

BAKER DEARING EDUCATIONAL TRUST

England & Wales · Charity number 1138894

Details

Status Registered

Legal form Charitable company

Company number [07390138](#)

Registered 2010-11-09

Register [View on the Charity Commission register](#)

Contact

Address 2nd Floor
1 The Sanctuary
London
SW1P 3JT

Phone 02079601555

Email director@bakerdearing.org

Website www.bakerdearing.org

Activities

Objects: TO ADVANCE THE EDUCATION OF CHILDREN, YOUNG PEOPLE AND YOUNG ADULTS BY TECHNICALLY-ORIENTED STUDY AT NEW OR EXISTING COLLEGES WITH AN EMPHASIS ON PRACTICAL TRAINING, BUSINESS AND COMMERCE LEADING TO EMPLOYMENT.

Activities: Baker Dearing Educational Trust licenses UTCs (University Technical Colleges). The Charity offers guidance and support to UTCs to help them ensure high standards of education and financial viability and liaises between sponsors, the UTCs themselves and the Department for Education.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Economic/community Development/employment
- **Who:** Children/young People

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL.
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,023,710	£1,261,724	£96,674	5
2023-12-31	£1,504,250	£1,413,456	£334,688	5
2022-12-31	£855,372	£911,501	£243,894	4
2021-12-31	£898,381	£831,606	£300,023	3
2020-12-31	£827,932	£812,389	£233,248	3

Trustees

Name	Role	Appointed
Clive Barker		2019-07-03
James Wade		2020-07-08
Michael Wright		2019-07-03
Nischint Kaur Lall		2025-07-01
Oswin James Baker		2025-07-01
Paul Adrian Birt		2025-07-01
Purmindar Kaur Gandhu		2025-07-01
Stephen Phipson		2024-11-13
Yvonne Mason		2025-07-01

BAKER DEARING EDUCATIONAL TRUST

England & Wales - Charity number 1138894

Accounts

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24

Annual report and financial statements

For the year ended 31st December 2024

Baker Dearing
Educational Trust

Table of Contents

Reference and administrative details	03
Mission	04
Review of the year's activity	05
Trustees' annual report	11
Independent auditor's report	18
Statement of financial activities	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25

Reference and administrative details

Company number	07390138 - incorporated in the United Kingdom	
Charity number	1138894 - registered in England and Wales	
Registered office and operational address	2nd floor, 1, The Sanctuary London SW1P 3JT	
Trustees	<p>Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:</p> <p>The Rt Hon Lord Baker of Dorking CH, Chair until 31 December 2024, Life President from 1 January 2025 Clive Barker Ms Madeleine Hallward (resigned 18 July 2024) Will Harding (resigned 18 July 2024) David Land Baroness Estelle Morris (resigned 18 July 2024) Stephen Phipson (appointed 13 November 2024), Chair from 1 January 2025 Sir Mike Tomlinson CBE Jim Wade Michael Wright</p>	
Chief Executive	Simon Connell, until 31 December 2024 Kate Ambrosi, from 1 January 2025	
Bankers	Solicitors	Auditor
HSBC 16 King Street London WC2E 8JF	Stone King LLP 91 Charterhouse Street London EC1M 6HR	Griffin Stone Moscrop & Co 21-27 Lamb's Conduit Street Holborn London WC1N 3GS

Mission

Baker Dearing Educational Trust is a UK charity which was established in 2010. While the charity's initial focus was to originate and support the opening of new UTCs, over the past five years its remit has evolved. Baker Dearing now supports UTCs and other educational organisations to provide high-quality, employer-led technical education that prepares young people for successful futures. This means bridging the worlds of education and industry, fostering innovation, and creating opportunities for social mobility.



“University Technical Colleges make an important contribution to education and demonstrate the value of strong partnerships with employers....they help equip young people with a blend of academic and technical skills that can support them in their career journeys.”

