

**GLOBAL ACADEMY UTC TRUST LIMITED**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**GLOBAL ACADEMY UTC TRUST LIMITED**  
**(A company limited by guarantee)**

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**GLOBAL ACADEMY UTC TRUST LIMITED**

**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Trustees**

Ms E Bradley  
Ms N A Brett  
Mr W Harding  
Mr D R Henley  
Ms A Sweet  
Mr I Buckley (appointed 1 September 2016)  
Ms L B Gadd (appointed 1 September 2016)

**Company registered number**

08713518

**Registered office**

30 Leicester Square, London, WC2H 7LA

**Independent auditors**

Wells, 1 Vincent Square, London, SW1P 2PN

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## GLOBAL ACADEMY UTC TRUST LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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The Trustees of the Global Academy UTC Trust Limited (the "UTC"), the "Company" and "Charitable Company", present their annual report together with the audited financial statements for the year ended 31 August 2016.

Since the Company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### OBJECTIVES AND ACTIVITIES

##### • Principal Activities

The principal activities of the UTC are in the field of education, managing a UTC. Funds were received in the period from the Government to assist with the setting up of the UTC which opened in September 2016.

##### • Policies and objectives

The purpose of the UTC is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum including vocational education specialising in Broadcast & Digital Media. The curriculum must be appropriate to the needs of its students. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

The Project Steering Group ("PSG") continued to be the body charged with setting up the school and spent the year carrying out its tasks. The main target was the opening of the school in September 2016 with up to 200 students. As such the PSG concentrated on:

- The building project to ensure the building will be ready on time
- The appointment of the Principal to manage the school
- Marketing the school to recruit students
- Liaison with the EFA and DfE on all matters as they are funding the new school
- Funding, to ensure the school is set up adequately

Since the year end the school opened with approximately 170 students. A Governing Body was established, responsible for setting targets and challenging the executives about the quality of education the students receive.

#### FINANCIAL REVIEW

##### • Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

##### • Financial and risk management objectives and policies

The Company's net surplus for the year for restricted reserves was £15,961,843 and unrestricted reserves were £76,160. Grants received in the year amounted to £15,961,843.

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## GLOBAL ACADEMY UTC TRUST LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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The Trustees will continue to closely monitor the performance of the Charitable Company's fundraising initiatives, and continue to consider ways of maximising fundraising return on investment.

Total income was £16,562,197 and the Trustees expect this to fall in the year ahead following completion of the build of the UTC.

#### • Reserves policy

The Trustees have not yet adopted a policy on reserves. During the course of the coming academic year, the Trustees will adopt a policy on reserves to reflect the revenue income received from 1 September 2016.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### • Constitution

The Global Academy UTC Trust Limited is a charitable company limited by guarantee. The Charitable Company's memorandum and articles of association (the "Articles") are the primary governing documents of the UTC. The Trustees of the Company are also the Governors of the Global Academy UTC and the Directors of the Charitable Company for the purposes of company and charity law.

University of the Arts, London and This Is Global Limited are sponsors of the UTC.

#### • Method of recruitment and appointment or election of Trustees

As set out in the Articles, the following describes the name of any body or person entitled to nominate or appoint one or more trustees. The Members may appoint trustees through such process as they may determine. The members are Ashley Tabor, Stephen Miron and Nigel Carrington.

The Articles provide for the appointment or election of governors as follows:

- Up to ten governors appointed by the Members, provided that in making such appointments the Members shall ensure that nominees of the employer and university sponsors together form a majority of the total number of governors
- A minimum of two elected parent governors
- The Principal
- Members may appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employees of the Company shall not exceed one third of the total number of governors

The UTC did not open until September 2016 so the Governing Body had no parent representatives; elections are due to be held later in the academic year in accordance with the terms of reference determined by the Trustees from time to time.

Similarly, the UTC had no staff governors except for the Principal. The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. The Trustees may appoint Co-opted Trustees.

Will Harding has continued as Chair of the PSG throughout the academic year and has been appointed Chair of Governors.

