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THE UK CAREER ACADEMY FOUNDATION

ANNUAL REPORT

31 MARCH 2017

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THE UK CAREER ACADEMY FOUNDATION

TRUSTEES' ANNUAL REPORT for the year ended 31 March 2017

The Trustees present their report and the financial statements of The UK Career Academy Foundation, which operates under the name Career Ready, for the year ended 31 March 2017.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the charitable company, and 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).

OBJECTIVES AND ACTIVITIES

Charitable objectives

The charitable objectives for which the charity is established are as follows:

The objects of the charity ("the objects") are the advancement of education of young people in the United Kingdom and elsewhere, in particular by the provision of advice, expertise, funds and other support to educational institutions and students to develop and facilitate career preparation courses and work experience in professional roles in fields such as finance, information technology and such other fields as the Trustees shall in their discretion determine.

Charitable Activities

For 15 years, Career Ready has been transforming the life chances of young people from low income families. We connect them with volunteers from the world of business, who deliver our programmes which help them develop the skills, confidence and behaviour to stand out in a competitive jobs market.

Our work began as a niche activity for 16-19 year olds in a handful of schools and colleges. As the impact of employer engagement on student success became clear, so demand for our programmes has grown. Ofsted now requires all English secondary schools to bring in employers to prepare young people for a successful transition to work. Developing the Young Workforce is spreading a similar message in Scotland.

At the same time a shortage of new recruits means that employers everywhere are keen to connect with work-ready teenagers to fill an increasing number of skilled jobs and apprenticeships.

The challenge for Career Ready has been working out how to scale what we do, while also meeting impact targets. We have based our approach on the best validated evidence in our sector.

Impact evidence

"Young adults who recall four or more employer-led activities at school are five times less likely to be NEET and earn, on average, 18% more than peers who recall no such activities."

Source: "It's who you meet: why employer contacts at school make a difference to the employment prospects of young adults" Dr Anthony Mann, Director of Research and Policy, Education & Employers Taskforce

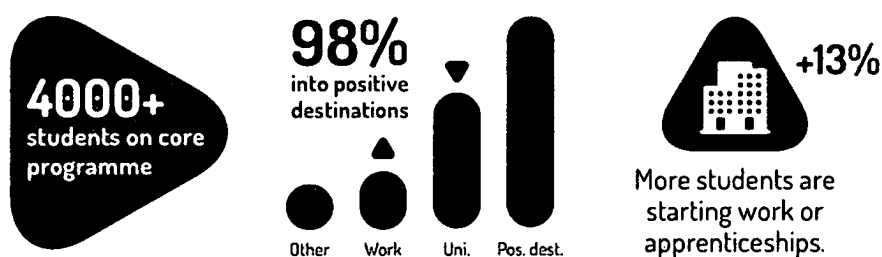
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Career Ready programmes are based on four pillars: mentoring, masterclasses, workplace visits and internships/work placements, all mapped to Skills for Career Success learning outcomes and delivering a minimum of four interventions per student. Our programmes are;

- **Core** programme - delivers all four activities in a structured programme over two years to individual students aged 16-19 across the UK.
- **Masterclass** programme – delivers a series of sequential masterclasses which form the spine of the core programme, to 16-19 year olds either in school or the workplace.
- **CEC Employability for Everyone** programme – delivers sequential masterclasses for 11-18 year olds and workplace visits, developing whole school employability programme.

This year's destination data for core programme students shows a record 98% going on to a positive destination, increasingly into work or higher level apprenticeships. Companies now support Career Ready partly because of the rewarding and socially valuable volunteering opportunities available to their staff, but also because they get access to local schools and students, who are potential recruits.

Impact evidence

"Supporting Career Ready helps business to shape the next generation of employees. I was thrilled that we were able to offer one of our work experience students a permanent career opportunity as a Personal Banker."
Debbie Taaffe, Regional Manager Retail, Santander

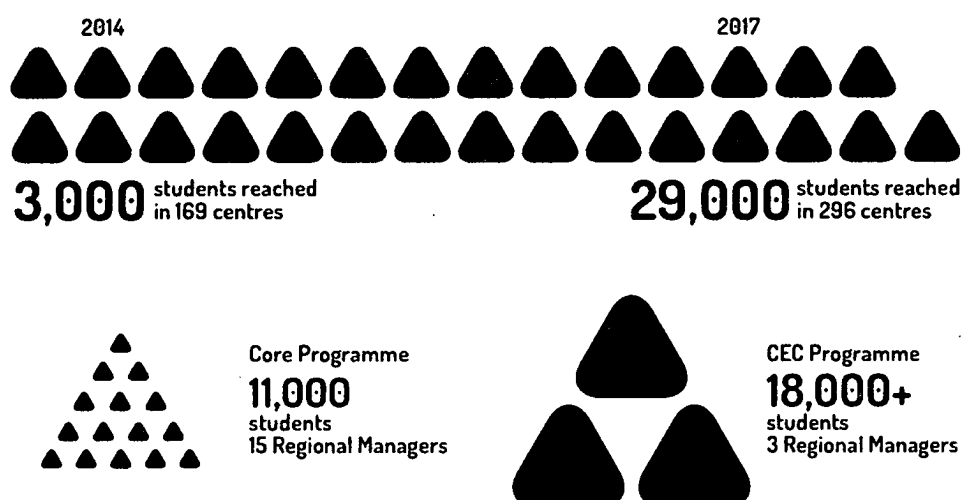
The masterclass programme was introduced in 2016/17 in response to increased demand for a programme available for all sixth form students. We are further refining this offer for September 2017 to make it simpler for schools and colleges to manage.

We joined forces with Business in the Community in 2016 to share their Careers LAB masterclasses for 11-16 year olds to create a single joint programme, mapped to the same learning outcomes. This has become our Employability for Everyone offer, which we piloted in the areas described below. It has allowed us to increase our student reach dramatically, while setting up a framework for schools to ensure that students receive a minimum of four employer interventions.

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It has also provided a more efficient way for our Regional Managers to operate, by engaging with high numbers of students in each school and high numbers of schools in each location. In 2017/18, we will introduce the targeted mentoring and work placements from our core programme to these areas, to deepen the impact of our work.

Impact evidence

In Spring 2017, enquiries from schools in England were running at an average of one a day. That demand is leading to further programme developments for 2017/18 to enable schools struggling with financial and timetable pressures to help their students successfully move from education to work.