– Baroness Smith, Minister for Skills

Review of the year's activity

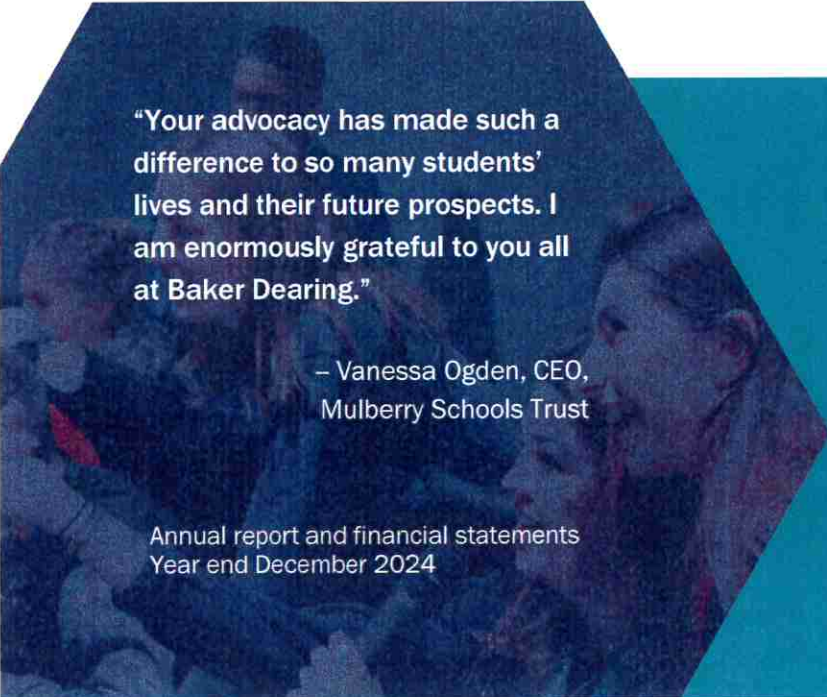
Who we are and what we do

The Baker Dearing Educational Trust was established to build, protect, strengthen and grow University Technical Colleges (UTCs). UTCs are state-funded schools that offer high-quality technical education focused on one or more industry specialisms in collaboration with employers and universities. Supporting UTCs remains a key part of our mission. However, our activities have now expanded to meet the needs of young people beyond the UTC programme. New activities include:

- A 'Baker Award for Technical Education', which rewards young people for developing their employability skills.
- The UTC Sleeve model, which implements high-quality, employer-led technical education in mainstream schools.
- Sharing our expertise and experience with other countries through our trading subsidiary, Baker Dearing International.

UTCs bridge the gap between education and work by working with employers and universities, utilising project-based learning, and focusing on technical subjects. The 44 UTCs located across England educate nearly 21,000 students, supported by around 400 employers and universities.

With Baker Dearing's support and guidance, UTCs have positively impacted tens of thousands of young people. The impact of the UTC programme is measured each year through Ofsted outcomes, increased applications, students' destinations upon leaving in Year 13, and a student survey that nearly 10,000 students completed this year.



"Your advocacy has made such a difference to so many students' lives and their future prospects. I am enormously grateful to you all at Baker Dearing."

– Vanessa Ogden, CEO,
Mulberry Schools Trust

Impact: Student numbers



Impact: Ofsted

84% of UTCs are 'good' or 'outstanding' [1] **20.5%** have 'outstanding' features

“Some pupils, including students in the sixth form, are attracted by the distinctiveness of the college’s engineering and design offer. Others come to the college for a fresh start, having struggled to be successful in other educational settings. Regardless of what brought them here, pupils feel privileged to have access to the college’s industry-standard resources. They are inspired by posters celebrating the impressive destinations of pupils who attended the college before them. Pupils are proud and happy to follow in their footsteps.”

– Ofsted report into Crewe Engineering and Design UTC, January 2025.



“Pupils are exceptionally well prepared to take their next steps. They benefit from high-quality opportunities to experience the world of work. For example, engineering students visit a range of well-regarded employers. When they leave school, pupils progress to well-regarded destinations. These include further education, apprenticeships, and employment.”

– Ofsted report into Brook Sixth Form and Academy UTC, January 2025.

[1] Taking into account the 84.1 per cent of UTCs which were rated 'good' for overall effectiveness prior to Sept 2024; 'good' for quality of education after Sept 2024; ungraded where effective action was noted or the current grade was perpetuated.

Impact: 2024 student survey

89%

of Year 9/10 students want employer experiences such as projects, talks, and work experience

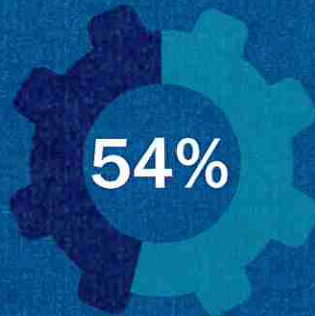


85%

of UTC students would recommend their UTC to a friend



66% of Year 9/10s said their attendance improved at the UTC compared to their old school



54%

of new KS4 students chose a UTC because they can study technical and creative subjects which weren't available at their previous school

Impact: 2024 destinations



20% of UTC leavers progressed to apprenticeships, compared to 5% nationally*



5%

became NEET compared to 13% nationally*



66% of those apprenticeships are at a higher or degree level compared to 31% nationally*



72% of leavers going to university started a STEM course, compared to 42% nationally*



55% of leavers with SEND progressed to destinations at Level 4 and above compared to 42% nationally*



56% of 2024 UTC leavers from disadvantaged backgrounds progressed to HE, compared to a national average of 47%*

*National average for Level 3 leavers from mainstream schools and colleges (summer 2022 - latest)

Alumni success: Daksh Sharma

School: UTC Portsmouth

Qualifications: A Levels in computer science, maths and physics

Destination: Degree apprenticeship with Lockheed Martin

Daksh progressed from UTC Portsmouth to a degree apprenticeship with Lockheed Martin after considering competing offers from the Dyson Institute, PwC, Airbus and IBM.

During his time studying at the UTC, the 18-year-old took part in employer projects with various aerospace and defence companies including Lockheed Martin and QinetiQ, as well as the Royal Navy.

The UTC said he “worked incredibly hard,” studying A Levels in computer science, maths, and physics while taking every opportunity on offer to ensure his CV stood out from other applicants. He also served as student vice president while in years 10 and 11.

