

Company Registration No. 07648803 (England and Wales)

**BUCKINGHAMSHIRE UTC.
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

BUCKINGHAMSHIRE UTC.

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BUCKINGHAMSHIRE UTC.

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Karen Mitchell (Buckinghamshire College Group (formally Aylesbury College)) Peter Redfern (Taylor Wimpey Plc)
Trustees	M C Appleyard (Buckinghamshire County Council) (Resigned 1 January 2020) R Brittain (Taylor Wimpey Plc) T Coole (Bucks New University) A N Sherwell (Buckinghamshire College Group (formally Aylesbury College)) E Sisi (Co-Opted governor) M J Richards (Cisco International Limited) (Resigned 1 April 2020) B Dhillon (Bucks New University) (Resigned 1 September 2019) K E Mitchell (Buckinghamshire College Group (formally Aylesbury College)) S Hothi (Staff governor) S Valentine (Principal and accounting officer) J McGrath (Buckinghamshire College Group (formally Aylesbury College)) D Oxley (McAfee International Limited) (Appointed 1 January 2020) C Rooney (Buckinghamshire College Group (formally Aylesbury College)) S Way (NLG Co-Opted (paid - non-voting)) Dr R Marasini (Appointed 1 January 2020) K McCrea (Appointed 10 December 2019) N Braisby (Appointed 10 December 2019) A Cranmer (Buckinghamshire County Council) (Appointed 21 October 2020)
Non statutory governors - Staff representative	S Hothi
Advisors - Education Advisor	D Ghadvi (Resigned 31 August 2020)
Senior management team - Principal and accounting officer - Business Services Director	Sarah Valentine Robert Carvey
Company registration number	07648803 (England and Wales)
Registered office	Oxford Road Aylesbury Buckinghamshire HP21 8PB
Independent auditor	Azets Audit Services 6th Floor, Bank House 8 Cherry Street Birmingham B2 5AL

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The charitable company was incorporated on 26 May 2011 and commenced business September 2013 as a standalone University Technical College (UTC) specialising in Building Studies and Computing. In September 2021 a new and innovative curriculum pathway, Digital Health Technologies, is being introduced in partnership with our sponsor Bucks New University and new employer partners including South Central NHS Trust, Bucks NHS Trust, London Ambulance NHS Trust and Johnson and Johnson. The new Digital Health Technologies pathway fits seamlessly with the current computing and cyber security curriculum the UTC already offers, enhancing the STEM rich education offer for young people locally in keeping with the vision for UTCs. It will support developing careers in everything from remote patient monitoring to using artificial intelligence to leverage healthcare data and create efficiencies, and will support the potential to recruit female students. The partnership with Bucks New University, one of the UTC sponsors, will enable students to benefit from the opportunity for shared resources and expertise at Bucks New University Aylesbury Campus – the site of the new and innovative Bucks Health and Social Care Academy.

The trust operates the UTC for students aged 14 – 19 (School Yrs 10-14) serving a catchment area across Buckinghamshire, South West Hertfordshire and edging on to Oxfordshire. It has an ideal student capacity of around 350, thus allowing the necessary time and state of the art facilities to be given to students for their chosen specialist subject of either building studies, computing or digital health technologies.

The UTC offers a curriculum to accelerate the development of technical knowledge and skills through training on, and regular access to specialist technical equipment. The UTC is well equipped to offer 14-19 year olds the unique opportunity to take a highly regarded, technically oriented course of study in computing or building studies. The combination of core GCSE subjects and specialist programmes in computing or building studies supported by a strong PHSE and CEIAG curriculum provides young people with the knowledge, skills and cultural capital they need to be successful in life, evidenced by the strong destinations of our students. The strong focus on destinations and future professions provides a clear progression into employment, higher education or apprenticeships on leaving the UTC at end Year 11 or 13.

There is a rich and relevant curriculum which is designed and delivered in partnership with employer sponsors and partners. Students can study for industry recognised qualifications which are valued by employers, these include Cisco IT Essentials, CCNA and CSCS. There is a strong focus in the Bucks UTC curriculum on employability. Our aim is to invest in young people's enthusiasm and aptitude for science, maths and technology, and in doing so accelerate their progression to a career in a technical field. Employers are at the very heart of what we do, leading to growth in students' knowledge and confidence, promoting very positive attitudes to learning, for example:

- McAfee have been running an annual coding challenge since 2018 where students work in teams to create a computer game in a compiled language with the support of a McAfee Intern acting as a mentor to the team. Students create the game, documenting their journey as it forms part of their presentation at the end of the project. They learn teamwork skills, communication, coding, design and debugging skills. This project is open to students in all year groups and specialisms.
- Rackspace have been working with the UTC for 4 years, directly recruiting students from year 13 into the Rackspace first line technical support team. To support learning Rackspace are now directly involved with delivering 2 modules in BTEC level 3 in Computing for Security and Maintaining computer systems. In addition they are delivering masterclasses in Linux and Amazon web servers, these lessons are held at the RackUni in Hayes and taught by members of Rackspace 2nd line support Engineers.
- Morgan Sindall facilitate work placements for all year 12/13 students on an annual basis. They are delivering specific components of Graphical detailing in construction, Economics and finance in construction, building information modelling and Tendering and estimating.

The close working relationship with employer sponsors and partners supports the UTCs drive for work readiness. Employer projects and challenges enable students to practice the skills they have learnt at the UTC and also to use and develop interpersonal skills with members of the public. All of this ensures that when the students leave the UTC they are fully prepared for the work environment and have a sound knowledge of what to expect.

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

In the Summer 2020 despite the Covid-19 pandemic and reduction in apprenticeship and employment opportunities nationally, leavers from both Year 11 and Year 13 evidenced our continued positive destinations for students. In Year 13 97% (30 of 31 students) went to their chosen destination be that university (19%), starting a level 4+ apprenticeship (19%), Level 3 apprenticeship (3%), work with training (41%), UTC year 14 (3%). In year 11 100% (39 of 39) progressed into further education, apprenticeships or employment with 23% continuing into Year 12 at the UTC.