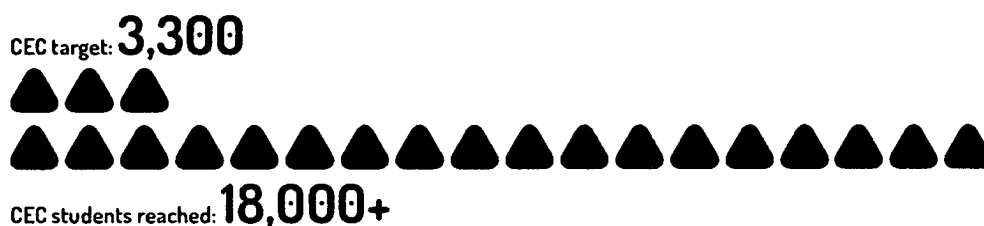
Highlights**1. Partnership with Careers & Enterprise Company (CEC)**

**THE CAREERS &
ENTERPRISE
COMPANY**

I. Cold Spots Programme

Students in 40 secondary schools in Thurrock, Southend and Ipswich started their Career Ready journey this year as part of the Careers & Enterprise Company (CEC) programme to extend employer engagement in schools into 'cold spots' in England. Our team of three Regional Managers reached more than five times their target number of students with masterclasses, workplace visits and insight days, mapped to our Skills for Career Success learning outcomes. Career Ready is engaged through the Careers & Enterprise Company in discussions about a long-term solution to help young people move from education to work.

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"I learned there are opportunities for jobs all around us."

Gateway Academy student, Thurrock

"An excellent trip to PD Ports for our students which gave them a good insight into logistics and warehousing and the world of work in general."

Teacher, Stoke Ormiston Academy, Ipswich

We will continue this programme again in 2017/18, with funding from the CEC and from the South East Local Enterprise Partnership, extending our work to the whole South Essex area, while our programme partners Business in the Community (BITC) take over delivery in Ipswich. Career Ready's Chief Executive, Anne Spackman, was appointed a CEC Ambassador in 2017.

II. Mentoring

In 2017, Career Ready secured CEC funding to extend its mentoring programmes to 14-16 year olds in England. We will be working with 440 teenagers in Stoke on Trent, Thurrock, Southend, London - and the Black Country, where BITC will be responsible for delivery. This project is jointly funded by St James's Place Foundation

Impact evidence

"The positive outcomes for young people associated with employer mentoring include improvements in behaviour, engagement, attainment and progression."

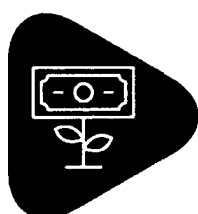
Source: Careers & Enterprise Company report Effective Employer Mentoring

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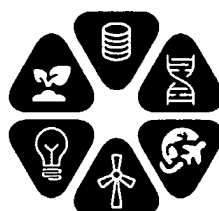
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2. Career Ready in Scotland

Under the leadership of Anne Wexelstein, Director for Scotland, Career Ready extended its reach to 122 schools (37% of secondary schools) and 12 local authorities, all of whom provide funding, mentors and internships for our students. We are regularly referred to as the gold standard for meaningful engagement between employers, young people and schools. This leadership position was reinforced by the invitation to Anne Wexelstein to present our work to the Scottish Government, who provided 23 summer internships to Career Ready students in 2017. We are deeply grateful to Esmee Fairbairn Foundation for launching us on this journey and for the seed funding and wider support provided by Diageo and BP for our programme in Scotland.

Impact evidence

£450,000
injected into the economy
through paid internships for
Career Ready students



220 companies
offer paid internships
from all 6 growth
sectors in Scotland.

"The transformational impact on the young people witnessed and supported by our people means I have a queue of staff wanting to volunteer as a mentor."

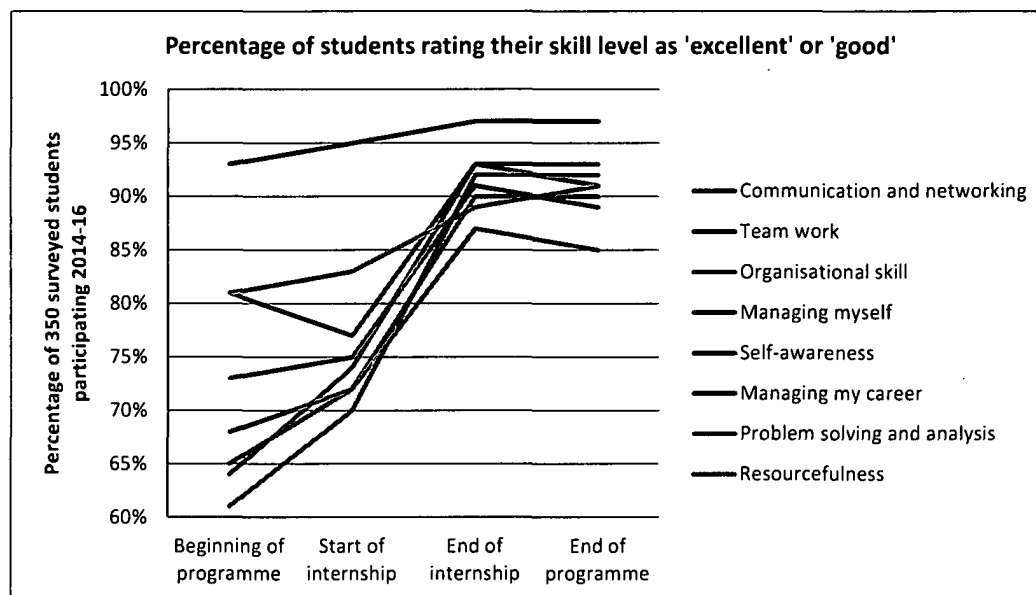
John Stewart, HR Director, SSE

3. 140 hours' campaign

In 2017, Career Ready launched a campaign to increase the number of paid 140 hour internships available to our students on the back of compelling evidence of impact. Ian King of Sky News hosted the launch event at Church House, Westminster, attended by business and government organisations. The event was supported by the Citi Foundation, whose Pathways to Progress global research showed that four out of five students see internships as critical to career success. Evidence from our US sister organisation, the National Academy Foundation, shows that 140 hours (four weeks) is the time it takes for a student to learn and demonstrate the work readiness skills employers are looking for. Our own impact data, from the 2014-16 student cohort, reinforces the significance of four week internships on young people's skills, behaviour and work readiness.

Employers increasingly see 140 hour internships as a way to identify recruits for their 18+ apprenticeships and school leaver programmes. We believe that if the government allowed companies to offset the cost of paid internships against the new apprenticeship levy it would sharply increase the number of paid internships, boosting higher level apprenticeships and social mobility.

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"Research conducted with 7,000 young people aged 16-24 in 37 countries found that 78% saw internships as critical to career success and work experience was rated the top global factor in getting a job."

Citi, Pathways to Progress: Feb 2017

4. Think Build

In September 2016, we launched Think Build, based on the model of our award-winning Think Logistics programme, in which our core activities are delivered by employers from one specific sector. Both address the same industry issues: poor image with young people, lack of awareness of professional roles, skills shortages and lack of workforce diversity.

The programme launched in three clusters in Birmingham, Manchester and north west London with 30 students in each cluster, supported by Wates Group and the Wates Foundation. Additional funding for a three-year programme was secured from Arcadis, The Edge Foundation and the Construction Industry Training Board (CITB). In August 2017, a new full-time Think Build Project Manager was recruited to grow support for the programme in the sector and extend it to new locations.

