

**UTC OXFORDSHIRE TRUST**  
**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**For the period ended 31 March 2017**

**Company Registration Number:**  
**08296556 (England and Wales)**

# UTC OXFORDSHIRE TRUST

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# UTC OXFORDSHIRE TRUST

## Reference and Administrative Details

### Trustees

Lee Nicholls  
Paul Hogg  
Stephen Houseman  
David Martin  
William McNeil  
Grace Thompson  
Philip Waddup  
Mark Bodeker  
Alex Birkhead – Appointed 02.12.16  
Zoe Pooley  
Sim Richards – Appointed 08.03.17

### 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 period ended 31 March 2017. 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.

#### 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)*

### Risk Management

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

- Enough students have to be recruited to ensure financial and educational viability; this risk was managed by monitoring application rates and marketing activity.
- 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 3 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.
- 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 recruiting a Partnership manager in Y3 who will manage 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 are in place to safeguard students and good communication between all stakeholders.
- The risks above were managed successfully and the UTC continues to make good progress in its opening phase. It's fully staffed and with 270 students on roll.

# 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. In setting our objectives and planning our activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

### Strategic

#### Achievements and Performance

The aim for the financial year was to meet the target recruitment of students for entry in September 2017, 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 2017.

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

The Board of Trustees made the decision for UTC Oxford Trust to join Activate Learning Education Trust on 1st April 2017. Therefore the Academy Trust has not adopted the going concern basis in preparing the financial statements. Further details regarding not adopting the going concern basis can be found in the Statement of Accounting Policies.

#### Key Financial Performance Indicators

Key Performance indicators in year 2 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 hiring and lettings.

# UTC OXFORDSHIRE TRUST

## Trustees' Report *(continued)*

### Financial Review

The UTC has received a total of £1,223,000 of funding from the ESFA during the period and expended £1,079,000 leaving a net surplus balance of £144,000 for the period ending 31<sup>st</sup> of March 2017. Unrestricted funding had an income of £127,000 and expended £102,000 leaving a surplus of £25,000 thus leaving an overall operating surplus of £169,000.

### 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 and Engineering and systems.

The Trust joined Activate Learning Education Trust from 1 April 2017. The decision was taken with the full support of the Department of Education.

# 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 \_\_\_\_\_ 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 three times during the period. Attendance during the period at meetings of the board was as follows:

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

# 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 period ended 31 March 2017 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 period ending 31 March 2017 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 period 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 period 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;
- 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 2017/2018;
- 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

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 2016.

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 2016.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after this statement, these will be notified to the board of trustees.

A handwritten signature in black ink, appearing to read 'Owain Johns', with a stylized, flowing script.

**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 trustees 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 2016 to 2017;
- 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 ESFA/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

and signed on its behalf by:



**Lee Nicholls**  
**Chair of Trustees**

# UTC OXFORDSHIRE TRUST

## Independent Auditor's report for the members of UTC Oxfordshire Trust

### Opinion

We have audited the financial statements of UTC Oxfordshire Trust for the period ended 31 March 2017 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the Academy'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 Academy 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 Academy Members for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

### Basis of 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 academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

### Material uncertainty related to going concern

In forming our opinion on the financial statement for the year ended 31 March 2017, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the basis of the preparation of the financial statements. As described in that note, the Trust transferred into Activate Learning Education Trust and as such the financial statements have been prepared on the cessation basis.

# UTC OXFORDSHIRE TRUST

## Independent Auditor's report for the members of UTC Oxfordshire Trust (continued)

### Other information

The Trustees are responsible for the other information. 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 information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report including the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

# Independent Auditor's report for the members of UTC Oxfordshire Trust (continued)

## Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy 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 academy'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 academy's 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.

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



Richard Bott (Senior Statutory Auditor)

for and on behalf of

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

90 Victoria Street  
Bristol  
BS1 6DP

Date: 28 March 2018



# 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 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Activate Learning Education Trust during the period 1 September 2016 to 31 March 2017 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 Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the UTC Oxfordshire Trust and the ESFA those matters we are required to state 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 Activate Learning Education Trust and the ESFA, for our work, for this report, or for the conclusion 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 Trust's funding agreement with the Secretary of State for Education dated 28 January 2011, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 March 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. 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 negative 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.

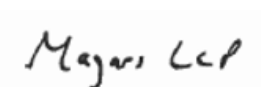
The work undertaken includes:

- tested a sample of expenditure disbursed and income received to consider whether they have been applied to purposes intended by Parliament;
- Obtained the register of personal interests;
- Planned our assurance procedures including identifying key risks;
- Concluded on procedures carried out.