The UTC has significant corporate support, in particular Cisco, McAfee, Taylor Wimpey, Rackspace, Inland Homes and Morgan Sindall who provide valuable resources in the form of workshops, visits, work placements, financial sponsorship and on-going contribution to the curriculum design, development and delivery. In addition we work with a range of employer partners who support our students:

<https://buckinghamshireutc.co.uk/education/sponsors/>
<https://buckinghamshireutc.co.uk/education/employer-partners/>

The Principal, members of staff and students wish to express their thanks for what is very generous sponsorship and time given by these companies.

Structure, governance and management

Constitution

The University Technical College is a company limited by guarantee (registration number 07648803) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors act as the trustees for the charitable activities of Buckinghamshire University Technical College and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Buckinghamshire University Technical College but is more universally known as Bucks UTC.

Details of the governors and senior officers who served during the period are included in the Reference and Administrative Details on page 1.

The Trust has undertaken 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, which is centred on technical education.

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. As at 31st August 2020 there were 2 Members (2019: 2) pending revision on joining a MAT (multi academy trust).

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Trustees' indemnities

Subject to the provisions of the Companies Act 2006 every Governor or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he/she is acquitted or in connection with any applications in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

A Governor may benefit from any indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust: provided that any such insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of trust or breach of duty or which was committed by the Governors reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as directors of the Academy Trust.

Method of recruitment and appointment or election of trustees

The basic regulations concerning the appointment of governors are specified in the Articles:

- There are a maximum of 19 Governors.
- The Sponsors appointed 12 governors :
 - Buckinghamshire College Group (formerly Aylesbury College) - 4
 - Buckinghamshire New University - 4
 - Employers: McAfee, Taylor Wimpey and Cisco (1 each) - 3
 - The local authority Buckinghamshire County Council - 1
 - Parent Governors - 2
 - Staff Governor - 1
 - Co-opted Governors - 2
 - The Principal (or Executive Principal) is an ex-officio Governor.

The term of office is four years.

Policies and procedures adopted for the induction and training of trustees

The procedures for the induction of new governors continues to be developed to meet the skills required of a board in a modern day school. Training for existing Governors continues to be developed using the Governor Handbook and access to e-learning via The Key www.schoolleaders.thekeysupport.com.

Organisational structure

The Governing Body of Buckinghamshire UTC delegates the day-to-day running of the UTC to the Principal and Business Services Director (the Executive), in the case of the latter person only for business, financial and administrative matters.

The Principal is the Accounting Officer.

The Governing body acts as the critical friend of the Executive and provides support and challenge.

Governors have a range of duties and powers and a general responsibility for the conduct of the UTC with a view to promoting high standards of educational achievement. Its responsibilities include but are not limited to:

- providing a strategic view of the UTC by establishing a vision and setting the purpose and aims of the college;
- ensuring the quality of educational provision;
- setting targets for pupil achievement;
- challenging and monitoring the performance of the academy;
- making sure the curriculum is balanced and broadly based;
- ensuring good financial health and probity;
- appointing staff including the Principal;
- reviewing staff performance and pay.

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

In fulfilling these responsibilities an effective governing body will:

- help the UTC to set high standards by planning for its future and setting targets for improvement;
- keep the pressure up on school improvement;
- be a critical friend to the UTC offering support and advice;
- help the UTC respond to the needs of parents and the community;
- make the UTC accountable to the public for what it does;
- work with the UTC on planning, developing policies and keeping these under review;
- exercise its responsibilities and powers in partnership with the Principal and staff;
- not intervene in the day-to-day management of the UTC unless there are weaknesses, when it then has a duty to take action.

Following an OFSTED requires improvement judgement in January 2018, the July 2019 monitoring visit confirmed that senior leaders and governors are taking effective action to tackle the areas requiring improvement identified at the recent section 5 inspection in order for the school to become good.

As would be expected the above structure will be re-visited as required to ensure that its structure and competencies are complementary to a fully operational UTC. A new structure will be required once a MAT has been joined as the UTC board will become subservient to the MAT Board and MAT Chief Executive.

Arrangements for setting pay and remuneration of key management personnel

The Governors Pay Committee meet to review the appraisal process of all members of staff including the Principal and the details of this process can be found in the college Appraisal and Pay policies. It applies to all members of teaching and non-teaching staff. The appraisal of the Principal includes an external evaluation of the progress made by the college and the successful completion of the targets set by the Governors each year. The college adheres to the spirit of the School Teachers Pay and Conditions Document and has set the remuneration of all staff bearing in mind national guidelines.

Related parties and other connected charities and organisations

Baker Dearing Educational Trust exists to support University Technical Colleges (UTCs). Established in 2009 with an original focus on opening new UTCs, Baker Dearing now sits at the centre of the network and is uniquely placed to provide co-ordinated assistance to, and advocacy for, UTCs. Bucks UTC plays an active role in this organisation and welcomes the support provided to:

- Help UTCs achieve high standards
- Foster a supportive UTC community
- Shape the policy, regulatory & media landscape for UTCs

The UTC's sponsors are Taylor Wimpey, Cisco and McAfee and provide the main employer partner support and Bucks New University (BNU) and Buckinghamshire College Group (formerly Aylesbury College) form the academic sponsorship.

Objectives and activities

Mission and Vision

Bucks UTC is one of 48 University Technical Colleges (UTCs) across England. Through our association with employers and universities, through project-based learning, and through a focus on technical subjects, we aim to bridge the gap between the world of education and the world of work, providing an exciting opportunity for young people.

Our vision is:

- Our young people will become skilled employees of the future through integration of work skills with education in an innovative, dynamic, employment led environment.

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Our mission is to:

- Develop professional and motivated students and staff who will proactively represent the values and ethos of Bucks UTC;
- Enable our students to achieve their full potential and be successful in life, learning and their future careers; and
- Build productive relationships in the Computing and Building Studies industries to create a relevant and integrated learning experience.

Our values are:

- Exceeding expectations;
- Can do attitude;
- Mutual respect in all that we do;
- Integrity, honesty and openness;
- Valuing difference;
- Goal driven one team approach.