Impact evidence

"Our Birmingham volunteers have been blown away by the students on work placements."

Kerry Sneddon, Emerging Talent Recruitment Manager, Arcadis

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5. Teach First and PiXL

Career Ready was chosen as a partner of Teach First in its pilot Employability Leadership programme introduced in 2016. Jenny Barber, Director of Programmes, developed and delivered sessions on career pathways for students aged 16+ and 18+ and on high quality work experience. We have been chosen as a partner again in 2017 where our sessions will include a focus on apprenticeships.

In January 2017, Career Ready was commissioned by PiXL (Partners in Excellence), a memberships organisation which includes nearly half of all English secondary schools, to provide career progression and apprenticeship sessions in bite-sized chunks for tutors to deliver in the classroom. New materials were produced for students at Key Stages 3, 4 and 5, with guidance notes for teachers.

Public benefit

The Trustees have taken The Charity Commission's guidance on public benefit into consideration in managing the activities of the charity.

Benefits and beneficiaries

In accordance with its charitable objectives, the charity's beneficiaries are young people between the ages of 11 and 19, and benefits to those young people are provided through a network of Career Ready programmes run by partner schools and colleges.

Trustees' assessment of public benefit

In addition to monitoring the progress of UKCAF in terms of the indicators, milestones and benchmarks, the Trustees also receive a detailed progress report from the Senior Management Team at each National Advisory Board meeting. These cover programme impact, programme development, policy changes, new supporters and funding bids. Financial performance and risk records are tabled at the NAB meetings but detailed discussions take place at the quarterly meetings of the Finance Committee, on which all trustees sit. This change was introduced in 2016/17 to underline the different responsibilities of trustees and board members.

The Trustees are satisfied that the information presented demonstrates to their satisfaction that UKCAF continues to benefit the public through its activities targeted to achieve its charitable objectives.

The use of volunteers and donated services

The charity makes considerable use of the services of volunteers in order not only to manage the charity at Trustee level, but also to deliver services and other similar project outcomes and benefits to beneficiaries. The charity's programme is delivered through more than 3,000 volunteers in addition to the volunteers acting as Trustees and Board members. The charity is also reliant upon donated services provided by its wide range of supporters, and those donated services which can be quantified, are recognised in the financial statements as donations in kind.

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Management changes

During 2016/17, there was one change to the senior management team when the Head of Communications left to write a novel. Her replacement is Adam Smith, who comes from the London Academy of Excellence, a Career Ready partner school. We also recruited Trefor Wilkinson as Head of Operations, taking over from Debbie Farrell, who moved to run our new CEC programme in Essex.

In the first half of 2017, there have been a number of staff changes due to pregnancies, long-term illness and departures. Most significantly Eve Len, Head of Fundraising and Business Development left in July, to be replaced by Bethan Wood from the charity Beanstalk and Jenny Barber, Director of Programmes, goes on maternity leave in August 2017. We have been fortunate enough to secure a secondment from Standard Life, to cover Jenny's absence.

We added HR KPIs to our management reporting in Summer 2017.

FINANCIAL REVIEW

Financial results of activities and events

The Trustees are able to report a surplus of £34,664 (2015/16: £105,874) for the year. Total income decreased by 2% (2015/16: increased by 13%) and expenditure increased by less than 1% (2015/16: increased by 12%).

Total income for the year, including quantified donations in kind, was £2,333,689 (2015/16: £2,390,397) with total expenditure, including fundraising and governance costs, being £2,299,025 (2015/16: £2,284,523).

The Trustees are very pleased with the effective way in which the charity's resources are being controlled by the senior management team.

Reserves policy

The Trustees believe that the charity should aim to hold a minimum level of financial reserves equivalent to future estimated unrestricted operating costs for four months, calculated and reviewed within the annual budget, because it is a prudent management principle in an organisation whose income can fluctuate significantly from year to year due to the charity's considerable reliance upon voluntary income and with a core level of costs which are fixed in the short term.

The Trustees also believe that this level of reserves should be built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable activities on an on-going basis.

As at 31 March 2017, the charity had "free reserves" of £376,473 (31 March 2016: £204,570) and a further £452,127 (31 March 2016: £588,664) carried over as restricted funds.

Four months of future estimated operating costs as at 31 March 2017 amounted to about £650,000, and therefore, the Trustees intend to try to accumulate "free reserves" where possible in the short term without adversely impacting upon the delivery of charitable objectives.

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TRUSTEES' ANNUAL REPORT (Continued) for the year ended 31 March 2017

Investments policy

The charity's Memorandum and Articles of Association give the trustees power to invest the funds of the charity in such a manner, or on such investments, securities or property, as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law. At present, the trustees have chosen to hold the charity's reserves as cash at bank and in hand.

During the year, investment income of £4,369 (2015/16: £2,486) was generated on cash balances, representing an average rate of return of less than 1% (2015/16: less than 1%) reflecting the continued low level of interest rates. This is despite the Finance and Fundraising Committee placing some cash in a higher interest earning account during the year.

Risk and corporate governance matters

The Chief Executive, in partnership with the Trustees, maintains a Business Risk Management Matrix, which is managed by the Head of Operations (HOO). It is reviewed by trustees at each meeting of the Finance and Fundraising Committee and reported to meetings of the National Advisory Board, which have increased from two to three a year.

The Matrix assesses the probability of risk and the potential impact as well as control procedures, monitoring process and responsibility for each risk. For each identified risk a scale is agreed and a colour code indicating levels of priority applied. During 2016/17, the HOO made several improvements to the matrix, with guidance from trustees, to better assess and present areas of risk and in accordance with new Charity Commission guidelines. The following categories of risk have been identified and assessed:

- Governance risks - inappropriate organisational structure, difficulties recruiting Trustees or National Advisory Board members with relevant skills, and conflicts of interest;
- Operational risks - service quality, employment issues, staff performance, health and safety issues, and fraud and misappropriation;
- Financial risks - accuracy and timeliness of financial information, adequacy of reserves and cash flow, diversity of income sources, and investment management;
- External risks - public perception and adverse publicity, demographic changes, and government policy; and
- Compliance with law and regulations - employment law and regulatory requirements of particular activities such as fund raising and data protection.

The Trustees confirm that internal control procedures are in place to provide reasonable, but not absolute assurance against material misstatement or loss. They include:

- comprehensive financial policies and procedures;
- qualitative comparison of procedure against the internal financial controls self-checklist for charities on an annual basis;
- comprehensive annual budgets, approved by the Trustees, and quarterly financial reporting which is compared to budget;
- quarterly forecasting of predicted income and cash flow;
- annual monitoring of reserves policy; and
- review of the Business Risk Management Matrix by trustees four times a year.

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TRUSTEES' ANNUAL REPORT (Continued) for the year ended 31 March 2017

The regular assessments are entrusted to the Finance and Fundraising Committee meeting every quarter. Together with the Chief Executive, this Committee reviews management accounts, future cash flow and sustainability of income against budgets. It also helps identify companies as marketing targets and how they might be approached.