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## GLOBAL ACADEMY UTC TRUST LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### ● Organisational structure and decision making

A Governing Body has been established since the UTC opened in September 2016. Prior to the UTC opening, the Project Steering Group undertook all Charitable Company business without sub-committees due to there being no school currently in the Trust. Others "in attendance" at the PSG meetings included representatives from This is Global Ltd, University of the Arts, London and Baker Dearing Trust.

The Governing Body is responsible for setting general policy, adopting an annual plan and budget, monitoring the UTC by the use of budgets and a strategic development plan. The Governing Body meets at least tri-annually. The main responsibilities of the Governing Body are prescribed in the Funding Agreement between the Global Academy UTC Trust and the Secretary of State for Education and in the Academies Financial Handbook. The Governors have delegated components of their responsibility to two committees (Teaching & Learning and Finance & Audit)

The Teaching & Learning Committee is responsible for matters relating to the curriculum, academic matters and provision of education at the UTC through objective setting, approval of the education plan, operational implementation and monitoring/reporting on progress.

The Finance & Audit Committee is responsible for all financial management, ensuring an effective internal control environment and oversight of risk management and audit matters.

The Principal is responsible for the day-to-day running of the UTC and is assisted by a Senior Leadership Team ("SLT"). The SLT controls the UTC at an executive level, implementing the policies laid down by the Governing Body and reporting back to them and providing evidence and analysis to the Governing Body meetings, enabling effective monitoring by the Governors.

#### ● Policies adopted for the induction and training of trustees

Training for the Governors commenced with The Code of Practice for Governors of the Global Academy being circulated at the first Governing Body meeting in September 2016. Further formalisation of policies for induction and training is continuing through the 2016/17 academic year.

#### ● Risk management

During the current period key risks identified were the primary focus of the PSG, namely the completion of the building in time for the 2016/17 academic year and recruitment of students.

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the Charitable Company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

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## GLOBAL ACADEMY UTC TRUST LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### • Trustees' indemnities

Subject to the provisions of the Companies Act 2006 (section 236) every Trustee or other officer of the Global Academy UTC Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, to which Judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to affairs of the Global Academy UTC Trust.

#### PLANS FOR THE FUTURE

##### • Future developments

The UTC plans to expand the number of students in future academic years. The Governing Body will work to ensure the new school is set up in such a way to succeed in providing an education suitable for all the students who attend.

#### 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.

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**GLOBAL ACADEMY UTC TRUST LIMITED**

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**TRUSTEES' RESPONSIBILITIES STATEMENT**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees and signed on their behalf by:



**Mr I Buckley**  
Trustee

Date: 20 December 2016



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## GLOBAL ACADEMY UTC TRUST LIMITED

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### GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2016

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#### SCOPE OF RESPONSIBILITY

As trustees we acknowledge we have overall responsibility for ensuring that Global Academy UTC ("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 Global Academy UTC Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. A board of trustees was not established during the financial year because the school was not open. Instead a Project Steering Group ("PSG") was established to carry on the Trust's business due to there being no school in the trust. The responsibilities and objectives of the PSG are detailed in the Trustees' Report.

The PSG has formally met 12 times during the year. Attendees included Trustees, the Principal, representatives from the sponsors This Is Global Limited and University of the Arts, London and representatives from the DfE and EFA.

The Global Academy UTC Board of Trustees ("Board") has been formally established in September 2016 with the opening of the UTC. The first meeting was held on 5 September 2016 and meetings are planned on a termly basis to ensure the Board meets at least three times in each academic year.

The Finance and Audit Committee has been established since the end of the financial year. It is a committee established by the Board of Trustees. Its purpose is to consider and advise the Governing Body on all matters relating to finance and audit.

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## GLOBAL ACADEMY UTC TRUST LIMITED

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### GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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Since the end of the financial year, the following Trustees have been appointed to the committee. I Buckley, who is a qualified accountant, chairs the committee. No meetings were held within the financial year.