Objectives and Activities

- To provide a blend of academic and technical learning, with balance appropriate to each Key Stage.
- To build the vital employability skills, personal values and professional behaviours required by UTC leavers for rapid progression into the UTC's target technical sector.
- Students learning will be enriched and stretched by regular exposure to the work of target sector companies and Bucks New University.
- The quality of education is substantiated by the ambitious progression and destinations secured by its leavers.
- Providing students an outstanding learning experience and help them achieve their full potential and goals.
- Being part of a sustainable, first class working environment which services the needs of young people and employers.
- To recruit, retain and develop motivated, industry focused and dynamic teachers with professional registration who inspire students to achieve their full potential.

Public benefit

The governors confirm that they have complied with their duties under section 4 of the charities Act 2006. They have considered the public benefit guidance published by the Charities Commission and believe that they followed its guidance in this area in as far as they were able given that this period covers the lead in project to establish a brand new school. The UTC continues to support financially with modest bursaries particularly towards travel from their own funds and manages Pupil Premium and 16-19 Bursary funds for the benefit of those students. These activities are listed on our website.

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements, Expectations and Performance

Achievements

Key stage 5

- Extended Diploma Building Studies 100% success, for the third consecutive year, 21.8% above the published national average with overall high grades distinction* at 60%, 47.7% above the published national average at 12.3%.
- Diploma Building Studies 100% success, 39.2% above the published national average .
- Extended Certificate in Creative Digital Media Production 100% overall success, 17% distinction* high grades, 6% above 2019 published national average at 11%.
- Extended Certificate in Information Technology 89% overall success, 17% distinction* high grades 9% above 2019 published national average at 8%.
- Extended Certificate in Computing 75% overall success, 5% distinction* high grades 1% below 2019 published national average at 6%.
- A level maths 100% success rate grades A-C.
- 97% of year 13 students (30 of 31 students) went to their chosen destination be that university (19%), starting a level 4+ apprenticeship (19%), Level 3 apprenticeship (3%), work with training (41%), UTC year 14 (3%).

Key stage 4

Level 2 specialist technical provision

- Technical Award in Constructing the Built Environment: 88% achieved full level 2 passes with 38% achieving distinction/merit grades an increase of 8% on 2019 outcomes.
- Technical Award in Planning and Maintaining the Built Environment: 71% achieved full level 2 passes, 15% above 2019 outcomes, 33% achieved distinction/merit grades an increase of 8% on 2019 outcomes and 21% achieved level 1 pass.
- Technical Award in Designing the Built Environment: 63% achieved full level 2 passes, 6% above 2019 outcomes. 42% achieved distinction/merit grades an increase of 42% on 2019 outcomes and 38% achieved level 1 pass.
- BTEC Digital Media Production 100% pass rate, with 60% full level 2 passes and the remaining 40% achieved level 1 passes.
- BTEC Information Creative Technology 100% pass rate, 53% full level and the remaining 47% achieved level 1 passes
- BTEC Enterprise 100% pass rate, 43% achieved full level 2 passes and the remaining 57% achieved level 1 passes.
- 100% of year 11 students (39 of 39) progressed into further education, apprenticeships or employment with 23% continuing into Year 12 at the UTC.

Level 2 core GCSE provision

- 46% of students achieved GCSEs in English and Maths grade 4 and above, just above the starting point target at 45%. This is 17% above 2019 outcomes.
- 56% of students achieved grades 9 – 4 in Maths, 10% above 2019 outcomes.
- 62% of students achieved grades 9 – 4 in English Language, 26% above 2019 outcomes.
- English Literature increased to 41% in 2020 from 29% in 2019.
- 47% of students achieved grades 9-4 in combined science, 9% above 2019 outcomes.
- 89% of students achieved grades 9-4 in physics and biology with 78% achieving grades 9-4 in chemistry. There were no triple science students in 2019.

In addition to the main qualifications listed a small number of students completed qualifications to develop skills and confidence:

- Spanish FCSE 100% success 17% distinction grade, 33% merit grade and 50% pass grades.
- Functional skills:
 - Maths Entry Level 3 100% success
 - Maths Level 1 100% success
 - Maths Level 2 0% success
 - English Entry Level 3 100% success
 - English Level 1 100% success

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Post 16 GCSE Retakes

- GCSE English retake outcomes grades 9-4 are at 77% maintaining excellent performance, remaining significantly above the published national average for male students aged 17 and over at 27.2%.
- GCSE maths retake outcomes grades 9-4 are at 60% maintaining good performance, remaining significantly above the published national average for male students aged 17 and over at 22.7%.

Careers and Progression

- High quality employer partnerships that benefit student outcomes.
- In 2019/20 all year 12 and year 13 building studies students completed at least one meaningful work placement. All the work placements are real employer projects that the students work on with that company.
- Students benefit from a well co-ordinated programme of careers advice and guidance resulting strong destinations where nearly all students progress into technical related employment, education or training.
- Deliberate and effective action is taken to create a cohesive learning community through the positive promotion of pupils' spiritual, moral, social and cultural development, and their physical well-being, they are well prepared for life in modern Britain.
- Educational visits and community projects that enhance the curriculum and learning for life. For example:
 - World Skills Show, Birmingham
 - Bucks Skills Show
 - Chiltern Rangers community volunteering
 - Beijing educational and cultural visit
 - NCS programme
- In 2020 the UTC demonstrated its flexibility by moving employer-based activities and project sessions online.

Expectations 2020-21

- Improve student recruitment to secure financial sustainability.
- Increase employer engagement to enhance the student learning experience, delivering experience of work opportunities for all students in a Covid-19 safe environment.
- Ensure Year 13 choices for 2021 are well informed/timely, using support from external careers organisations and UTC's employer links in the specialist areas (Covid-19 specific).
- Continue to improve attendance at key stage 4, reducing persistent absence rates from year 9.
- Continue to improve student GCSE outcomes at key stage 4, ensuring all students make the progress they are capable of.
- Accelerate the progress of students across the range of SEND.
- Maintain the good and outstanding success rates for level 3 specialist provision.
- Improve success rates for level 2 specialist provision in computing.
- Continue to reduce fixed period exclusions.
- Continue to improve the quality of teaching to support improving outcomes for students.
- Review and develop the curriculum offer in partnership with employers and sponsors and introduce the digital health technologies pathway in September 2021.
- Further develop professional computing and building studies provision, providing opportunities for all our sixth form students, in addition to commercial provision.
- To join a MAT.

