at 1 September 2015 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2016 £000
Restricted general funds					
General Annual Grant (GAG)	-	1,009	(1,049)	(8)	(48)
Start Up Grant	(8)	-	-	8	-
Pupil Premium	-	10	(10)	-	-
Other grants	-	74	(49)	-	25
Pension reserve	0	1	(12)	(35)	(46)
	(8)	1,094	(1,120)	(35)	(69)
Restricted fixed asset funds					
DfE/EFA capital grants	8,871	2,544	(368)	-	11,047
Total restricted funds	8,863	3,638	(1,488)	(35)	10,978
Total unrestricted funds	-	106	(90)	-	16
Total funds	8,863	3,744	(1,578)	(35)	10,994

The purposes for which the funds are to be applied are as follows:

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

15 Funds (continued)

Restricted General Funds

This fund relates to a grant received from the Department for Education for the running costs of the UTC. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of grant that it could carry forward at 31 August 2016.

Restricted Asset Funds

This relates to funding received from the EFA for capital expenditure prior to the opening of the UTC.

16 Analysis of net assets between funds

Fund balances at 31 August 2016 are represented by:

	Restricted general funds £'000	Restricted fixed asset funds £'000	Total Funds £'000
Tangible fixed assets	-	11,047	11,047
Current assets	1,110	-	1,110
Current liabilities	(1,117)	-	(1,117)
Pension scheme liability	(46)	0	(46)
Total Net (Liabilities)/Assets	(53)	11,047	10994

17 Capital Commitments

	2016 £'000	2015 £'000
Contracted for, but not provided in the financial statements	157	3,009

18 Reconciliation of net income to net cash inflow from operating activities

	2016 £'000	2015 £'000
Net income for the period	2,166	8,770
Capital grants from DfE and other capital income	(2,544)	(8,871)
Defined benefit pension scheme obligation inherited	0	0
Defined benefit pension scheme cost less contributions payable	11	0
Defined benefit pension scheme finance cost	0	0
Depreciation	368	-
Increase in debtors	480	(582)
Increase in creditors	506	542
Net cash (outflow)/inflow from operating activities	987	(141)

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

19 Capital expenditure and financial investment:

	2016 £'000	2015 £'000
Purchase of tangible fixed assets	(2,544)	(8,871)
Capital grants from DfE/EFA	2,544	8,871
Net cash outflow from capital expenditure and financial investment	-	-

20 Analysis of changes in net funds

	At 1 September 2015 £'000	Cash Flows £'000	At 31 August 2016 £'000
Cash in hand and at bank	21	987	1,008

21 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

22 Pension and similar obligations

The Academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Oxfordshire County Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2015, by the Teachers' Pension Scheme Regulations 2015. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 2015 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2015. The valuation report was published by the Department for Education on 9 June 2015. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2016, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £75,292.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £35000, of which employer's contributions totalled £27,416 and employees' contributions totalled £8,000.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions	At 31 August 2016	At 31 August 2015
Rate of increase in salaries	4.10%	4.50%
Rate of increase for pensions in payment/inflation	2.30%	2.70%
Discount rate for scheme liabilities	2.20%	4.00%
Inflation assumption (CPI)	2.30%	2.70%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2016	At 31 August 2015
<i>Retiring today</i>		
Males	23.3	23.3
Females	25.8	25.7
<i>Retiring in 20 years</i>		
Males	25.6	25.5
Females	28.1	28.0

The academy's share of the assets in the scheme were:

	Fair value at 31 August 2016 £000	Fair value at 31 August 2015 £000
Equity instruments	62	0
Debt instruments	15	0
Property	7	0
Other	10	0
Total market value of assets	94	0

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 *(continued)*

The actual return on scheme assets was £6k (2015: £0k).

Amounts recognised in the statement of financial activities

	2016 £000	2015 £000
Current service cost (net of employee contributions)	57	0
Total operating charge	57	0

	2016 £'000	2015 £'000
At 1 September	0	0
Current service cost	39	0
Interest cost	1	0
Employee contributions	8	0
Actuarial (gain)/loss	39	0
Benefits paid	53	-
At 31 August	140	0

Changes in the fair value of academy's share of scheme assets:

	2016 £'000	2015 £'000
At 1 September	0	0
Interest income	2	0
Return on plan assets (excluding net interest on the net defined pension liability)	4	0
Employer contributions	27	0
Employee contributions	8	0
Benefits paid	53	-
At 31 August	94	0

UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

23 Related Party Transactions

During the year expenditure totalling £14,070 (2015: £203,467) was settled on behalf of the UTC Oxfordshire Trust by Activate Learning, the lead sponsor of the project. Additionally the UTC paid Activate Learning £96,166 (2015: £nil) in respect of services received. 2 Trustees of the UTC are executive directors of Activate Learning. After repayments made, the amount that remained outstanding at 31 August 2016, and is included under amounts due to related parties in note 11, is £77,391 (2015: £23,792).

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. No related party transactions took place in the period of account.