#### Committee members

I Buckley (appointed 5 September 2016)  
W Harding (appointed 5 September 2016)  
D Henley (appointed 5 September 2016)  
S Collins (appointed 5 September 2016)

The Teaching and Learning Committee has also been established since the end of the financial year. It is a committee established by the Board of Trustees. L Gadd chairs the committee. Its purpose is to consider and advise the governing body on standards and other matters relating to the Global Academy UTC curriculum.

Since the end of the financial year, the following Trustees have been appointed to the committee.

#### Committee members

L Gadd (appointed 5 September 2016)  
N Brett (appointed 5 September 2016)  
A Sweet (appointed 5 September 2016)  
S Summerson (appointed 5 September 2016)

#### REVIEW OF VALUE FOR MONEY

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

The Accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and now the Global Academy UTC is open will report to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate.

#### THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Global Academy UTC 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 Global Academy UTC Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

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## GLOBAL ACADEMY UTC TRUST LIMITED

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### GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### CAPACITY TO HANDLE RISK

The Board of Trustees is in the process of constantly reviewing the key risks to which the academy trust is exposed since the Global Academy UTC opened in September 2016 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process will be subject to regular review by the board of trustees.

#### THE RISK AND CONTROL FRAMEWORK

The academy trust's ongoing system of internal financial control is to be 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 audit committee of reports which indicate financial performance against the forecasts and will include a review of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

Subsequent to the year end, the Finance and Audit Committee, as delegated by the Board of Trustees, has considered the need for a specific internal audit function. As at the year end, with the Global Academy UTC not yet open, an internal auditor had not been appointed. The Trustees are in the process of tendering the audit for the forthcoming financial year and the expectation is that the newly selected external auditors, as reviewer, are likely to be engaged to perform additional checks rather than create a specific internal audit function for the Global Academy UTC. Internal audit reports will be circulated and reviewed by the Finance and Audit Committee and reported to the board of trustees as appropriate.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks will include:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a termly basis, the newly appointed external auditor, as reviewer, will report to the board of trustees, through the finance and audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Once a reviewer has been appointed, the finance and audit committee will request a schedule of work which will include a risk assessment to identify material control issues and a plan to report on an required remedial action which will need to be taken to rectify these issues.

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**GLOBAL ACADEMY UTC TRUST LIMITED**

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**GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**REVIEW OF EFFECTIVENESS**

The Principal was appointed during the year. As Accounting Officer, the Principal has an ongoing responsibility for reviewing the effectiveness of the system of internal control. In the financial year in question, prior to the Global Academy UTC opening, this review has been informed by:

- the work of employees of the sponsor, This is Global Ltd, to review, establish and implement an appropriate control framework.
- the work of the external auditor; and,
- the work of the Trustees who have responsibility for the development of the internal control framework

Since the Global Academy UTC opened in September 2016, the Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Finance and Audit Committee and a plan to review continuous improvement is in place.

Approved by order of the members of the board of trustees on 20<sup>th</sup> December 2016 and signed on its behalf by:

  
**Mr I Buckley**  
Trustee

  
**Mr S Collins**  
Accounting Officer

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**GLOBAL ACADEMY UTC TRUST LIMITED**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of The Global Academy UTC Trust Ltd I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, 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 2015.

I confirm that I and the Academy Trust 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 2015.

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 EFA.



**Mr S Collins**  
Accounting Officer

Date: 20/12/16

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## **GLOBAL ACADEMY UTC TRUST LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL ACADEMY UTC TRUST LIMITED**

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We have audited the financial statements of Global Academy UTC Trust Limited for the year ended 31 August 2016 set out on pages 10 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

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## GLOBAL ACADEMY UTC TRUST LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL ACADEMY UTC TRUST LIMITED

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#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

#### **Independent Reporting Accountant's Assurance Report on Regularity to Global Academy UTC Trust Limited and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 29 June 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Global Academy UTC Trust Limited during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Global Academy UTC Trust Limited and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Global Academy UTC Trust Limited and EFA 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 Global Academy UTC Trust Limited and EFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Global Academy UTC Trust Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Global Academy UTC Trust Limited's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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**GLOBAL ACADEMY UTC TRUST LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL ACADEMY UTC TRUST LIMITED**

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**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a 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 during the audit included an examination of some of the company's transactions, procedures and controls with a view to expressing an opinion on the accounts for the period. This work was not directed primarily towards discovering weaknesses other than those that would affect our audit opinion or towards the detection of fraud. We have included in this letter only matters that have come to our attention as a result of our normal audit procedures and consequently our comments should not be regarded as a comprehensive record of all weaknesses that may exist or of all improvements that might be made, or of the operating effectiveness of your internal controls.