Key performance indicators

- A successful OFSTED inspection.
- Improvements in student achievements, outcomes and learning experience.
- An identifiable growth trend in student numbers facilitating financial stability.
- Digital health technologies curriculum successfully developed and recruited to for September 2021.

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Going concern

Going concern Student recruitment remains the most significant challenge and this directly affects available funds from the ESFA. Year 10 student recruitment showed an increase from 2019 to 2020 and early indications are showing further improvements for 2021. This is a similar trend to the UTC wide programme where 2020 saw increased recruitment +12% across all 48 UTCs to just under 16,000 students. The UTC continues to work to identify strategies to improve on its recruitment whilst recognising some limiting factors including the impact of COVID-19.

As at the 31 August 2020, the UTC recorded a negative net expenditure of £336,000 (2019: £167,000) and the cashflow forecasts show a negative cash position by September 2021, if a practicable solution isn't secured for the UTC's future by then. The UTC continues to work closely with the ESFA towards a recovery position whilst maintaining its operational needs. The long-term financial sustainability of Bucks UTC depends ultimately on the Academy reaching a financially balanced regular intake of students and/or the joining of a suitable MAT. Our hope is that a steady recruitment of students can be achieved through the joining of an existing MAT, thus allowing sharing of resources and expertise.

At the start of the academic year, Bucks UTC was actively pursuing the joining of Merchant Taylors Oxfordshire Academy Trust (MTOAT), however, by 31 August 2020 this had not taken place. In July 2020 a formal business case was submitted by MTOAT, however this was rejected and MTOAT are preparing a revised business case for submission to the DfE as well as undertaking further work on other contingency plans. Negotiations with the DfE and Regional Schools Commissioner continue as at the date of signing of these financial statements.

The UTC is set to submit to the ESFA a revised three-year cashflow forecast by 31 January 2021 for the period up to and including 2024 and continue to actively look to both increase student recruitment and join with a suitable MAT.

The UTC continues to adopt the going concern basis in preparing the financial statements. However, for the reasons set out above, the Trustees consider that a material uncertainty exists in relation going concern. The future sustainability of the UTC is dependent on either student numbers increasing to a sustainable level or the UTC joining an existing MAT by September 2021.

Pupil Premium

In this financial year Bucks UTC received £35,051 in regard of Pupil Premium. This is not a large sum, the funds were focussed on:

- Improving outcomes for all Pupil Premium students to bring attainment in line with expected levels of progress.
- Attendance, to implement strategies addressing the attendance gap between Pupil Premium and Non-Pupil Premium students.
- Improve curriculum engagement for Pupil Premium students.
- Implementing targeted interventions to close the gap between Pupil Premium and non Pupil Premium students.

Whilst some of this was spent directly on the pupil premium students in purchasing specific curriculum related resources and equipment, the majority funded servicing the necessary staffing resource, which cost approximately £100,000 to resource during this financial year. Governors have carefully reviewed the funds and senior leaders have completed reviewed the structure of the support team to ensure that the services provided are fit for purpose and maintain value for money.

The UTC also provides a limited number of Financial Assistance/Bursary awards to students.

Financial review

During the period the UTC has benefited from funding from the Education and Skills Funding Agency (ESFA) and its Sponsors. The ESFA provided monies for the day to day operation whilst Sponsors have assisted with other specific costs and shortfalls, mostly utilising support in kind.

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial and Risk Management Objectives and Policies

The UTC has produced a risk policy and risks are regularly reviewed at senior leadership and at governors meetings. A Financial Handbook has been developed and is reviewed by our auditors as part of their audit. The UTC employs the services of outside companies for training and teaching observation, IT support, payroll and key maintenance.

Reserves policy

The Governors will keep the level of reserves under review. In the medium term the UTC wishes to build up reserves (excluding restricted fixed asset reserves) to a level where resources will cover long term cyclical needs of renewals and any unforeseen contingencies. At 31 August 2020 the UTC had £nil (2019: £3,000) unrestricted free reserves, £(237,000) (2019: £(37,000)) restricted general funds and £8,107,000 (2019: £8,295,000) restricted fixed asset funds.

Investment policy

When there are sufficient funds at short or no notice to meet foreseeable requirements then the College would look at investing the excess in suitable funds using a financial expert.

Principal risks and uncertainties

Financial Viability

Full cohort of students are not recruited to provide ESFA funding to cover the in year expenses. The UTC's cash held balance is fast being used.

Attracting students at Year 10, this is an atypical transfer year and remains a challenge. The Baker Clause, legislation that places a duty on local authorities to make parents aware of UTC's and similar schools, came into force in January 2018 and has been facilitated by a direct approach assisted by Buckinghamshire Council (BC) admissions team. BUTC is working proactively with leaders at Buckinghamshire Council to secure an entry point at key stage 3, year 9 or year 7 entry, potentially providing funding for another year group.

Long term sustainability of Bucks UTC depends on reaching a financially balanced cohort of regular intake of students.

Bucks UTC's unique ethos and values aimed at preparing students to be work ready are important aspects that need to be wider known to distinguish us from competition and to fully integrate our product with all stakeholders. Whilst the UTC is not allowed to be selective at Year 10, clearly students do need to have a keen interest in our primary specialisms of building studies and computing.

ICT systems

Continued investment to provide high quality IT is essential to the smooth running of the UTC and the curriculum. Failure to maintain standards and innovate will compromise quality and service. For the commencement of the academic year 2019-20 Bucks UTC will have invested a further £11,000 in equipment.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Value for Money

SLAs between the UTC and suppliers working efficiently, whilst financially prudent, savings will be expected on joining a MAT.

Safeguarding

Essential to have robust policies and procedures to safeguard the BUTC students and staff. OFSTED particularly commented *"There is a strong culture of safeguarding in the school. Students feel safe and know how to keep themselves safe"*.

Success Rates

Continue to improve and sustain student qualification outcomes, maintain excellent destinations for all students.