Daksh, who is from Hamble and has a health care plan due to a genetic type of diabetes, says the UTC was important to his success because “of the opportunities that I have been offered by the school, including employer projects, guest lectures and the chance to be part of the student leadership team.”



Alumni success: Skyla McKay

School: The Leigh UTC

Qualifications: Digital production, design, and development T Level

Destination: Software development engineer degree apprenticeship with Amazon

Skyla McKay has secured a highly-competitive software development engineer degree apprenticeship at Amazon after taking a T Level placement with the company while studying at The Leigh UTC.

Year 13 student Skyla, along with fellow students Jenson and Sam, outshone thousands of other applicants by demonstrating the outstanding technical skills and professional aptitude that they developed at the UTC and on their placement.

“I joined here to study the digital production, design, and development T Level,” Skyla said. “Through the Leigh UTC’s connections, I was able to attend an event held by Amazon alongside the rest of my class

“I was then accepted for a placement and collaborated with students to develop a T Level website for Amazon, while also enhancing our soft skills through various activities, lectures, and tasks.

“This motivated me to apply for Amazon’s Level 6 software development engineer degree apprenticeship. This opportunity offers me a 42-month long contract that includes a digital and tech solutions BSc.

“I couldn’t have achieved this without the incredible support of my teachers at the UTC, mentors, and placement manager.”



Alumni success: Aaron Frew

School: Energy Coast UTC

Qualifications: BTECs in business, construction, and sport

Destination: Degree apprenticeship with Morgan Sindall

Aaron progressed to an engineering degree apprenticeship with Morgan Sindall after taking part in the construction company's 'Future Pathways' company at Energy Coast UTC. The Workington-based UTC gave Aaron, a Pupil Premium recipient, multiple opportunities to work with employers, including Sellafield, engineering companies Shepleys and Jacobs, as well as Morgan Sindall.

Aaron was also selected to take part in the Future Pathways programme, which is run by Cumbria Police's Child Centred Policing Team, in connection with Morgan Sindall, for students from deprived backgrounds. Over 10 weeks, the students engage in activities and opportunities to increase their awareness of what opportunities are out there once they leave school, and to build employability skills. The programme has supported Aaron to develop the confidence to communicate in a workplace setting.

A kind, persistent, and determined student, Aaron has worked hard to secure the grades to achieve his desired destination, staff say.

At an event where Morgan Sindall announced a £300,000 donation to the UTC, Aaron was invited to speak about his learning experiences, which put him out of his comfort zone but contributed to him securing the apprenticeship.

"Energy Coast UTC has provided me with countless opportunities in the engineering field through its links with local employers. Without this, I do not think I would be in the position I am, securing a Level 6 degree apprenticeship in a field that I am passionate about."



Trustees' annual report

The trustees present their report and the audited financial statements for the year ended 31 December 2024.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The organisation is a charitable company limited by guarantee, incorporated on 28 September 2010 and registered as a charity on 9 November 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The objects of the charity are to advance the education of children, young people and young adults by technically-oriented study at new or existing colleges with an emphasis on practical training, business and commerce leading to employment.

Appointment of trustees

Trustees are selected by reference to their eligibility, personal competence and specialist skills. A Nominations Committee meets twice a year to discuss and recommend the appointment of trustees.

Trustee induction and training

On appointment trustees are inducted into the strategic aims of the charity and the underlying financial implications. Throughout the year trustees are updated with progress reports and are invited to attend educational seminars and events to increase their awareness of the charity's activities and the educational sector governance requirements.

The members of the company appoint new trustees. There must be a minimum of three trustees and a maximum of twelve.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Related parties and connected organisations

See note 9 for details of related parties and connected organisations.

Remuneration Policy for key management personnel

Remuneration is reviewed, and agreed, once each year by the trustees at a trustees' meeting. The review takes into account the performance of individuals and the change in cost of living as measured by the RPI.

Objectives and activities

Baker Dearing Educational Trust (Baker Dearing) licenses UTCs (University Technical Colleges). The charity offers guidance and support to UTCs to help them ensure high standards of education and financial viability and liaises between sponsors, the UTCs themselves and the DfE (Department for Education).

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Vision of the charity

Baker Dearing supports UTCs and other educational organisations to provide high-quality, employer-led technical education that prepares young people for successful futures. This means bridging the worlds of education and industry, fostering innovation, and creating opportunities for social mobility.

Baker Dearing's primary purpose is to promote and support University Technical Colleges (UTCs); however, as the vision suggests, the charity also has a wider purpose: supporting mainstream schools and educational leaders here and abroad to learn from the UTC model and provide similar opportunities to their students.

UTCs are government-funded secondary schools with a science, technology, engineering, or maths (STEM) focus. They provide a unique and relevant approach to education, which addresses the changing needs of students and employers in the 21st century. UTCs were established by employers and universities in areas with high demand for talent, and local skills shortages. In addition to a core curriculum of English, maths, and sciences, UTCs offer sought-after technical qualifications and benefit from industry-standard equipment and specialist staff to provide students with skills valued by employers. The number of UTC students, who usually start when they are 14 years old, has expanded year-on-year, reaching 20,800 in the 2024/25 academic year.