Our work also included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by the company. This review identified no significant matters, which we believe are necessary to draw to your attention.

**Conclusion**

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



Mr Matthew Wyatt (Senior statutory auditor)  
for and on behalf of

**Wellers**

Accountants  
Statutory Auditors  
1 Vincent Square  
London

SW1P 2PN

Date: 20/12/16



**GLOBAL ACADEMY UTC TRUST LIMITED**

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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>					
Donations and capital grants	3	600,000	15,961,843	16,561,843	1,205,374
Investments	4	354	-	354	53
<b>TOTAL INCOME</b>		<u>600,354</u>	<u>15,961,843</u>	<u>16,562,197</u>	<u>1,205,427</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	8	524,194	-	524,194	285,178
<b>TOTAL EXPENDITURE</b>	8	<u>524,194</u>	<u>-</u>	<u>524,194</u>	<u>285,178</u>
<b>NET INCOME AND MOVEMENT IN FUNDS</b>		<u>76,160</u>	<u>15,961,843</u>	<u>16,038,003</u>	<u>920,249</u>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		<u>(41,526)</u>	<u>961,775</u>	<u>920,249</u>	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>34,634</u>	<u>16,923,618</u>	<u>16,958,252</u>	<u>920,249</u>

All activities relate to continuing operations.

The notes on pages 18 to 30 form part of these financial statements.

**GLOBAL ACADEMY UTC TRUST LIMITED**

(A company limited by guarantee)  
REGISTERED NUMBER: 08713518

**BALANCE SHEET  
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Intangible assets	12		-		18,799
Tangible assets	13		<u>16,745,382</u>		<u>1,011,841</u>
			<b>16,745,382</b>		<b>1,030,640</b>
<b>CURRENT ASSETS</b>					
Debtors	14	<b>4,214,615</b>		-	
Cash at bank and in hand			<u>316,158</u>	<u>64,420</u>	
			<b>4,530,773</b>	<b>64,420</b>	
<b>CREDITORS:</b> amounts falling due within one year	15		<u>(4,317,903)</u>	<u>(174,811)</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u><b>212,870</b></u>		<u><b>(110,391)</b></u>
<b>NET ASSETS</b>			<u><b>16,958,252</b></u>		<u><b>920,249</b></u>
<b>CHARITY FUNDS</b>					
Restricted funds	16		<b>16,923,618</b>		961,775
Unrestricted funds	16		<u>34,634</u>		<u>(41,526)</u>
<b>TOTAL FUNDS</b>			<u><b>16,958,252</b></u>		<u><b>920,249</b></u>

The financial statements were approved by the Trustees on *20 December 2016* and signed on their behalf, by:

  
**Mr I Buckley**

The company's Trustees have the power to amend the financial statements after issue.

The notes on pages 18 to 30 form part of these financial statements.

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GLOBAL ACADEMY UTC TRUST LIMITED

(A company limited by guarantee)

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CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2016

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	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	<u>15,966,480</u>	<u>1,095,059</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible and intangible fixed assets		<u>(15,714,742)</u>	<u>(1,030,639)</u>
<b>Net cash used in investing activities</b>		<u>(15,714,742)</u>	<u>(1,030,639)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>251,738</b>	<b>64,420</b>
Cash and cash equivalents brought forward		<u>64,420</u>	<u>-</u>
<b>Cash and cash equivalents carried forward</b>	19	<u><b>316,158</b></u>	<u><b>64,420</b></u>

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## GLOBAL ACADEMY UTC TRUST LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Global Academy UTC Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

##### 1.3 Company status

The company is a company limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

##### 1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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**GLOBAL ACADEMY UTC TRUST LIMITED**

**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**1.6 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 allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities are costs incurred in the Academy's educational operations.