BUCKINGHAMSHIRE UTC.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

- Successful and improved OFSTED inspection.
- Build student recruitment to reach optimum capacity.
- Apprenticeship progression opportunities expanded.
- Degree Apprenticeships progression opportunities established with partners.
- Improvements in student achievements, outcomes and learning experience.
- Digital health technologies curriculum successfully developed and recruited
- Commercial offer developed and implemented
- Continued financial sponsorship.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

On 7 September 2020 Group Audit Services Limited trading as Baldwins Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the Board.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on and signed on its behalf by:



.....
N Braisby

Chair of Governors

22 December 2020

BUCKINGHAMSHIRE UTC.

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Buckinghamshire UTC 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 with 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 Buckinghamshire UTC 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 5 times during the year, however sub committees meet more frequently to maintain oversight of the operations of the trust. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
M C Appleyard (Buckinghamshire County Council) (Resigned 1 January 2020)	0	2
R Brittain (Taylor Wimpey Plc)	2	5
T Coole (Bucks New University)	3	5
A N Sherwell (Buckinghamshire College Group (formally Aylesbury College))	5	5
E Sisi (Co-Opted governor)	2	5
M J Richards (Cisco International Limited) (Resigned 1 April 2020)	4	5
B Dhillon (Bucks New University) (Resigned 1 September 2019)	0	0
K E Mitchell (Buckinghamshire College Group (formally Aylesbury College))	3	5
S Hothi (Staff governor)	2	5
S Valentine (Principal and accounting officer)	5	5
J McGrath (Buckinghamshire College Group (formally Aylesbury College))	5	5
D Oxley (McAfee International Limited) (Appointed 1 January 2020)	5	5
C Rooney (Buckinghamshire College Group (formally Aylesbury College))	2	5
S Way (NLG Co-Opted (paid - non-voting))	5	5
Dr R Marasini (Appointed 1 January 2020)	5	5
K McCrea (Appointed 10 December 2019)	5	5
N Braisby (Appointed 10 December 2019)	5	5
A Cranmer (Buckinghamshire County Council) (Appointed 21 October 2020)	0	0

Board membership was updated to reflect the changing needs of the UTC, including the election of a new Chair. The Bucks New University representatives have been appointed to improve governors experience in secondary school leadership and to improve learning and teaching links with the built environment and computing.

The Trust have accessed support from an external schools data specialist and a National Leader of Education (NLE) to triangulate data and teaching and learning judgements to hold senior leaders to account. The Board have continued to access specialist schools advice from a National Leader of Governance (NLG) who is a co-opted member.

BUCKINGHAMSHIRE UTC.

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trust has completed an ongoing internal review of governance led by the NLG following the external review of governance. This has resulted in the in-year changes to board membership and greater training opportunities for trustees.

The Board and its committees' meet regularly to ensure their responsibilities are discharged, ensuring robust and effective management arrangements.

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 academy 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 ensuring that SLA's between Bucks UTC and suppliers are working efficiently, whilst being financially prudent.

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 on-going 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 Buckinghamshire UTC. for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

No internal scrutiny function was in place during the year due to the impact of the Covid-19 pandemic on a small organisation, however a retrospective review is taking place to cover this.

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 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. 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 finance and general purposes committee 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;
- identification and management of risks.

Primary responsibility for the UTC's financial reporting, accounting systems and internal controls is vested in management and overseen by the Board of Trustees.

BUCKINGHAMSHIRE UTC.

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Review of effectiveness

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Business Services Director;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purpose committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on and signed on its behalf by:

Sarah Valentine

S Valentine
Accounting Officer

22 December 2020

Nick Braisby

N Braisby
Trustee

22 December 2020

BUCKINGHAMSHIRE UTC.

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Buckinghamshire UTC., I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's board of trustees 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 academy trust's funding agreement and the Academies Financial Handbook 2019.

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

Sarah Valentine

S Valentine
Accounting Officer

22nd December 2020
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BUCKINGHAMSHIRE UTC.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Buckinghamshire UTC. for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting 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 accounts; and
- prepare the accounts 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 accounts 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 with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from 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 accounts 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:



N Braisby
Trustee

22 December 2020

BUCKINGHAMSHIRE UTC.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUCKINGHAMSHIRE UTC.

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Buckinghamshire UTC. for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Material uncertainty relating to going concern

We draw specific attention to the Trustees Report and accounting policy 1.2 within the financial statements, which indicate that a material uncertainty exists over the financial sustainability of the UTC that may cast significant doubt over the UTC's ability to continue as a going concern.

As at the 31 August 2020, the UTC recorded a negative net expenditure of £336,000 (2019: £167,000) and the cashflow forecasts show a negative cash position by September 2021, if a practicable solution isn't secured for the UTC's future by then.

At the start of the academic year, Bucks UTC was actively pursuing the joining of Merchant Taylors Oxfordshire Academy Trust (MTOAT), however, by 31 August 2020 this had not taken place. In July 2020 a formal business case was submitted by MTOAT, however this was rejected and MTOAT are preparing a revised business case for submission to the DfE as well as undertaking further work on other contingency plans. Negotiations with the DfE and Regional Schools Commissioner continue as at the date of signing of these financial statements.

The future sustainability of the UTC is dependent on either student numbers increasing to a sustainable level or the UTC joining an existing MAT by September 2021. Our opinion is not modified in respect of this matter.

BUCKINGHAMSHIRE UTC.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUCKINGHAMSHIRE UTC. (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

BUCKINGHAMSHIRE UTC.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUCKINGHAMSHIRE UTC. (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Laura Hinsley FCCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Statutory Auditor

22nd December 2020

6th Floor, Bank House
8 Cherry Street
Birmingham
B2 5AL

BUCKINGHAMSHIRE UTC.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BUCKINGHAMSHIRE UTC. AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 21 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Buckinghamshire UTC. during the period 1 September 2019 to 31 August 2020 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 Buckinghamshire UTC. and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Buckinghamshire UTC. and 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 Buckinghamshire UTC. and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Buckinghamshire UTC.'s accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Buckinghamshire UTC.'s funding agreement with the Secretary of State for Education dated 1 June 2012 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 2019 to 2020 issued by 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.