A comprehensive charities insurance package is in place covering the main risks for staff, Trustees and National Advisory Board members while also providing statutory cover, where required.

In June 2017, Career Ready registered with the new Fundraising Regulator, which manages a new Code of Fundraising Practice for charities.

AMBITIONS FOR THE FUTURE

Impact Measurement

In 2014, Career Ready created a comprehensive set of Skills for Career Success learning outcomes with employers on the Programme Leadership Team. These behaviours and skills underpin all our programmes. Students on the core programme measure their progress against these learning outcomes at meetings with their mentors. In 2016/17, we looked to extend this to students without a mentor, trialling skills tracking for 440 students aged 14-19 with their classroom teachers. Despite strong teacher commitment, this did not prove successful due to a lack of time to complete the tracker in a meaningful way and confusion with some language for younger students. Career Ready is one of group of charities including Teach First and Enabling Enterprise working together to make progress in this area. In 2017/18, we will trial alternative ways to measure student progress against learning outcomes.

Cluster working

In Scotland, Career Ready's success is due partly to operating in clusters based on local authority areas and with local authority support. In England, our operating areas are far larger, due to our history of recruiting individual schools and colleges who see the core Career Ready programme as a USP.

In 2016/17, we trialled a Scottish-style operating model in our three CEC areas, with the Local Enterprise Partnership (LEP) fulfilling part of the local authority role. This model was based on our masterclasses, rather than the more intensive core programme. This has proved successful for several reasons:

- Regional Managers operate in almost every secondary school in the area, reducing travel time and reaching far more young people;
- A local focus creates stronger relationships with schools and employers; and
- We can embed a consistent programme of sustainable activities which employers of all sizes and sectors can access.

Future growth will focus on increasing this style of cluster operation, while continuing to support our long-standing schools and colleges.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and history

UKCAF is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

The charity was originally set up in 2002 building upon the 20 years' experience of the National Academy Foundation (NAF) in the United States of running Career Academies to increase the aspirations, skills and career opportunities of students from lower and moderate income families. It was incorporated in the UK on 30 April 2002, and became a registered charity on 10 July 2002.

UKCAF is governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 30 April 2002 and last updated during 2012. With effect from June 2015, UKCAF adopted a new trading name "Career Ready", but remains registered under the name The UK Career Academy Foundation.

Organisational structure

The overall strategic direction of the charity is determined by the Trustees, who are supported by a National Advisory Board, which is made up of senior business leaders and educationalists.

The following table summarises the key elements of the charity's organisational structure:

<i>Organisational Element</i>	<i>Number of Members</i>	<i>Key Roles & Responsibilities</i>
Trustees	Seven	<ul style="list-style-type: none"> • Ultimate responsibility for directing the affairs of the charity, and ensuring that it is solvent, well-run, manages and assesses risks and is achieving its charitable status
National Advisory Board	Fifteen to Twenty (at 31 March 2017 seventeen members)	<ul style="list-style-type: none"> • Meets three times a year • Full governance calendar in operation • Reviews three-year strategic business plan and annual budgets • Identifies programme issues, lessons learned and feeds improvements into a fluid development process. • Issues are raised formally at Board Meetings. • Individual members act as advocates for the charity, help ensure support from their own and other organisations and support events.
Finance and Fundraising Committee	Eight	<ul style="list-style-type: none"> • Meets every three months • Comprises all Trustees and one additional member of the National Advisory Board • Approves management accounts and short term cash flow. • Develops fundraising targets • Reviews Business Risk Management Matrix

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<i>Organisational Element</i>	<i>Number of Members</i>	<i>Key Roles & Responsibilities</i>
Programme Leadership Team	Five or more	<ul style="list-style-type: none"> • Meets at least twice a year • Comprises two or more members drawn from businesses and other stakeholders • Expertise in education, community affairs, diversity and programme development • Advises on and oversees the development and content of programmes • May appoint sub groups to review specific issues
Scotland Advisory Board	Ten or more	<ul style="list-style-type: none"> • Meets three times a year • Comprises members drawn from businesses, education and other stakeholders in Scotland and the Director for Scotland • Approves strategic business plan and annual budget for Scotland • Identifies programme issues, lessons learned and feeds improvements into a fluid development process of programmes in Scotland • Individual members act as advocates for the charity, help ensure support from their own and other organisations and support events • Advises on and shares best practice from within Scotland and ensures there is a forum for regional representation • Chairman is also member of the National Advisory Board
Senior Management Team	Seven	<ul style="list-style-type: none"> • Meets every six weeks • Comprises Chief Executive, Director For Scotland, Deputy Director For Scotland, Director of Programmes, Head of Fundraising & Business Development, Head of Communications & National STEM Development Manager • Matrix Responsibilities; being functionally responsible for internal operations including financial control, programmes, fundraising and business development • Most have national account management responsibilities for business supporters
Staff Team	Thirty-nine (31 March 2017: 22 full-time 16 part-time 1 secondee 2 vacancies and 3 contractors)	<ul style="list-style-type: none"> • Creates strategic Three Year Business Plan and annual business plan with detailed targets and objectives, which are reviewed by the National Advisory Board • Holds one to one meetings with members of the National Advisory Board • Prepares cash flow forecasts for review by the Finance and Fundraising Committee • Prepares Business Risk Management Matrix and the 'dashboard' performance review for consideration

The day-to-day management of Career Ready is entrusted to Anne Spackman, the Chief Executive and her senior management team (SMT), who regularly report to the trustees.

Jenny Barber, Director of Programmes, leads the regional manager team in England, Wales and Northern Ireland. Three Lead Regional Managers report into Jenny and manage their local teams.

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Anne Wexelstein is Director for Scotland and manages the programme there. Northern Ireland has its own Regional Manager.

In March 2017, the regional manager team consisted of London and South East (2 plus a vacancy); Wales and the West (1); West Midlands (1); East Midlands (0.8 FTE); North West (2); Yorkshire and the Humber (0.8 FTE); North East (0.6 FTE); Cambridge/Suffolk (1), Essex (2) Northern Ireland (0.8 FTE).

In Scotland, the team consisted of a Director, a Business Support person and a Deputy Director managing the team of six Regional Managers (4 FTE).

A National STEM Manager (1) manages growth in STEM, Logistics and Think Build along with a part-time Think Logistics project manager (0.6 FTE) a part-time Think Build project manager (0.6 FTE). Volunteer registration and support is handled by a volunteer coordinator and a data officer. Additionally, there is an Events Manager (1); a Senior Communications Officer (1); a Business Development and National Accounts team (2) and a Data and Information Analyst.

The Head of Fundraising (0.8 FTE) was joined by a Finance Officer (0.6 FTE) in June 2017.

Appointment and management of Trustees

The Trustee team includes representatives from the charity's key stakeholder groups and a Chairman. A Deputy Chairman was appointed in September 2015 to improve succession planning.