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

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## GLOBAL ACADEMY UTC TRUST LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	Over the life of the leasehold commencing from when the building is completed
Fixtures and fittings	-	25% straight-line

##### 1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

##### 1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.11 Liabilities and provisions

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 company 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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**GLOBAL ACADEMY UTC TRUST LIMITED**

**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.12 Taxation**

The company 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 company 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.

**1.13 Pensions**

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS"). This is a defined benefit scheme and the assets are held separately from those of the Academy.

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 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 quinquennial valuations using a prospective benefit method. As stated in note 20, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

**2. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no judgments in any other accounting policies that might have a material effect on the balances held at the Statement of Financial Position date.

**3. INCOME FROM DONATIONS AND GRANTS**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>	<b>Total funds 2015 £</b>
Donations	<b>600,000</b>	-	<b>600,000</b>	81,000
Grants	-	<b>15,961,843</b>	<b>15,961,843</b>	1,124,374
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and grants	<b>600,000</b>	<b>15,961,843</b>	<b>16,561,843</b>	1,205,374

In 2015, of the total income from donations and legacies, £81,000 was to unrestricted funds and £1,124,375 was to restricted funds.

**GLOBAL ACADEMY UTC TRUST LIMITED**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**4. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income - local cash	354	-	354	53

In 2015, of the total investment income, £53 was to unrestricted funds and £Nil was to restricted funds.

**5. DIRECT COSTS**

	Direct costs £	Total 2016 £	Total 2015 £
Legal and professional fees	214,650	214,650	279,868
Sundry	62	62	-
Travel costs	-	-	303
Software costs	55,103	55,103	-
Telephone and internet	560	560	-
Advertising and marketing	149,639	149,639	-
Wages and salaries	81,332	81,332	-
National insurance	9,504	9,504	-
Pension cost	7,273	7,273	-
	518,123	518,123	280,171

In 2015, £117,571 in respect of Direct costs was to unrestricted funds and £162,600 was to restricted funds.

**6. SUPPORT COSTS**

	Support costs £	Total 2016 £	Total 2015 £
Bank charges	371	371	81
Sundry	-	-	126
	371	371	207

In 2015, £207 in respect of Support costs was to unrestricted funds and £Nil was to restricted funds.



**GLOBAL ACADEMY UTC TRUST LIMITED**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**7. GOVERNANCE COSTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Governance Auditors' remuneration	<u>5,700</u>	-	<u>5,700</u>	<u>4,800</u>

**8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Direct costs	98,109	420,014	518,123	280,171
Support costs	-	371	371	207
<b>Charitable activities</b>	<u>98,109</u>	<u>420,385</u>	<u>518,494</u>	<u>280,378</u>
<b>Expenditure on governance</b>	<u>-</u>	<u>5,700</u>	<u>5,700</u>	<u>4,800</u>
	<u>98,109</u>	<u>426,085</u>	<u>524,194</u>	<u>285,178</u>

**9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	2016 £	2015 £
Auditors' remuneration - audit	<u>5,700</u>	<u>4,800</u>

During the year, no Trustees received any remuneration (2015 - £Nil).

During the year, no Trustees received any benefits in kind (2015 - £Nil).

During the year, no Trustees received any reimbursement of expenses (2015 - £303).

**10. AUDITORS' REMUNERATION**

The Auditor's remuneration amounts to an Audit fee of £5,000 (2015 - £4,000), and other services of £Nil (2015 - £Nil).

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GLOBAL ACADEMY UTC TRUST LIMITED

(A company limited by guarantee)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016

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11. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	81,332	-
Social security costs	9,504	-
Other pension costs	7,273	-
	<u>98,109</u>	<u>-</u>

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

	2016 No.	2015 No.
	2	0

No employee received remuneration amounting to more than £60,000 in either year.