UTCs have support from all three main political parties. Forty-four UTCs and one UTC Sleeve are open.

The Government remains committed to opening two more UTCs in Southampton and Doncaster to meet local skills needs and demand from the local student population.

The DfE provides the capital cost of a UTC and the ongoing running costs. The UTC brand and trademarks belong to the charity which grants a licence to each UTC. The charity retains close links with UTCs once they are open to help ensure high education standards, licence compliance and financial viability. It is in the interests of the whole UTC programme that the charity's brand values are preserved.

The UTC Sleeve concept, developed by Baker Dearing with leading multi-academy trusts, employers, and UTCs, aims to enhance the UTC impact and support the wider education community. It introduces technically specialist pathways into mainstream secondary schools. This approach leverages the UTC programme's benefits for students and employers, offering a broader range of technical qualifications alongside academic curricula initially up to age 16. This is an effective way to prepare students for T Levels and other technical courses post-16. To support the Sleeve, Baker Dearing will establish an employer board to help plan and deliver the curriculum using employer-led projects.

Baker Dearing has also launched the 'Baker Award for Technical Education' (Baker Award) for schools, colleges, and other educational providers, building on the award that has been widely used by UTCs for several years. The Baker Award recognises and celebrates essential aspects of technical education offered by UTCs, which prepare young people with the skills, knowledge, and attributes necessary for success in the workplace. Students receiving the Baker Award demonstrate high levels of employability. The Award will also assist schools in achieving the Gatsby Benchmarks for Good Career Guidance and help employers access a highly skilled talent pipeline from UTCs and mainstream schools. At the time of this report's publication, approximately 2,000 students have registered to participate in the Award.

Baker Dearing has also set up a trading subsidiary called Baker Dearing International. This separate company will provide consultancy services to other countries that wish to learn from the success of the UTC programme.

The charity's strategies and objectives

With an original focus on opening new UTCs, the charity's support has evolved over time to meet the needs of UTCs, aiming to provide services that others cannot provide within the education system. In addition, the charity now seeks to broaden its impact to support the wider education sector to offer high-quality employer-led technical education. Today, the charity exists to:

(1) Foster a favourable policy and funding environment for UTCs:

Charity staff meet regularly with senior personnel at the Department for Education ("DfE") to communicate the views of UTCs and to discuss UTC challenges at a programme-wide level, with the aim of influencing policy decisions. The charity also meets with other key stakeholders including Ofsted, HM Treasury, and Members of Parliament.

(2) Raise awareness of UTCs:

Collectively on behalf of all UTCs, the charity is uniquely positioned to co-ordinate publicity, with the aim of undertaking national awareness initiatives to complement local UTC marketing efforts. The charity engages with trade and national media outlets, research companies, national employers, and others to communicate the value of a UTC education and to celebrate the many student success stories from around the programme.

(3) Ensure UTC distinctiveness is preserved and standards are upheld:

With Baker Dearing's support, UTCs are now an embedded and celebrated part of England's education system. This has been achieved through a collaborative and expert-led approach which protects the nature and standards of the unique UTC education provision, as defined by the requirements of the UTC licence.

(4) Facilitate connectivity and exchange amongst UTCs:

As a relatively new national network of schools, it is vital that UTCs share and implement best practice in the areas of technical education, student recruitment, employer engagement, and finance. The charity provides a rich programme of events for UTC staff; regular communication across all UTCs; data and analysis regarding programme developments; and the brokerage of UTC-to-UTC support, where needed.

(5) Provide UTCs with access to advisory support:

The charity retains the services of a small number of highly experienced consultants and commissions support from UTC staff members. This allows the charity to offer individual UTCs advice and assistance in the areas of technical education, student recruitment, employer engagement, finance, re-brokerage, and negotiations with the DfE. Positioned centrally within the UTC network, charity staff have a holistic view of the entire UTC programme and provide advice to individual UTCs in this context.

(6) Procure services and offer benefits for UTCs on a collective basis:

The charity is able to achieve group discounts for third-party services through negotiation and procurement on behalf of all UTCs, such as GL Assessment and Admissions+. In addition, Baker Dearing directly funds various highly valued UTC initiatives such as the Redborne data analysis, student destinations analysis, and the Baker Award for Technical Education.

(7) Support mainstream schools to develop a high-quality, employer-led technical education offer:

The UTC Sleeve, developed by Baker Dearing with partners, integrates specialist pathways like engineering into mainstream schools. Drawing on the UTC programme, it enables students to combine technical qualifications with a core academic curriculum up to age 16, leading to T Levels or advanced technical courses. An employer-led board supports curriculum planning through initiatives like projects.

(8) Broaden opportunities and foster the growth of employability skills:

The Baker Award, created with employers, UTCs, and schools, recognises students in

technical/vocational pathways by rewarding qualifications, work experience, and employability skills gained through projects and an interview. It is available to students in UTCs and mainstream schools, with sponsorship ensuring it is free for all.