Recruitment and selection of new Trustees is managed by the Chairman with the support of the Chief Executive and the Trustee team, taking into account the need for a balance of skills, sectors and experience to ensure good governance and adequate maintenance of stakeholders' interests.

The National Advisory Board has full terms of reference under which it operates. On appointment, a new member's induction is organised by the Chief Executive. Members are encouraged to attend appropriate external events where these will facilitate the understanding of their role and to support programme events such as A Capital Experience. During the year, four members of the National Advisory Board resigned and four new members were appointed.

Relationships with related parties

Career Ready benefits directly from its relationship with the National Academy Foundation in the US. Our digital platform and new impact measurements were developed following collaboration with NAF. We are currently working with them on our campaign to increase internships and work placements.

The joint venture with Junior Achievement in Ireland is running in three Dublin schools with programme oversight by Jenny Barber and business development support from London. In May 2015, 29 students from 3 schools graduated from the programme in a ceremony at Citi with a Government Minister in attendance.

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Arrangements for setting remuneration for key management personnel

All staff, including key management personnel, have a formal annual performance review carried out by their line manager. Salaries are reviewed annually, in the last quarter of the financial year ready for implementation on 1 April at the start of the new financial year. Any overall annual increase to Career Ready's salary bill is subject to approval by the trustees at a meeting of the Finance and Fundraising Committee. The overall financial situation will determine what, if any, salary increases are affordable and that together with success against targets are two key factors in this process.

Within the annual budgeting process, the trustees with guidance from the Senior Management Team (SMT), will approve an overall salary increase 'pot' for all staff. This will generally be expressed as a percentage increase on the overall previous year salary bill. The recommended percentage increase is reported to the NAB. The Chief Executive and two members of SMT will agree individual salaries of all staff.

The Chairman of Career Ready will agree the increase for the Chief Executive. These will be within the overall percentage increase agreed by the NAB. Staff will be advised of any salary increases as soon after the start of the new financial year as is practicable.

Trustees' and Directors' responsibilities in the preparation of financial statements

The Trustees (who are also the directors of The UK Career Academy Foundation for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees are preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice and applicable law).

Under company law, the Trustees must not approve 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 income and expenditure for that period. In preparing those financial statements, the Trustees and directors are required to:

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

The Trustees are responsible for keeping proper accounting records, which 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 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 the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from the legislation in other jurisdictions.

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Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to the auditor

The Trustees and directors at the date of approval of this Trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charity's auditor is unaware, and the Trustees and directors 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.

REFERENCE AND ADMINISTRATIVE DETAILS

The Trustees of the charity, who are also directors of the company, have held office since 1 April 2016, as follows:

Mr Jeremy Palmer (Chairman)	
Mr James Bardrick	(appointed Deputy Chairman 15 September 2015)
Mr Alexander Begbie	(appointed 19 October 2016)
Mr Maurice Benisty	
Mr David Bucknall	
Ms Olivia Cole	(appointed 19 October 2016)
Dr Heather McGregor	(resigned 7 April 2016)
Mr David Trott	

The principal address of the charity and the registered office of the company is 25 Canada Square, Canary Wharf, London E14 5LB.

The charity is registered under the Charity Commission number 1092891, Charity Number (Scotland) SC043678 and the company is incorporated with the company registration number 04428178 in England and Wales. Mr M N Drain is the secretary to the Board of Trustees and the company secretary for the purposes of company law.

The charity has made the following professional appointments:

Solicitor	Freshfields Bruckhaus Deringer, 65 Fleet Street, London EC4Y 1HS - acting pro bono
Auditor	RSM UK Audit LLP, Davidson House, Forbury Square, Reading, Berkshire RG1 3EU
Accountant	RSM UK Tax and Accounting Limited, Third Floor, One London Square, Cross Lanes, Guildford, Surrey GU1 1UN
Banker	Citibank NA, Citigroup Centre, Canada Square, London E14 5LB

THE UK CAREER ACADEMY FOUNDATION

TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 March 2017

The following staff are responsible for the day to day management of the charity:

Senior Management Team

Anne Spackman, Chief Executive
Jenny Barber, Director of Programmes
Anne Wexelstein, Director for Scotland
Ian Nichol, Head of STEM Development
Allie Fitzgibbon, Head of Communications (resigned January 2017)
Eve Len, Head of Fundraising and Business Development (resigned April 2017)
Denise Campbell, Deputy Director Scotland

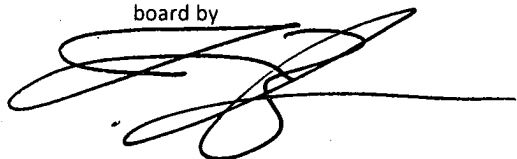
EXEMPTIONS FROM DISCLOSURE

No exemptions from the disclosure requirements applicable to a larger charity have been taken in this Trustees' annual report.

FUNDS HELD AS CUSTODIAN

Although the charity maintains restricted funds to deal with income that is earmarked for a particular purpose by donors, sponsors, and other funders, UKCAF does not currently hold, and the Trustees do not anticipate that it will in the future hold, any funds as custodian for any third party.

This report was approved by the Trustees on 13 September 2017, and was signed for and on behalf of the board by



.....
Mr James Bardrick
Deputy Chairman

25th September 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UK CAREER ACADEMY FOUNDATION

Opinion on financial statements

We have audited the financial statements of The UK Career Academy Foundation (the charitable company) for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of charitable company's affairs as at 31 March 2017 and of the 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and based on the work undertaken in the course of our audit, the Trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UK CAREER ACADEMY FOUNDATION

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 14, 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.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and *International Standards on Auditing (UK and Ireland)*. Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Kerry Gallagher (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Davidson House
Forbury Square
Reading
Berkshire RG1 3EU

11 October 2017

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE UK CAREER ACADEMY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
(including an income and expenditure account)
for the year ended 31 March 2017

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2017 £	TOTAL 2016 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	854,842	834,026	1,688,868	1,764,159
Charitable activities:					
Support given to educational bodies to operate Career Academies	4	233,767	406,685	640,452	623,752
Investments	5	4,369	-	4,369	2,486
TOTAL		1,092,978	1,240,711	2,333,689	2,390,397
EXPENDITURE ON:					
Raising funds	6	(80,365)	-	(80,365)	(82,002)
Charitable activities:					
Support given to educational bodies to operate Career Academies	7	(839,713)	(1,378,947)	(2,218,660)	(2,202,521)
TOTAL		(920,078)	(1,378,947)	(2,299,025)	(2,284,523)
NET (EXPENDITURE)/INCOME		172,900	(138,236)	34,664	105,874
Transfer between funds		(1,699)	1,699	-	-
NET MOVEMENT IN FUNDS		171,201	(136,537)	34,664	105,874
RECONCILIATION OF FUNDS					
Total funds brought forward at 1 April 2016		208,082	588,664	796,746	690,872
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2017	14	379,283	452,127	831,410	796,746
		=====	=====	=====	=====

THE UK CAREER ACADEMY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
(including an income and expenditure account)
for the year ended 31 March 2016