12. INTANGIBLE FIXED ASSETS

	Development £
<b>Cost</b>	
At 1 September 2015	18,799
Disposals	<u>(18,799)</u>
At 31 August 2016	<u>-</u>
<b>Carrying amount</b>	
At 31 August 2016	<u>-</u>
At 31 August 2015	<u>18,799</u>

**GLOBAL ACADEMY UTC TRUST LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**13. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 September 2015	1,011,841	-	1,011,841
Additions	<u>14,999,573</u>	<u>733,968</u>	<u>15,733,541</u>
At 31 August 2016	<u>16,011,414</u>	<u>733,968</u>	<u>16,745,382</u>
<b>Depreciation</b>			
At 1 September 2015 and 31 August 2016	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>			
At 31 August 2016	<u>16,011,414</u>	<u>733,968</u>	<u>16,745,382</u>
At 31 August 2015	<u>1,011,841</u>	<u>-</u>	<u>1,011,841</u>

On 20 September 2016, a legal charge was registered by The Secretary of State for Education in relation to specific fixed assets of the company.

**14. DEBTORS**

	2016 £	2015 £
Other debtors	2,694,750	-
Prepayments and accrued income	<u>1,519,865</u>	<u>-</u>
	<u>4,214,615</u>	<u>-</u>

	Capital £	Revenue £
Other debtors	2,564,680	130,070
Prepayments and accrued income	<u>1,369,805</u>	<u>150,060</u>
	<u>3,934,485</u>	<u>280,130</u>

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GLOBAL ACADEMY UTC TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016

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15. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	314,706	50,066
Other taxation and social security	12,731	-
Other creditors	2,413,692	119,945
Accruals and deferred income	1,576,774	4,800
	<u>4,317,903</u>	<u>174,811</u>

  

	Capital £	Revenue £
Trade creditors	245,776	68,930
Other taxation and social security	-	12,731
Other creditors	2,406,909	6,783
Accruals and deferred income	1,446,794	129,980
	<u>4,099,479</u>	<u>218,424</u>

**GLOBAL ACADEMY UTC TRUST LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**16. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Carried Forward £
<b>Unrestricted funds</b>				
General Funds	<u>(41,526)</u>	<u>600,354</u>	<u>(524,194)</u>	<u>34,634</u>
<b>Restricted funds</b>				
Restricted Funds	<u>961,775</u>	<u>15,961,843</u>	<u>-</u>	<u>16,923,618</u>
Total of funds	<u><u>920,249</u></u>	<u><u>16,562,197</u></u>	<u><u>(524,194)</u></u>	<u><u>16,958,252</u></u>

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Intangible fixed assets	-	-	-	18,799
Tangible fixed assets	188,592	16,556,790	16,745,382	1,011,841
Current assets	253,058	4,277,714	4,530,772	64,420
Creditors due within one year	(407,016)	(3,910,886)	(4,317,902)	(174,811)
	<u><u>34,634</u></u>	<u><u>16,923,618</u></u>	<u><u>16,958,252</u></u>	<u><u>920,249</u></u>

**18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW  
FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	16,038,003	920,249
<b>Adjustment for:</b>		
Increase in debtors	(4,214,615)	-
Increase in creditors	<u>4,143,092</u>	<u>174,810</u>
<b>Net cash provided by operating activities</b>	<u><u>15,966,480</u></u>	<u><u>1,095,059</u></u>

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**GLOBAL ACADEMY UTC TRUST LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**19. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash in hand	<u><b>316,158</b></u>	<u><b>64,420</b></u>

**20. PENSION COMMITMENTS**

**Introduction**

The Academy's employees belong to the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff which is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

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 2012.

Contributions amounting to £6,783 were payable to the scheme at 31 August 2016 (2015 - £Nil) and are included within creditors.

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**GLOBAL ACADEMY UTC TRUST LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**20. PENSION COMMITMENTS (continued)**

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £12,131 (2015: £Nil).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

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**GLOBAL ACADEMY UTC TRUST LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**21. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

During the year under review, the Academy received donations of £300,000 (2015: £81,000) from Global Radio, a company to which Will Harding is connected.

**22. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the company has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2015. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.