(9) Increase awareness of technical education and support other countries:

The charity's success in England has led to requests from other governments for support in developing their vocational education systems. Therefore, the charity has set up a trading subsidiary to complete this work whose profits will support the charity's work in England.

Performance against objectives

At the end of 2024, forty four UTCs and one UTC Sleeve were open and applications to open two further UTCs have been accepted as part of the Department for Education's free schools process. In addition, over 2000 students have been registered for the Baker Award.

Beneficiaries of our services

The charity's main activities focus on the development and support of UTCs and are undertaken to further Baker Dearing Educational Trust's charitable purposes for the public benefit. The beneficiaries of the services are mainly the UTCs and their students. However, due to the Baker Award, the Sleeve, and Baker Dearing International, the number and range of beneficiaries will broaden to include students in other UK schools and those abroad.

Financial review

The trustees have determined that the charity should be financially independent of Government. The Trust's income for the period included donations and licence subscriptions from UTCs. This has been used to support the Trust's activities for the development and success of the University Technical College programme.

The donations include funds from the Garfield Weston Foundation, the Michael Bishop Foundation, The Gatsby Charitable Foundation and Peter Cundill Foundation.

Principal risk and uncertainty

The principal risk to the organisation arises from the lack of income, particularly from donations and grants. This can be mitigated by reducing expenditure. The charity's contractual arrangements with suppliers' goods and services have short cancellation periods. The effect of lower expenditure would be to reduce the level of activity and services that the Trust can offer, but it would remain in existence.

Reserves policy and going concern

The reserves policy targets a level of free cash reserves held to be sufficient to cover at least a quarter of the annual direct operating costs which implies a target reserve level of around £250,000. At the end of the year the level of free cash available stood at £356,547 (2023: £613,655). With regard to

the balance sheet charity funds, at the end of the year free reserves stood at £8,985 (2023: £253,381) after recognising the non-cash deferred income adjustment of £347,562 (2023: £360,275).

The income of the charity is dependent on raising further donations and the charity is confident that the current fundraising programme will ensure the appropriate amount is received. During the first half of 2025 Baker Dearing has secured commitments from three grant making trusts and further funding is being sought from other grant making trusts, companies and employers who recognise the benefit of the UTC programme. Should there be a shortfall the charity can reduce operating costs to mitigate the situation. There are no material uncertainties about the charity's ability to continue as a going concern.

Statement on fundraising

Baker Dearing Educational Trust does not engage in public fundraising and does not use professional fundraisers or commercial participators. Baker Dearing Educational Trust nevertheless observes and complies with relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and Baker Dearing Educational Trust received no complaints relating to its fundraising practice.

Plans for the future

Baker Dearing will continue to offer support and guidance to UTCs as needed, such as enhancing the quality of education, preparing for inspections, marketing and recruitment, policy development, and financial assistance. It will also maintain communication with the Government to ensure that the UTC programme and the technical education provided by UTCs are well-supported and integrated into the educational landscape. Baker Dearing will further assist UTCs and other schools by presenting the Baker Award and refining the Sleeve model. Additionally, through Baker Dearing International, Baker Dearing will aid other countries in developing successful technical education systems.

Statement of responsibilities of the trustees

The trustees (who are also directors of Baker Dearing Educational Trust for the purposes of company law) are responsible for preparing the trustees' annual reports 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 which 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 judgements and estimates that are reasonable and prudent

- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2024 was 7 (2023: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Auditor

Griffin, Stone, Moscrop & Co were appointed as the charitable company's auditor during the year.

The trustees' annual report has been approved by the trustees on 30 April 2025 and signed on their behalf by:

Stephen Phipson

Stephen Phipson
Chair

Independent auditor's report

Opinion

We have audited the financial statements of Baker Dearing Educational Trust (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024, 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report.

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- carrying out substantive checking to support documents on a sample basis of individual transactions within income and expenditure to give comfort that on a sample basis the Statement of Financial Activities does not contain any irregular items;
- carrying out walk-through testing to verify that the charity's accounting systems and controls are being implemented as designed; and
- verifying that material balances within the Balance Sheet are supported by third party evidence to confirm the existence and valuation of these balances at the year-end.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:
<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Robert Smith (Senior Statutory Auditor)

For and on behalf of Griffin Stone Moscrop & Co

Chartered Accountants & Statutory Auditor

21-27 Lamb's Conduit Street

London

WC1N 3GS

Date: 9/5/2025

Statement of financial activities

Baker Dearing Educational Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2024

	Note	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Income from:					
Donations and legacies	3	350,000	100,000	450,000	550,000
Charitable activities	4	563,993	-	563,993	941,689
Investments		9,717	-	9,717	12,561
Other		-	-	-	-
Total income		923,710	100,000	1,023,710	1,504,250
Expenditure on:					
Raising funds		2,400	-	2,400	15,940
Charitable activities		1,165,705	93,619	1,259,324	1,397,516
Total expenditure	5a	1,168,105	93,619	1,261,724	1,413,456
Net income/(expenditure) for the year and net movement in funds	15a	(244,395)	6,381	(238,014)	90,794
Reconciliation of funds:					
Total funds brought forward		253,380	81,308	334,688	243,894
Total funds carried forward		8,985	87,689	96,674	334,688