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

## 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 1 September 2016 to 31 March 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



## Mazars LLP

Chartered Accountants  
Statutory Auditor

90 Victoria Street  
Bristol  
BS1 6DP

Date: 28 March 2018

# UTC OXFORDSHIRE TRUST

## Statement of Financial Activities for the period ended 31 March 2017

(Including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2017	Total 2016
		£000	£000	£000	£000	£000
<b>Income and endowments from:</b>	Note					
Donations and capital grants	3	-	-	52	52	2,544
<b>Charitable activities:</b>						
Funding for the academy trust's educational operations	4	121	1,223	-	1,344	1,191
Other trading activities	5	6	-	-	6	8
Investments	6	-	-	-	-	1
<b>Total</b>		<b>127</b>	<b>1,223</b>	<b>52</b>	<b>1,402</b>	<b>3,744</b>
<b>Expenditure on:</b>						
Raising funds		-	-	-	-	-
<b>Charitable activities:</b>						
Academy trust educational operations	8,9	102	1,079	259	1,440	1,578
<b>Total</b>		<b>102</b>	<b>1,079</b>	<b>259</b>	<b>1,440</b>	<b>1,578</b>
<b>Net income / (expenditure)</b>		<b>25</b>	<b>144</b>	<b>(207)</b>	<b>(38)</b>	<b>2,166</b>
<b>Transfers between funds</b>		<b>-</b>	<b>(7)</b>	<b>7</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	18,22	-	(19)	-	(19)	(35)
<b>Net movement in funds</b>		<b>25</b>	<b>118</b>	<b>(200)</b>	<b>(57)</b>	<b>2,131</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		16	(59)	1,104	10,994	8,863
<b>Total funds carried forward</b>		<b>41</b>	<b>49</b>	<b>904</b>	<b>10,937</b>	<b>10,994</b>

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

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 March 2017

		2017	2017	2016	2016
	Notes	£000	£000	£000	£000
<b>Fixed assets</b>					
Intangible assets					
Tangible assets	12		10,847		11,047
<b>Current assets</b>					
Debtors	13	184		102	
Cash at bank and in hand		539		1,008	
		<u>723</u>		<u>1,110</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	(568)		(1,117)	
<b>Net current assets</b>			<u>155</u>		<u>(7)</u>
<b>Total assets less current liabilities</b>			<b>11,002</b>		<b>11,040</b>
Creditors: Amounts falling due after more than one year					
<b>Net assets excluding pension liability</b>			<u><b>11,002</b></u>		<u><b>11,040</b></u>
Defined benefit pension scheme liability	22		(65)		(46)
<b>Total assets</b>			<u><b>10,937</b></u>		<u><b>10,994</b></u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	15	10,847		11,047	
Restricted income fund	15	114		(23)	
Pension reserve	15	(65)		(46)	
<b>Total restricted funds</b>			<b>10,896</b>		<b>10,978</b>
<b>Unrestricted income funds</b>	15		<u>41</u>		<u>16</u>
<b>Total funds</b>			<u><b>10,937</b></u>		<u><b>10,994</b></u>

The financial statements on pages 19 to 39 were approved by the trustees, and authorised for issue on signed on their behalf by:

201 and are

**Lee Nicholls**  
**Chair of Trustees**



# UTC OXFORDSHIRE TRUST

## Cash flow statement for the period period 31 March 2017

	Notes	2017 £0	2016 £0
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	18	(461)	987
<b>Cash flows from investing activities</b>	19	(8)	-
<b>Cash flows from financing activities</b>	22	-	21
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(469)</u>	<u>1,008</u>
<b>Cash and cash equivalents at 1 September 2016</b>		1,008	-
<b>Cash and cash equivalents at the 31 March 2017</b>	20	<u>539</u>	<u>1,008</u>

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017

### 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 2016 to 2017 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 trust transferred its trade, assets and liabilities to the Activate Learning Education Trust Limited, and will cease trading in the near future. As required by UK accounting standards, the trustees have prepared the financial statements on the basis that the trust is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to the Activate Learning Education Trust Limited at their carrying amounts. The Debtor arising as a result of the transfer of trade has been waived.

#### ***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 period ended 31 March 2017 (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 period ended 31 March 2017 (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 or net realisable value.

### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.



# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 1 Statement of Accounting Policies (continued)

#### **Financial Instruments**

The trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments and accrued income are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### **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 Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, 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.

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 1 Statement of Accounting Policies (continued)

#### **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.

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 2017 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 period ended 31 March 2017.