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2016 £	TOTAL 2015 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	1,113,231	650,928	1,764,159	1,457,258
Charitable activities:					
Support given to educational bodies to operate Career Academies	4	428,091	195,661	623,752	654,693
Investments	5	2,486	-	2,486	5,313
TOTAL		1,543,808	846,589	2,390,397	2,117,264
EXPENDITURE ON:					
Raising funds	6	(82,002)	-	(82,002)	(91,648)
Charitable activities:					
Support given to educational bodies to operate Career Academies	7	(1,603,607)	(598,914)	(2,202,521)	(1,953,664)
TOTAL		(1,685,609)	(598,914)	(2,284,523)	(2,045,312)
NET (EXPENDITURE)/INCOME & NET MOVEMENT IN FUNDS		(141,801)	247,675	105,874	71,952
RECONCILIATION OF FUNDS					
Total funds brought forward at 1 April 2015		349,883	340,989	690,872	618,920
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2016	14	208,082	588,664	796,746	690,872
		=====	=====	=====	=====

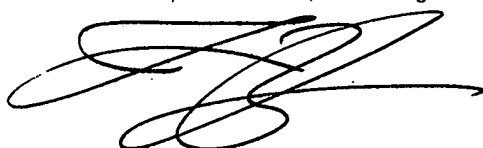
THE UK CAREER ACADEMY FOUNDATION

BALANCE SHEET
as at 31 March 2017

Company Number: 04428178

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	11	2,810	3,512
CURRENT ASSETS			
Debtors	12	352,578	245,206
Cash at bank and in hand		545,654	695,836
		<u>898,232</u>	<u>941,042</u>
LIABILITIES			
Creditors: Amounts falling due within one year	13	(69,632)	(147,808)
NET CURRENT ASSETS		<u>828,600</u>	<u>793,234</u>
TOTAL ASSETS LESS CURRENT LIABILITIES & NET ASSETS		<u>831,410</u> =====	<u>796,746</u> =====
THE FUNDS OF THE CHARITY			
Restricted income funds	14	452,127	588,664
Unrestricted income funds	14	379,283	208,082
TOTAL CHARITY FUNDS	15	<u>831,410</u> =====	<u>796,746</u> =====

The financial statements on pages 19 to 33 were approved by the Trustees and authorised for issue on 13 September 2017, and are signed on their behalf by



.....
Mr James Bardrick
Deputy Chairman

25th September 2017

THE UK CAREER ACADEMY FOUNDATION

STATEMENT OF CASH FLOWS
for the year ended 31 March 2017

	Notes	2017 £	2016 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash used in operating activities	16	(154,551)	(276,578)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends, interest and rents from investments		4,369	2,486
Net cash provided by investing activities		4,369	2,486
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		(150,182)	(274,092)
Cash and cash equivalents at the beginning of the reporting period		695,836	969,928
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	17	545,654 =====	695,836 =====

THE UK CAREER ACADEMY FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017**

1. ACCOUNTING POLICIES**Company information**

The UK Career Academy Foundation (the charitable company) is a private company limited by guarantee incorporated in England and Wales. The registered office and principal place of business is 25 Canada Square, Canary Wharf, London E14 5LB.

The charitable company's principal activities are disclosed in the trustees' annual report.

Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention. Within the definitions of FRS 102, the charitable company is a public benefit entity. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the charitable company, and 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).

Going concern

On the basis of financial projections for the future cash flows of the charitable company, and on the grounds that the charitable company is forecast to be able to continue its activities and meet all of its liabilities as they fall due for a period of at least twelve months from the date of the approval of these financial statements, the Trustees have prepared the financial statements using the going concern principle. The Trustees have not identified any material uncertainties in relation to the going concern status of the charitable company.

Income

All income is included in the statement of financial activities when the charitable company is legally entitled to the funds, it is probable the income will be received and the amount can be quantified with reasonable accuracy.

Income from grants, including government grants, where related to performance and specific deliverables, is accounted for as the charitable company earns the right to consideration by its performance.

Gifts in kind donated for distribution and/or utilisation are included at valuation and recognised as income when the related projects are undertaken. Gifts donated for resale are included as income when sold. Donated facilities are included at the value to the charitable company, where this can be quantified and a third party is bearing the cost.

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

1. ACCOUNTING POLICIES (Continued)

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis.

Expenditure is allocated to the charitable company's principal activity, as fund raising costs or as governance costs where the costs can be identified as being directly related to those activities. All costs that cannot be so identified are categorised as either staff costs or support cost. Staff costs and support costs are then allocated over the different categories of expenditure on the basis of estimated time spent by members of staff in those areas.

Grants payable are recognised in the period in which the approved offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised only when the conditions attaching to the award are fulfilled.

Governance costs are the costs associated in running the charity as a United Kingdom charitable company and specifically include the costs of the external audit.

Tangible fixed assets

All tangible assets purchased that have an expected useful economic life that exceeds one year are capitalised and classified as tangible fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Office equipment - 20% on a reducing balance basis

Pension contributions

The charitable company makes contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year.

Taxation

The company is a registered charity and as such its income and gains falling due under section 471 to 489 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporate tax to the extent that they are applied to its charitable objectives.

Liabilities

A contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control. Provisions are recognised for those grants where there is uncertainty as to the timing or amount, and any uncertainty regarding the amount is more than one of the determining factors as a basis for reasonable estimation of the liability arising from that constructive obligation.

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

1. ACCOUNTING POLICIES (Continued)

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are therefore classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

Financial assets and liabilities

The charitable company's debtors and creditors that meet the definition of either a financial asset or a financial liability are initially recognised at fair value and thereafter are stated at amortised cost using the effective interest method.

Fund accounting

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objectives of the charitable company.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the Trustees. The use of designated funds remains at the discretion of the Trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the Trustees, there are no estimates and underlying assumptions in the application of accounting policies that are considered to be critical, because they either require a significant amount of management judgement or the results are material to the charitable company's financial statements.