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

BUCKINGHAMSHIRE UTC.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BUCKINGHAMSHIRE UTC. AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

During the period 1 September 2019 to 31 August 2020 it was noted that Buckinghamshire UTC. did not engage an independent internal auditor in order to deliver a programme of internal scrutiny work required by Part 3 of the Academies Financial Handbook 2019. Buckinghamshire UTC, are in the process of engaging an internal auditor to undertake an agreed programme of work and this will be performed retrospectively.



Reporting Accountant

Azets Audit Services
6th Floor, Bank House
8 Cherry Street
Birmingham
B2 5AL

Dated: 22nd December 2020

BUCKINGHAMSHIRE UTC.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	3	-	-	7	7	19
Charitable activities:						
- Funding for educational operations	4	-	1,154	-	1,154	1,497
Other trading activities	5	16	-	-	16	23
Total		<u>16</u>	<u>1,154</u>	<u>7</u>	<u>1,177</u>	<u>1,539</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	57	1,243	213	1,513	1,706
Total	6	<u>57</u>	<u>1,243</u>	<u>213</u>	<u>1,513</u>	<u>1,706</u>
Net expenditure		(41)	(89)	(206)	(336)	(167)
Transfers between funds	16	38	(46)	8	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	17	-	(32)	-	(32)	(106)
Net movement in funds		<u>(3)</u>	<u>(167)</u>	<u>(198)</u>	<u>(368)</u>	<u>(273)</u>
Reconciliation of funds						
Total funds brought forward		3	(70)	8,305	8,238	8,511
Total funds carried forward		<u>-</u>	<u>(237)</u>	<u>8,107</u>	<u>7,870</u>	<u>8,238</u>

BUCKINGHAMSHIRE UTC.

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2019 £'000
Income and endowments from:					
Donations and capital grants	3	-	-	19	19
Charitable activities:					
- Funding for educational operations	4	1	1,496	-	1,497
Other trading activities	5	23	-	-	23
Total		<u>24</u>	<u>1,496</u>	<u>19</u>	<u>1,539</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	21	1,461	224	1,706
Total	6	<u>21</u>	<u>1,461</u>	<u>224</u>	<u>1,706</u>
Net income/(expenditure)		3	35	(205)	(167)
Transfers between funds	16	-	(11)	11	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	17	-	(106)	-	(106)
Net movement in funds		3	(82)	(194)	(273)
Reconciliation of funds					
Total funds brought forward		-	12	8,499	8,511
Total funds carried forward		<u>3</u>	<u>(70)</u>	<u>8,305</u>	<u>8,238</u>

BUCKINGHAMSHIRE UTC.

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Intangible assets	11	-	2
Tangible assets	12	8,101	8,304
		<u>8,101</u>	<u>8,306</u>
Current assets			
Debtors	13	32	79
Cash at bank and in hand		222	234
		<u>254</u>	<u>313</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(71)	(66)
		<u></u>	<u></u>
Net current assets		183	247
Net assets excluding pension liability		<u>8,284</u>	<u>8,553</u>
Defined benefit pension scheme liability	17	(414)	(315)
		<u></u>	<u></u>
Total net assets		<u>7,870</u>	<u>8,238</u>
Funds of the academy trust:			
Restricted funds	16		
- Fixed asset funds		8,107	8,305
- Restricted income funds		177	245
- Pension reserve		(414)	(315)
		<u></u>	<u></u>
Total restricted funds		<u>7,870</u>	<u>8,235</u>
Unrestricted income funds	16	-	3
		<u></u>	<u></u>
Total funds		<u>7,870</u>	<u>8,238</u>

The accounts on pages 22 to 44 were approved by the trustees and authorised for issue on and are signed on their behalf by:



N Braisby

22 December 2020

Company Number 07648803

BUCKINGHAMSHIRE UTC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £'000	£'000	2019 £'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	19		(11)		(87)
Cash flows from investing activities					
Capital grants from DfE Group		7		19	
Purchase of tangible fixed assets		(8)		(30)	
Net cash used in investing activities			(1)		(11)
Net decrease in cash and cash equivalents in the reporting period			(12)		(98)
Cash and cash equivalents at beginning of the year			234		332
Cash and cash equivalents at end of the year			222		234

BUCKINGHAMSHIRE UTC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 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 (FRS 102), 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 (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Buckinghamshire UTC meets the definition of a public benefit entity under FRS 102 and is a private charitable company, limited by guarantee and register in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

The financial statements are prepared in Sterling, being the functional currency of the charitable company. Monetary amounts presented in these financial statements have been rounded to the nearest £'000.

1.2 Going concern

Going concern Student recruitment remains the most significant challenge and this directly affects available funds from the ESFA. Year 10 student recruitment showed an increase from 2019 to 2020 and early indications are showing further improvements for 2021. This is a similar trend to the UTC wide programme where 2020 saw increased recruitment +12% across all 48 UTCs to just under 16,000 students. The UTC continues to work to identify strategies to improve on its recruitment whilst recognising some limiting factors including the impact of COVID-19.

As at the 31 August 2020, the UTC recorded a negative net expenditure of £336,000 (2019: £167,000) and the cashflow forecasts show a negative cash position by September 2021, if a practicable solution isn't secured for the UTC's future by then. The UTC continues to work closely with the ESFA towards a recovery position whilst maintaining its operational needs. The long-term financial sustainability of Bucks UTC depends ultimately on the Academy reaching a financially balanced regular intake of students and/or the joining of a suitable MAT.

At the start of the academic year, Bucks UTC was actively pursuing the joining of Merchant Taylors Oxfordshire Academy Trust (MTOAT), however, by 31 August 2020 this had not taken place. In July 2020 a formal business case was submitted by MTOAT, however this was rejected and MTOAT are preparing a revised business case for submission to the DfE as well as undertaking further work on other contingency plans. Negotiations with the DfE and Regional Schools Commissioner continue as at the date of signing of these financial statements.

The UTC is set to submit to the ESFA a revised three-year cashflow forecast by 31 January 2021 for the period up to and including 2024 and continue to actively look to both increase student recruitment and join with a suitable MAT.

The UTC continues to adopt the going concern basis in preparing the financial statements. However, for the reasons set out above, the Trustees consider that a material uncertainty exists in relation going concern. The future sustainability of the UTC is dependent on either student numbers increasing to a sustainable level or the UTC joining an existing MAT by September 2021.