### 3 Donations and capital grants

	Unrestricted Funds £0	Restricted Funds £0	Total 2017 £0	Total 2016 £0
Capital Grants	-	52	52	2,544
	<hr/>	<hr/>	<hr/>	<hr/>
	-	52	52	2,544

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 4 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
<b>DfE / EFA grants</b>				
. General Annual Grant (GAG)	-	946	946	1,009
. Start Up Grants	-	-	-	-
. Other DfE/EFA grants	-	277	277	74
	-	1,223	1,223	1,083
<b>Other Government grants</b>				
. Local authority grants	-	-	-	-
. Special educational projects	-	-	-	3
	-	-	-	3
Other income from the academy trust's educational operations	121	-	121	105
	121	1,223	1,344	1,191

### 5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Hire of facilities	6	-	6	8
	6	-	6	8

### 6 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Short term deposits	-	-	-	1
	-	-	-	1

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 7 Expenditure

	Staff Costs	Non Pay Expenditure		Total	Total
		Premises	Other	2017	2016
	£000	£000	£000	£000	£000
Expenditure on raising funds	-	-	-	-	-
Academy's educational operations:					
· Direct costs	624	-	75	699	738
· Allocated support costs	89	130	522	741	840
	713	130	597	1,440	1,578

Net income/(expenditure) for the period includes:

	Total	Total
	2017	2016
	£000	£000
Depreciation	259	368
Fees payable to auditor for:		
- audit	8	5

### 8 Charitable activities – Academy's educational operations

Analysis of support costs	Educational operations	Total	Total
		2017	2016
	£000	£000	£000
Support staff costs	89	89	107
Depreciation	259	259	368
Premises costs	130	130	78
Other support costs	262	262	282
Governance costs	8	8	5
<b>Total support costs</b>	<b>748</b>	<b>748</b>	<b>840</b>

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 9 Staff costs

Staff costs during the period were:

	Total 2017 £000	Total 2016 £000
Wages and salaries	514	605
Social security costs	54	49
Operating costs of defined benefit pension schemes	145	115
	<b>713</b>	<b>769</b>
Supply staff costs	20	24
	<b>733</b>	<b>793</b>

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

	2017 No.	2016 No.
Teachers	19	17
Administration and support	8	5
Management	2	2
	<b>29</b>	<b>24</b>

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

	2017 No.	2016 No.
£60,001 - £70,000	1	1
£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 £90,540 (2016: £287,676).

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 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 23.

### 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 March 2017 was £3,290. The cost of this insurance is included in the total insurance cost.

### 12 Tangible Fixed assets

	Freehold Land and Buildings	Leasehold Land and Buildings	Furniture and Equipment	Computer Hardware	Motor Vehicles	Total
	£000	£000	£000	£000	£000	£000
<b>Cost</b>						
At 1 September 2016	10,274	-	442	699	-	11,414
Additions	-	-	6	54	-	60
Disposals	-	-	-	-	-	-
At 31 March 2017	10,274	-	448	752	-	11,474
<b>Depreciation</b>						
At 1 September 2016	185	-	66	116	-	368
Charged in year	120	-	52	87	-	259
Disposals	-	-	-	-	-	-
At 31 March 2017	305	-	118	204	-	627
<b>Net book values</b>						
At 31 August 2016	10,088	-	376	582	-	11,047
At 31 March 2017	9,968	-	330	549	-	10,847

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 13 Debtors

	2017 £000	2016 £000
Trade debtors	2	3
VAT recoverable	129	84
Other debtors	0	-
Prepayments and accrued income	53	15
	<b>184</b>	<b>102</b>

### 14 Creditors: amounts falling due within one year

	2017 £000	2016 £000
Trade creditors	171	862
Other taxation and social security	-	16
Accruals and deferred income	397	239
	<b>568</b>	<b>1,117</b>

### Deferred income

	2017 £000	2016 £000
Deferred income at 1 September 2016	4	-
Released from previous years	(4)	-
Resources deferred in the year	69	4
Deferred Income at 31 March 2017	<b>69</b>	<b>4</b>

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 15 Funds

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 March 2017 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(48)	946	(802)	(7)	89
Start Up Grant	-	-	-	-	-
Pupil Premium	-	12	(12)	-	-
Provision for boarding	-	-	-	-	-
Other grants	25	265	(265)	-	25
Pension reserve	(46)	-	-	(19)	(65)
	(69)	1,223	(1,079)	(26)	49
<b>Restricted fixed asset funds</b>					
Transfer on conversion	-	-	-	-	-
DfE/EFA capital grants	11,047	52	(259)	7	10,847
	11,047	52	(259)	7	10,847
<b>Total restricted funds</b>	<b>10,978</b>	<b>1,275</b>	<b>(1,338)</b>	<b>(19)</b>	<b>10,896</b>
<b>Total unrestricted funds</b>	<b>16</b>	<b>127</b>	<b>(102)</b>	<b>-</b>	<b>41</b>
<b>Total funds</b>	<b>10,994</b>	<b>1,402</b>	<b>(1,440)</b>	<b>(19)</b>	<b>10,937</b>

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

#### *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 March 2017.

#### *Restricted Asset Funds*

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



# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 16 Analysis of net assets between funds