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Balance sheet

Baker Dearing Educational Trust

Balance sheet

Company no. 07390138

As at 31 December 2024

	Note	£	2024 £	£	2023 £
Current assets:					
Debtors	11	10,040		23,497	
Term deposits		6,492		179,437	
Cash at bank and in hand		506,544		569,308	
		<u>523,076</u>		<u>772,242</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(426,402)		(437,554)	
				<u></u>	
Total net assets	14a		<u>96,674</u>		<u>334,688</u>
The funds of the charity:					
Restricted income funds	15a		87,689		81,308
General funds		8,985		253,380	
		<u>8,985</u>		<u>253,380</u>	
Total unrestricted funds			8,985		253,380
			<u>96,674</u>		<u>334,688</u>

Approved by the trustees on 30 April 2025 and signed on their behalf by

Stephen Phipson

Stephen Phipson
Chairman

Statement of cash flows

Baker Dearing Educational Trust

Statement of cash flows

For the year ended 31 December 2024

	Note	2024 £	£	2023 £	£
Net cash provided/(used in) by operating activities	16	(245,425)		145,870	
Cash flows from investing activities:					
Dividends, interest and rents from investments		<u>9,717</u>		<u>12,561</u>	
Net cash provided by investing activities			9,717		12,561
Net cash provided by / (used in) financing activities			-		-
Change in cash and cash equivalents in the year		(235,708)		158,431	
Cash and cash equivalents at the beginning of the year			748,745		590,314
Cash and cash equivalents at the end of the year	17		<u>513,037</u>		<u>748,745</u>

Notes to the financial statements

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

1 Accounting policies

a) Statutory information

Baker Dearing Educational Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office is 1, Sanctuary Buildings, London SW1P 3JT.

b) Basis of preparation

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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received from licence fees is recognised over the same period as the licensee derives benefits from the licenced asset, i.e. the academic year. Accordingly, income received in advance of the academic year is deferred and recognised in the appropriate period.

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Baker Dearing Educational Trust**Notes to the financial statements****For the year ended 31 December 2024**

1 Accounting policies (continued)**g) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of promoting and supporting UTCs to further the purposes of the charity and their associated support costs

h Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Governance costs are allocated to the promotion and support of UTCs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

i) Debtors

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

j) Cash at bank and in hand

Cash at bank and cash 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.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

l) Pensions

The charity offers a defined contribution scheme for all employees which is auto-enrolment compliant. All pension contributions relate to payments made to individual employees' personal pension plans. Contributions are charged to the statement of financial activities in the year to which they relate. Differences between contributions due and actually paid are shown as either accruals or prepayments in the balance sheet.

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2023 Total £
Income from:			
Donations and legacies	425,000	125,000	550,000
Charitable activities	941,689	-	941,689
Investments	12,561	-	12,561
Total income	1,379,250	125,000	1,504,250
Expenditure on:			
Raising funds	15,940	-	15,940
Charitable activities	1,325,011	72,505	1,397,516
Total expenditure	1,340,951	72,505	1,413,456
Net (expenditure) and net movement in funds	38,299	52,495	90,794
Total funds brought forward	215,081	28,813	243,894
Total funds carried forward	253,380	81,308	334,688

3 Income from donations and legacies

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Gifts	350,000	100,000	450,000	550,000
	350,000	100,000	450,000	550,000

4 Income from charitable activities

	2024 Total £	2023 Total £
UTC promotion and support		
UTC licence fees	491,833	483,259
Other income from educational support	72,160	158,430
Other		
Overseas project for the advancement of technical education	-	300,000
Total income from charitable activities	563,993	941,689

All income from charitable activities is unrestricted.

The overseas project in 2023 was to use Baker Dearing's experience of the UTC model and programme to advise on, and advance, a technical education pathway for their young people for the future.

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

5a Analysis of expenditure

	Charitable activities				2024 Total £	2023 Total £
	Cost of raising funds £	UTC promotion and support £	Other £	Governance costs £		
Staff costs (Note 7)	-	377,127	-	-	377,127	388,011
UTC promotional activities:	-	-	-	-	-	-
Operational & programme management	-	587,068	-	90,130	677,198	803,508
Marketing & events	-	103,945	-	-	103,945	114,008
Administration	2,400	101,054	-	-	103,454	107,929
	2,400	1,169,194	-	90,130	1,261,724	1,413,456
Reallocation of:						
Total expenditure 2024	2,400	1,259,323	-	-	1,261,724	
Total expenditure 2023	15,940	1,187,516	210,000	-		1,413,456

5b Analysis of expenditure prior year

	Charitable activities				2023 Total £
	Cost of raising funds £	UTC promotion and support £	Other £	Governance costs £	
Staff costs (Note 7)	-	388,011	-	-	388,011
UTC promotional activities:	-	-	-	-	-
Operational & programme management	-	565,937	210,000	27,571	803,508
Marketing & events	-	114,008	-	-	114,008
Administration	15,940	91,989	-	-	107,929
	15,940	1,159,945	210,000	27,571	1,413,456
Reallocation of:					
Governance costs	-	27,571	-	(27,571)	-
Total expenditure 2023	15,940	1,187,516	210,000	-	1,413,456