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

3.	DONATION AND LEGACIES	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
	Donations from funders	569,584	834,026	1,403,610	1,430,435
	Donations in kind:				
	Event costs	24,119	-	24,119	44,501
	Staff costs	112,731	-	112,731	211,163
	Accommodation costs	148,408	-	148,408	78,060
		854,842	834,026	1,688,868	1,764,159
		=====		=====	=====
4.	INCOME FROM SUPPORT GIVEN TO EDUCATIONAL BODIES TO OPERATE CAREER ACADEMIES	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
	Schools and colleges	223,518	-	223,518	333,853
	Public sector funding	-	224,191	224,191	126,738
	Other supporters	10,249	182,494	192,743	163,161
		233,767	406,685	640,452	623,752
		=====		=====	=====
5.	INVESTMENTS	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
	Bank interest receivable on short term cash deposits	4,369	-	4,369	2,486
		=====		=====	=====
6.	RAISING FUNDS	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
	Staff costs (see note 8)	68,538	-	68,538	73,928
	Support costs (see note 9)	11,827	-	11,827	8,074
		80,365	-	80,365	82,002
		=====		=====	=====

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

7.	COSTS OF SUPPORT GIVEN TO EDUCATIONAL BODIES TO OPERATE CAREER ACADEMIES	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
	Direct costs:				
	Student placements	-	154,429	154,429	157,754
	Student travel	-	21,540	21,540	19,965
	NAF fund support – Ireland	1,180	39,200	40,380	34,950
	Santander award	-	8,920	8,920	7,515
	STEM bursaries and AZ STEM awards	-	9,370	9,370	8,286
	Event costs - donations in kind	24,119	-	24,119	44,501
	Event costs – other	14,105	26,819	40,924	71,623
	Printing and publications	7,004	8,183	15,187	32,728
	Marketing and public relations	1,526	2,356	3,882	20,723
	Sir Winfried Bischoff Award given to five (2015/16: five) individuals	-	500	500	500
	Subscriptions	-	-	-	1,188
	Travel and subsistence	44,452	49,275	93,727	100,842
	Staff welfare	173	263	436	1,006
	Website and internet costs	8,407	24,083	32,490	122,495
	Legal and professional fees	750	-	750	-
	Bank charges	1,329	-	1,329	847
	Indirect costs:				
	Insurance (83%:17%)	6,874	1,408	8,282	5,169
	Auditor's remuneration:				
	Accountancy and advisory (83%:17%)	4,063	832	4,895	3,500
	Staff costs (see note 8)	487,011	967,854	1,454,865	1,389,843
	Support costs (see note 9)	187,138	63,915	251,053	151,785
	Governance costs (see note 10)	51,582	-	51,582	27,301
		839,713	1,378,947	2,218,660	2,202,521
		=====	=====	=====	=====

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

8. STAFF COSTS	2017	2016
The average monthly number of persons working with the charitable company (excluding Trustees) during the year was:	No.	No.
Employed	35	33
Donated and seconded	2	3
	<u>37</u>	<u>36</u>
	=====	=====
	£	£
Staff costs for the above persons:		
Wages and salaries	1,229,382	1,087,363
Temporary staff costs	40,530	27,386
Donations in kind	112,731	211,163
Social security costs	127,814	108,598
Health and other pension costs	47,215	44,047
	<u>1,557,672</u>	<u>1,478,557</u>
	=====	=====
Staff costs are allocated in the financial statements, as follows:		
Costs of generating voluntary income – 4.4% (2015/16: 5%)	68,538	73,928
Support given to educational bodies to operate Career Academies -		
Unrestricted funds – <i>balance of staff costs</i>	487,011	1,183,201
Restricted funds – <i>based on specific staff activity</i>	967,854	206,642
Governance costs – 2.2% (2015/16: 1%)	34,269	14,786
	<u>1,557,672</u>	<u>1,478,557</u>
	=====	=====

During the year, one employee received emoluments in the range £90,001 to £100,000 (2015/16: £90,001 - £100,000). In respect of that employee, total pension contributions payable during the year amounted to £5,508 (2015/16: £6,108).

The total amount of employee benefits received by key management personnel for their services to the charitable company during the year amounted to £383,546 (2015/16: £206,928) and the charitable company incurred employers' national insurance contribution costs of a further £42,912 (2015/16: £23,388) in relation to the employment of these same members of staff.

The Trustees received no remuneration for their services to the charitable company during the current or previous year, and were not reimbursed for any expenses incurred on behalf of the charitable company during the current or previous year.

The use of volunteers and donated services

The charitable company makes considerable use of the services of volunteers in order to not only manage the charitable company at Trustee level but also to deliver services and other similar project outcomes and benefits to beneficiaries. The charitable company is also reliant upon donated services provided by its wide range of supporters, and those donated services which can be quantified, are recognised in the financial statements as donations in kind.

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

9. SUPPORT COSTS	Support given to educational bodies to operate Career Academies				Total 2017	Total 2016
	Raising funds	Unrestricted funds	Restricted funds	Governance costs		
	£	£	£	£	£	£
<i>Staff activity</i>	4.4%	71.2%	22.2%	2.2%	100%	100%
Accommodation costs:						
Donations in kind	6,530	105,666	32,947	3,265	148,408	78,060
Other costs:						
Specifically allocated	-	-	11,226	-	11,226	-
Based on staff activity	5,266	80,972	19,586	2,633	108,457	82,536
Depreciation:						
Owned assets	31	500	156	15	702	878
	11,827	187,138	63,915	5,913	268,793	161,474
	=====					=====
10. GOVERNANCE COSTS		Unrestricted funds	Restricted funds	Total 2017	Total 2016	
		£	£	£	£	
Staff costs (see note 8)		34,269	-	34,269	14,786	
Support costs (see note 9)		5,913	-	5,913	1,615	
Auditor's remuneration:						
Audit fees		11,400	-	11,400	10,900	
		51,582	-	51,582	27,301	
		=====		=====	=====	

Included within auditor's remuneration are amounts payable to RSM UK Audit LLP in respect of audit services of £11,400 (2015/16: £10,900) and in indirect costs are amounts payable to RSM UK Tax and Accounting Limited in respect of accountancy and advisory services of £4,895 (2015/16: £3,500).

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

11. TANGIBLE ASSETS		Office Equipment £
Cost:		
1 April 2016 and 31 March 2017		10,550
Depreciation:		
1 April 2016		7,038
Charge in the year		702
31 March 2017		<u>7,740</u>
Net book value:		
31 March 2017		2,810
		=====
31 March 2016		3,512
		=====
12. DEBTORS	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	253,889	123,273
Other debtors	14,465	3,681
Prepayments and accrued income	84,224	118,252
	<u>352,578</u>	<u>245,206</u>
	=====	=====
13. CREDITORS	2017	2016
	£	£
Amounts falling due within one year:		
Trade creditors	12,181	40,143
Other taxes and social security costs	34,156	33,962
Pension contributions payable	4,042	7,787
Other creditors	828	-
Accruals	18,425	37,915
Deferred income	-	28,000
	<u>69,632</u>	<u>147,807</u>
	=====	=====
Deferred income relating to funding for specific future projects:		
Deferred income brought forward	28,000	321,777
Deferred income released to the statement of financial activities	(28,000)	(321,777)
Income received in advance during the period	-	28,000
	<u>-</u>	<u>28,000</u>
Deferred income carried forward	=====	=====

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

14. THE FUNDS OF THE CHARITY	1 April 2016 £	Income £	Expenditure £	Transfers between funds £	31 March 2017 £
Restricted income funds:					
Regional Development Fund	492,119	960,016	(1,145,823)	-	306,312
Partner in Excellence (PiXL) Fund	-	6,000	(2,500)	-	3,500
DHL Logistics Fund	-	50,000	(30,472)	-	19,528
Wates Fund	-	48,500	(27,787)	-	20,713
Arcadis Fund	-	20,000	(4,710)	-	15,290
Student Placements Fund	15,269	156,195	(154,429)	-	17,035
Sir Winfried Bischoff Award Fund	11,527	-	(13,226)	1,699	-
Digital Improvements Fund	45,168	-	-	-	45,168
Edge Fund	14,639	-	-	-	14,639
Let's Do Business Fund	9,942	-	-	-	9,942
	<u>588,664</u>	<u>1,240,711</u>	<u>(1,378,947)</u>	<u>1,699</u>	<u>452,127</u>
Unrestricted income funds:					
General Fund	208,082	1,092,978	(920,078)	(1,699)	379,283
	<u>796,746</u>	<u>2,333,689</u>	<u>(2,299,025)</u>	<u>-</u>	<u>831,410</u>
	=====	=====	=====	=====	=====

The Regional Development Fund was originally set up in 2005/06 to recognise the restricted income received from the Department of Employment and Learning to fund the charitable company's work in Northern Ireland, Citi Foundation funding for the development of a programme in the Republic of Ireland and a number of private sector supporters supporting our growth in Scotland. Funds are used to support schools and colleges in those specific regions.