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

BUCKINGHAMSHIRE UTC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Grants

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 period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

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 are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable 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 academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

BUCKINGHAMSHIRE UTC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

1.5 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 4 years

1.6 Tangible fixed assets and depreciation

Assets costing £100 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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. Where there are specific conditions attached to the funding that require the continued use of the asset, 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 the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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:

Long leasehold	50 years
Computer equipment	4 years
Fixtures, fittings & equipment	4 years
Motor vehicles	4 years

BUCKINGHAMSHIRE UTC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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.

1.7 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 in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.8 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.9 Financial instruments

The academy 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. Prepayments 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. 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.

1.10 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 2010 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.

1.11 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 and the assets are held separately from those of the academy trust.

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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

The LGPS is a funded multi-employer 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 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 and Skills Funding Agency.

1.13 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 22.

2 Critical accounting estimates and areas of judgement

Accounting 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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	-	7	7	19

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	882	882	1,157
DfE teaching grants	-	43	43	8
Other DfE group grants	-	210	210	297
	-	1,135	1,135	1,462
Other government grants				
Local authority grants	-	14	14	19
Other funding				
Other incoming resources	-	5	5	16
Total funding	-	1,154	1,154	1,497

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities and equipment	3	-	3	-
Catering income	8	-	8	14
Other income	5	-	5	9
	16	-	16	23

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Academy's educational operations					
- Direct costs	872	-	118	990	1,106
- Allocated support costs	92	316	115	523	600
	<u>964</u>	<u>316</u>	<u>233</u>	<u>1,513</u>	<u>1,706</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for audit services	13	13
Depreciation of tangible fixed assets	212	206
Amortisation of intangible fixed assets	1	9
Loss on disposal of fixed assets	-	10
Net interest on defined benefit pension liability	6	4
	<u>232</u>	<u>242</u>

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Educational operations	-	990	990	1,106
Support costs				
Educational operations	57	466	523	600
	<u>57</u>	<u>1,456</u>	<u>1,513</u>	<u>1,706</u>

BUCKINGHAMSHIRE UTC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7	Charitable activities	(Continued)	
	Analysis of costs	2020	2019
		£'000	£'000
	Direct costs		
	Teaching and educational support staff costs	881	946
	Staff development	2	6
	Technology costs	46	52
	Educational supplies and services	23	39
	Examination fees	36	48
	Other direct costs	2	15
		<u>990</u>	<u>1,106</u>
	Support costs		
	Support staff costs	92	72
	Depreciation and amortisation	213	224
	Recruitment and support	44	93
	Maintenance of premises and equipment	19	43
	Cleaning	4	4
	Energy costs	54	8
	Rent, rates and other occupancy costs	22	62
	Insurance	4	15
	Catering	9	14
	Finance costs	6	4
	Legal costs	21	17
	Other support costs	7	13
	Governance costs	28	31
		<u>523</u>	<u>600</u>
8	Staff		
	Staff costs		
	Staff costs during the year were:	2020	2019
		£'000	£'000
	Wages and salaries	698	723
	Social security costs	66	68
	Pension costs	172	120
		<u>936</u>	<u>911</u>
	Amounts paid to employees	936	911
	Agency staff costs	28	102
	Staff development and other staff costs	11	11
		<u>975</u>	<u>1,024</u>
	Total staff expenditure	975	1,024

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Staff (Continued)

Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2020 Number	2019 Number
Teachers	11	13
Administration and support	11	13
Management	2	2
	<u>24</u>	<u>28</u>

Higher paid staff

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

	2020 Number	2019 Number
£80,001 - £90,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £156,000 (2019: £209,000).

9 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

S Valentine (Principal):

- Remuneration £80,000 - £85,000 (2019: £80,000 - £85,000)
- Employer's pension contributions £15,000 - £20,000 (2019: £10,000 - £15,000)

S Hothi (Staff Trustee):

- Remuneration £35,000 - £40,000 (2019: £35,000 - £40,000)
- Employer's pension contributions £0 - £5,000 (2019: £0 - £5,000)

During the year, travel and subsistence payments totalling £nil (2019: £nil) were reimbursed or paid directly to the trustees.

Other related party transactions involving the trustees are set out within the related parties note.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Insurance for trustees and officers

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

11 Intangible fixed assets

	Computer software £'000
Cost	
At 1 September 2019 and at 31 August 2020	38
Amortisation	
At 1 September 2019	36
Charge for year	2
At 31 August 2020	38
Carrying amount	
At 31 August 2020	-
At 31 August 2019	2

12 Tangible fixed assets

	Long leasehold £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 September 2019	9,365	67	23	25	9,480
Additions	-	8	-	-	8
At 31 August 2020	9,365	75	23	25	9,488
Depreciation					
At 1 September 2019	1,122	24	5	25	1,176
Charge for the year	186	19	6	-	211
At 31 August 2020	1,308	43	11	25	1,387
Net book value					
At 31 August 2020	8,057	32	12	-	8,101
At 31 August 2019	8,243	43	18	-	8,304

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

13 Debtors

	2020 £'000	2019 £'000
Trade debtors	2	4
VAT recoverable	19	56
Prepayments and accrued income	11	19
	<u>32</u>	<u>79</u>

14 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	8	27
ESFA creditors - abatement of GAG	8	8
Accruals and deferred income	55	31
	<u>71</u>	<u>66</u>

15 Deferred income

	2020 £'000	2019 £'000
Deferred income is included within:		
Creditors due within one year	38	13
	<u>38</u>	<u>13</u>
Deferred income at 1 September 2019	13	9
Released from previous years	(13)	(9)
Resources deferred in the year	38	13
	<u>38</u>	<u>13</u>
Deferred income at 31 August 2020	38	13