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

6 Net incoming/(outgoing) resources for the year

This is stated after charging / crediting:

	2024 £	2023 £
Auditor's remuneration (excluding VAT): Audit	7,500	8,000

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	328,660	339,124
Social security costs	34,079	36,416
Employer's contribution to defined contribution pension schemes	8,004	6,899
Other forms of employee benefits	6,384	5,572
	377,127	388,011

The following number of employees received employee benefits in excess of £60,000 (excluding employer pension costs and employer national insurance) during the year between:

	2024 No.	2023 No.
£160,000 - £169,999	-	-
£180,000 - £189,999	1	-
£190,000-£199,999	-	1

The aggregate remuneration for key management personnel (including employer national insurance contributions and employer pension contributions) is £183,984 (2023: £206,897).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £7,971 (2023:£ 6,966) incurred by 4 (2023: 3) members relating to attendance at meetings of the trustees and development of UTCs.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Promotion of UTCs	5.0	5.0
	5.0	5.0

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

9 Related party transactions

From time to time, averaging approximately one day per week, Lord Baker receives secretarial support provided by the Baker Dearing Educational Trust for his personal administrative matters. Salary cost for this person amounts to £8,900 (2023: £8,542).

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Debtors

	2024	2023
	£	£
Trade debtors	554	5,040
Accrued income and pre-payments	5,844	15,112
VAT	3,643	3,345
	10,040	23,497

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	32,719	29,332
Accruals	35,839	29,870
Other taxes & social security	10,282	18,077
Deferred income (note 13)	347,562	360,275
	426,402	437,554

13 Deferred income

	Other contractual income	UTC subscriptions	2024	2023
		£	£	£
Balance at the beginning of the year	36,572	323,703	360,275	332,483
Amount deferred in the year	1,397	336,220	337,617	360,275
Amount released to income in the year	(26,627)	(323,703)	(350,330)	(332,483)
Balance at the end of the year	11,342	336,220	347,562	360,275

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

14a Analysis of net assets between funds 2024

	General unrestricted £	Restricted £	Total £
Net current assets	8,985	87,689	96,674
Net assets at the end of the year	8,985	87,689	96,674

14b Analysis of net assets between funds 2023

	General unrestricted £	Restricted £	Total
Net current assets	253,380	81,308	334,688
Net assets at the end of the year	253,380	81,308	334,688

15a Movements in funds (current year)

	At 1 January 2024 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2024 £
Restricted funds:					
Gatsby Charitable Foundation	81,308	100,000	(93,619)	-	87,689
Total restricted funds	81,308	100,000	(93,619)	-	87,689
Unrestricted funds:					
General funds	253,380	923,710	(1,168,105)	-	8,985
Total unrestricted funds	253,380	923,710	(1,168,105)	-	8,985
Total funds	334,688	1,023,710	(1,261,724)	-	96,674

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation.

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

15b Movements in funds (prior year)

	At 1 January 2023 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2023 £
Restricted funds:					
Gatsby Charitable Foundation	28,813	125,000	(72,505)	-	81,308
Total restricted funds	28,813	125,000	(72,505)	-	81,308
Unrestricted funds:					
General funds	215,081	1,379,250	(1,340,951)	-	253,380
Total unrestricted funds	215,081	1,379,250	(1,340,951)	-	253,380
Total funds	243,894	1,504,250	(1,413,456)	-	334,688

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation.

16 Reconciliation of income/(expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per statement of financial activities)	(238,014)	90,794
Dividends, interest and rent from investments	(9,717)	(12,561)
Decrease/(Increase) in debtors	13,457	11,115
Increase/(Decrease) in creditors	(11,151)	56,522
Net cash provided by/(used in) operating activities	(245,425)	145,870

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2024

17 Analysis of cash and cash equivalents

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	639,751	(133,207)	506,544
Notice deposits (short term)	108,994	(102,502)	6,492
Total cash and cash equivalents	748,745	(235,708)	513,037

18 Pension Commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund and amounts to £8,004 (2023:£6,899). No contributions were payable to the fund at the balance sheet date (2023: the same).

19 Investment in subsidiary company

The charity has a wholly owned investment in Baker Dearing International Limited, incorporated on 18 November 2024, company registration number 16087710 and registered office 1 The Sanctuary London SW1P 3JT. The company has not started trading at the balance sheet date.