The Partner in Excellence (PiXL) Fund was set-up in 2016/17 after PiXL commissioned Career Ready to adapt the existing apprenticeship resources, produce new resources for younger students and to pay for the use of these by schools in the PiXL network.

The DHL Logistics Fund was set-up in 2016/17 since the DHL UK Foundation are supporting the roll-out of the Think Logistics programme for three years, with funding, mentors and volunteer support for schools and colleges in areas where the business operates.

The Wates Fund was set-up in 2016/17. Wates Foundation and the Wates business are the founder supporters of the Think Build programme, providing funding, mentors, internships and volunteer support for schools and colleges in three Think Build clusters over three years.

The Arcadis Fund was set-up in 2016/17, because Arcadis are similarly supporting the Think Build programme over three years, providing funding, mentors, internships and volunteer support for schools and colleges in three Think Build clusters.

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

14. THE FUNDS OF THE CHARITY (Continued)

The Student Placements Fund was set up in 2006/07 to recognise the restricted income received from various corporate supporters to cover the costs of students on internship. This activity and related funding has continued.

The Sir Winfried Bischoff Award Fund was set up in 2012/13 to recognise funding raised by a special appeal to the members of the National Advisory Board, which is used to cover the costs of making awards to students winning the Regional and National Student of the Year Awards. Sir Winfried Bischoff, the charity's founding Chairman, has kindly agreed to have the award named in recognition of his contribution to the organisation. An overspend arising in 2016/17 has been funded by a transfer from the General Fund.

The Digital Improvements Fund was set up in 2014/15 to recognise the restricted income received from Peter Davis in order to fund the digital platform and new website of the charity.

The Edge Fund was set up in 2014/15 to recognise the restricted income received from the Edge Foundation in support of the Think Logistics project.

The Let's Do Business Fund was set up in 2014/15 to recognise the restricted income received from the Skills Funding Agency for a series of national Let's do Business events in conjunction with the National Careers Service.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Current assets £	Current liabilities £	Total £
Restricted income funds:				
Regional Development Fund	-	306,312	-	306,312
Partner in Excellence	-	3,500	-	3,500
DHL Logistics Fund	-	19,528	-	19,528
Wates Fund	-	20,713	-	20,713
Arcadis Fund	-	15,290	-	15,290
Student Placement Fund	-	17,035	-	17,035
Digital Improvement Fund	-	45,168	-	45,168
Edge Fund	-	14,639	-	14,639
Let's Do Business Fund	-	9,942	-	9,942
Unrestricted income funds:				
General Fund	2,810	446,105	(69,632)	379,283
NET ASSETS	<u>2,810</u>	<u>898,232</u>	<u>(69,632)</u>	<u>831,410</u>
	=====	=====	=====	=====

THE UK CAREER ACADEMY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 March 2017

16.	RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	2017 £	2016 £
	Net income for the reporting period	34,664	105,874
	Adjustments for:		
	Dividends, interest and rents from investments	(4,369)	(2,486)
	Depreciation charges	702	878
	Increase in debtors	(107,372)	(49,120)
	Decrease in creditors	(78,176)	(331,724)
	Net cash used in operating activities	<u>(154,551)</u> =====	<u>(276,578)</u> =====
17.	ANALYSIS OF CASH AND CASH EQUIVALENTS	2017 £	2016 £
	Cash at bank and in hand	545,654 =====	695,836 =====
18.	FINANCIAL INSTRUMENTS	2017 £	2016 £
	Carrying amount of financial assets:		
	Debt instruments measured at amortised cost	253,889 =====	143,273 =====
	Carrying amount of financial liabilities:		
	Measured at amortised cost	30,606 =====	85,846 =====
19.	PENSION COMMITMENTS		

The charitable company makes contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs (as shown in note 8) is the total contributions payable for the year, and the amounts of contributions payable to the pension schemes at the balance sheet date are current liabilities (as shown in note 13).

20. RELATED PARTY TRANSACTIONS

During the year, the charitable company received the following donations from Trustees and organisation in which Trustees are involved:

- Freshfields Bruckhaus Deringer LLP, a partnership of which Mr D Trott is a partner, provided a donation amounting to £65,602 (2015/16: £126,243) for the services of a member of staff, as well as a separate donation of £15,000 (2015/16: £Nil).
- Citigroup Global Markets Limited, an organisation of which Mr J Bardrick is an employee, provided £74,460 (2015/16: £74,460) for office space within its London building. In addition, Mr J Bardrick provided an individual donation of £25,000 (2015/16: £25,000).
- Standard Life Employee Services Limited, a company of which Mr A Begbie is a director, provided a donation amounting to £80,000 (2015/16: £Nil).

THE UK CAREER ACADEMY FOUNDATION

FINANCIAL STATEMENTS
for the year ended 31 March 2017ACCOUNTANT'S REPORT TO THE BOARD OF TRUSTEES OF THE UK CAREER ACADEMY FOUNDATION ON THE
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

In order to assist you to fulfil your duties under the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 (the Acts) and regulations thereunder, we prepared for your approval the financial statements of The UK Career Academy Foundation which comprise the Statements of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes as set out on pages 19 to 33 in accordance with the financial reporting framework set out therein from the charitable company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Trustees of The UK Career Academy Foundation as a body, in accordance with the terms of our engagement letter dated 9 April 2013. Our work has been undertaken solely to prepare for your approval the financial statements of The UK Career Academy Foundation and state those matters that we have agreed to state to them in accordance with ICAEW Technical Release 07/16 AAF detailed at icaew.com. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against RSM UK Tax and Accounting Limited for any purpose or in any context. Any party other than the Trustees which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

It is your duty to ensure that The UK Career Academy Foundation has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and net movement in funds of The UK Career Academy Foundation under the Acts and regulations thereunder.

We have not been instructed to carry out an audit or a review of the financial statements of The UK Career Academy Foundation. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

RSM UK Tax and Accounting Limited

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Chartered Accountants
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12 October 2017