Fund balances at 31 March 2017 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	10,847	10,847
Current assets	41	682	-	723
Current liabilities	-	(568)	-	(568)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(65)	-	(65)
<b>Total net assets</b>	<b>41</b>	<b>49</b>	<b>10,847</b>	<b>10,937</b>

### 17 Capital Commitments

	2017 £000	2016 £000
Contracted for, but not provided in the financial statements	-	157

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

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

	2017	2016
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(38)	2 166
Adjusted for:		
Depreciation charges (note 12)	259	368
Capital grants from DfE and other capital income	(52)	(2,544)
Other Activities	-	-
Defined benefit pension scheme cost less contributions payable (note 22)	-	11
Defined benefit pension scheme finance cost (note 22)	1	(1)
(Increase)/decrease in debtors	(82)	480
Increase/(decrease) in creditors	(549)	506
Net cash provided by / (used in) Operating Activities	(461)	986

### 19 Capital expenditure and financial investment:

	2017	2016
	£000	£000
Purchase of tangible fixed assets	(60)	(2,544)
Capital grants from DfE/EFA	52	2,544
Net cash provided by / (used in) investing activities	(8)	-

### 20 Analysis of changes in net funds

	At 31 August 2016	Cashflows	At 31 March 2017
	£000	£000	£000
Cash in hand and at bank	1,008	(469)	539

### 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.

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

### 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 2016.

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

#### 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.

### 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 2017 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%.

## UTC OXFORDSHIRE TRUST

### Notes to the Financial Statements for the period ended 31 March 2017 (continued)

During the period, 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 £95,934.

A copy of the valuation report and supporting documentation is on the Teachers pension website (<https://www.teacherspension.co.uk>)

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

## 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 period ended 31 March 2017 was £144,926, of which employer's contributions totalled £94,934 and employees' contributions totalled £49,992.

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 March 2017	At 31 August 2016
Rate of increase in salaries	4.30%	4.10%
Rate of increase for pensions in payment/inflation	2.80%	2.30%
Discount rate for scheme liabilities	2.80%	2.20%
Inflation assumption (CPI)	2.80%	2.30%

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

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

	<b>At 31 March 2017</b>	<b>At 31 August 2016</b>
<i>Retiring today</i>		
Males	<b>23.4</b>	23.3
Females	<b>25.5</b>	25.8
<i>Retiring in 20 years</i>		
Males	<b>25.6</b>	25.6
Females	<b>27.8</b>	28.1

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

	<b>Fair value at 31 March 2017 £000</b>	<b>Fair value at 31 August 2016 £000</b>
Equity instruments	<b>37</b>	62
Debt instruments	<b>8</b>	15
Property	<b>4</b>	7
Other	<b>7</b>	10
<b>Total market value of assets</b>	<b>56</b>	94

The actual return on scheme assets was £8k (2016: £6k).

### Amounts recognised in the statement of financial activities

	<b>2017 £000</b>	<b>2016 £000</b>
Current service cost (net of employee contributions)	<b>57</b>	57
Total operating charge	<b>57</b>	57

# UTC OXFORDSHIRE TRUST

## Notes to the Financial Statements for the period ended 31 March 2017 (continued)

	2017 £'000	2016 £'000
<b>At 1 September</b>	<b>140</b>	<b>0</b>
Current service cost	34	39
Interest cost	2	1
Employee contributions	6	8
Actuarial (gain)/loss	(61)	39
Benefits paid	0	53
<b>At 31 March 2017</b>	<b>121</b>	<b>140</b>

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

	2017 £'000	2016 £'000
<b>At 1 September</b>	<b>94</b>	<b>0</b>
Interest income	1	2
Return on plan assets (excluding net interest on the net defined pension liability)	7	4
Actuarial gain/(loss)	(69)	
Employer contributions	17	27
Employee contributions	6	8
Benefits paid	0	53
<b>At 31 March 2017</b>	<b>56</b>	<b>94</b>

## 23 Related Party Transactions

During the period expenditure totalling £2,367 (2016: £14,070) was settled on behalf of the UTC Oxfordshire Trust by Activate Learning, the lead sponsor of the project. Additionally the UTC paid Activate Learning £44,830 (2016: £96,166) in respect of services received. Two Trustees of the UTC are executive directors of Activate Learning. After repayments made, the amount that remained outstanding at 31 March 2017, and is included under amounts due to related parties in note 11, is £3,650 (2016: £77,391).

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.

# UTC OXFORDSHIRE TRUST

Notes to the Financial Statements for the period ended 31 March 2017  
*(continued)*

## **24 Post balance sheet events**

On the 1<sup>st</sup> April 2017, the Trust transferred all their assets and liabilities to Activate Learning Education Trust. The transfer of the trade, assets and liabilities occurred at their carrying amounts. The Debtor arising as a result of the transfer of trade has been waived.