At the balance sheet date the academy was holding funds received in advance for pupil premium and rates relief for the 2019/20 academic year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	245	882	(904)	(46)	177
Other DfE / ESFA grants	-	253	(253)	-	-
Other government grants	-	14	(14)	-	-
Other restricted funds	-	5	(5)	-	-
Pension reserve	(315)	-	(67)	(32)	(414)
	<u>(70)</u>	<u>1,154</u>	<u>(1,243)</u>	<u>(78)</u>	<u>(237)</u>
Restricted fixed asset funds					
DfE group capital grants	8,295	7	(213)	8	8,097
Private sector capital sponsorship	10	-	-	-	10
	<u>8,305</u>	<u>7</u>	<u>(213)</u>	<u>8</u>	<u>8,107</u>
Total restricted funds	<u>8,235</u>	<u>1,161</u>	<u>(1,456)</u>	<u>(70)</u>	<u>7,870</u>
Unrestricted funds					
General funds	3	16	(57)	38	-
	<u>3</u>	<u>16</u>	<u>(57)</u>	<u>38</u>	<u>-</u>
Total funds	<u>8,238</u>	<u>1,177</u>	<u>(1,513)</u>	<u>(32)</u>	<u>7,870</u>

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

Unrestricted funds represent lettings during the period. The funds can be utilised towards meeting any of the charitable objects of the academy trust at the discretion of the Governors.

Restricted general funds arise from funding from the Department for Education and the Local Authority.

Restricted fixed asset funds represent the assets acquired on conversion to an academy, plus subsequent additions and disposals. Depreciation and capital grants are also attributed to this fund.

During the year, a transfer of £8,000 (2019: £11,000) was made from restricted reserves to restricted fixed asset funds for fixed assets purchased using restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Funds

(Continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	175	1,157	(1,076)	(11)	245
Other DfE / ESFA grants	-	306	(306)	-	-
Other government grants	-	19	(19)	-	-
Other restricted funds	-	14	(14)	-	-
Pension reserve	(163)	-	(46)	(106)	(315)
	<u>12</u>	<u>1,496</u>	<u>(1,461)</u>	<u>(117)</u>	<u>(70)</u>
Restricted fixed asset funds					
DfE group capital grants	8,489	19	(224)	11	8,295
Private sector capital sponsorship	10	-	-	-	10
	<u>8,499</u>	<u>19</u>	<u>(224)</u>	<u>11</u>	<u>8,305</u>
Total restricted funds	<u>8,511</u>	<u>1,515</u>	<u>(1,685)</u>	<u>(106)</u>	<u>8,235</u>
Unrestricted funds					
General funds	-	24	(21)	-	3
	<u>-</u>	<u>24</u>	<u>(21)</u>	<u>-</u>	<u>3</u>
Total funds	<u>8,511</u>	<u>1,539</u>	<u>(1,706)</u>	<u>(106)</u>	<u>8,238</u>

17 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; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Buckinghamshire County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Pension and similar obligations

(Continued)

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £79,000 (2019: £50,000).

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 an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.3% for employers and 5.5 to 11.7% for employees.

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.

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	31	28
Employees' contributions	11	11
Total contributions	42	39

BUCKINGHAMSHIRE UTC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	3.3	3.7
Rate of increase for pensions in payment/inflation	2.3	2.2
Discount rate for scheme liabilities	1.6	1.9

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

	2020 Years	2019 Years
Retiring today		
- Males	21.8	24.1
- Females	25.1	26.2
Retiring in 20 years		
- Males	23.2	26.4
- Females	26.6	28.6

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020 £'000	2019 £'000
Discount rate + 0.1%	61	85
Discount rate - 0.1%	64	89
Mortality assumption + 1 year	64	90
Mortality assumption - 1 year	60	84
CPI rate + 0.1%	62	87
CPI rate - 0.1%	62	87

The academy trust's share of the assets in the scheme

	2020 Fair value £'000	2019 Fair value £'000
Equities	264	221
Gilts	51	48
Other Bonds	75	58
Cash	13	13
Property	30	28
Other assets	48	43
Total market value of assets	481	411

The actual return on scheme assets was £28,000 (2019: £29,000).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Pension and similar obligations

(Continued)

Amount recognised in the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	92	70
Interest income	(8)	(10)
Interest cost	14	14
Total operating charge	98	74
Changes in the present value of defined benefit obligations	2020 £'000	2019 £'000
At 1 September 2019	726	506
Current service cost	92	70
Interest cost	14	14
Employee contributions	11	11
Actuarial loss	52	125
At 31 August 2020	895	726
Changes in the fair value of the academy trust's share of scheme assets	2020 £'000	2019 £'000
At 1 September 2019	411	343
Interest income	8	10
Actuarial gain	20	19
Employer contributions	31	28
Employee contributions	11	11
At 31 August 2020	481	411

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	8,101	8,101
Current assets	-	248	6	254
Creditors falling due within one year	-	(71)	-	(71)
Defined benefit pension liability	-	(414)	-	(414)
Total net assets	-	(237)	8,107	7,870

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Intangible fixed assets	-	-	2	2
Tangible fixed assets	-	-	8,304	8,304
Current assets	3	310	-	313
Creditors falling due within one year	-	(66)	-	(66)
Defined benefit pension liability	-	(315)	-	(315)
Total net assets	3	(71)	8,306	8,238

19 Reconciliation of net expenditure to net cash flow from operating activities

	2020 £'000	2019 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(336)	(167)
Adjusted for:		
Capital grants from DfE and other capital income	(7)	(19)
Defined benefit pension costs less contributions payable	61	42
Defined benefit pension scheme finance cost	6	4
Depreciation of tangible fixed assets	212	204
Amortisation of intangible fixed assets	1	9
Loss on disposal of fixed assets	-	10
Decrease/(increase) in debtors	47	(12)
Increase/(decrease) in creditors	5	(158)
Net cash used in operating activities	(11)	(87)

20 Analysis of changes in net funds

	1 September 2019 £'000	Cash flows £'000	31 August 2020 £'000
Cash	234	(12)	222

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Related party transactions

Owing to the nature of the academy trust'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 the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

- During the year costs of £30,000 (2019: £35,000) were recharged from Aylesbury College, the academy trust's sponsor, in respect of estates, staff and other costs. an amount of £4,000 (2019: £nil) is payable to Aylesbury College as at 31 August 2020 and is included within creditors.

22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

23 Agency arrangements

The Academy Trust administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year it received £25,000 (2019: £33,000).