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BAKER DEARING EDUCATIONAL TRUST

England & Wales - Charity number 1138894

Accounts

Company number: 07390138

Charity number: 1138894

Baker Dearing Educational Trust

Report and financial statements

For the year ended 31 December 2023

Baker Dearing Educational Trust

Contents

For the year ended 31 December 2023

Reference and administrative details	1
Trustees' annual report	2
Independent auditor's report	9
Statement of financial activities (incorporating an income and expenditure account)	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16

Baker Dearing Educational Trust

Reference and administrative details

For the year ended 31 December 2023

Company number 07390138 – incorporated in the United Kingdom

Charity number 1138894 – registered in England and Wales

Registered office and operational address 2nd Floor, 1, The Sanctuary
London
SW1P 3JT

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

The Rt Hon Lord Baker of Dorking CH, Chairman
Clive Barker
Ms Madeleine Hallward
Will Harding
David Land
Baroness Estelle Morris
Sir Mike Tomlinson CBE
Jim Wade
Michael Wright

Chief Executive Simon Connell

Bankers HSBC
16 King Street
London
WC2E 8JF

Solicitors Stone King LLP
91 Charterhouse Street
London
EC1M 6HR

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
London
EC1Y 0TG

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2023

The trustees present their report and the audited financial statements for the year ended 31 December 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The organisation is a charitable company limited by guarantee, incorporated on 28 September 2010 and registered as a Charity on 9 November 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The objects of the Charity are to advance the education of children, young people and young adults by technically-oriented study at new or existing colleges with an emphasis on practical training, business and commerce leading to employment.

Appointment of trustees

Trustees are selected by reference to their eligibility, personal competence and specialist skills. A Nominations Committee, chaired by Lord Baker, meets twice a year to discuss and recommend the appointment of trustees.

Trustee induction and training

On appointment trustees are inducted into the strategic aims of the Charity and the underlying financial implications. Throughout the year trustees are updated with progress reports and are invited to attend educational seminars and events to increase their awareness of the Charity's activities and the educational sector governance requirements.

The members of the company appoint new trustees. There must be a minimum of three trustees and a maximum of twelve.

All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 7 to the accounts.

Related parties and connected organisations

See note 9 for details of related parties and connected organisations.

Remuneration Policy for key management personnel

Remuneration is reviewed, and agreed, once each year by the trustees at a trustees' meeting. The review takes into account the performance of individuals and the change in cost of living as measured by the RPI.

Objectives and activities

Baker Dearing Educational Trust (Baker Dearing) licenses UTCs (University Technical Colleges). The Charity offers guidance and support to UTCs to help them ensure high standards of education and financial viability and liaises between sponsors, the UTCs themselves and the DfE (Department for Education).

The trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work. The trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Vision of the Charity

Baker Dearing promotes and supports University Technical Colleges (UTCs).

UTCs are a relatively new concept in education, introduced in England in 2010. They offer students the opportunity to take a highly regarded, technically-oriented full-time course of study at a specialist school equipped to the highest standards. The UTCs are publicly-funded academies which are sponsored by a university in partnership with employers offering clear progression routes into higher education or further training and employment.

Students usually start at the age of 14, integrating academic requirements with the technical and practical elements of the curriculum in an adult environment, which is strongly influenced by profound engagement with local employers. Under the same roof they study technical subjects alongside the GCSE subjects of English, mathematics, science and IT. They also take part in sport and acquire employability, entrepreneurial and financial skills. Each UTC has particular technical specialisms.

UTCs typically have a capacity of between 500 and 800 students, a deliberately small size to foster loyalty and so that each student is known individually. The size also ensures that numbers in nearby schools are not unduly disturbed.

In order to broaden the UTC impact, the UTC Sleeve concept has been developed by Baker Dearing in association with leading multi-academy trusts, employers, and UTCs. It introduces specialist pathways, such as engineering, within mainstream secondary schools. The approach draws on the experience and evidence to date of the UTC programme, in particular the benefits to students and employers. Specialist pathways allow young people to undertake a broader range of technical qualifications, in addition to a core academic curriculum, up to age 16, leading to T Levels, as well as other larger courses of technical study at post-16. An employer representative 'Board' is established to contribute to curriculum planning and delivery through, for example, employer-led projects.

UTCs are demand-led, but have support from all three main political parties. The government has been committed to establishing UTCs and 44 are open. The DfE provides the capital cost of a UTC and the ongoing running costs.

The UTC brand and trademarks belong to the Charity which grants a licence to each UTC. The Charity retains close links with UTCs once they are open, to help ensure high standards of education, compliance with the licence and financial viability. It is in the interests of the whole UTC programme that the Charity's brand values are preserved.

The Charity's strategies and objectives

In order to achieve the above vision Baker Dearing Educational Trust's objectives are:

- To promote the University Technical College concept.
- To support University Technical Colleges so they provide a high quality technical education ensuring excellent outcomes for their students.
- To protect the University Technical College brand against erosion and contamination.
- To ensure that all University Technical Colleges are on a trajectory towards being full.

With an original focus on opening new UTCs, the Charity's support has evolved over time to meet needs of UTCs, aiming to provide services that cannot be provided by others within the education system. Today, the Charity exists to:

(1) Foster a favourable policy and funding environment for UTCs (Policy): Charity staff meet regularly with senior personnel at the Department for Education ("DfE") and Education and Skills Funding Agency ("ESFA") to communicate the views of UTCs and to discuss UTC challenges at a programme-wide level, with the aim of influencing policy decisions. The charity also meets with other key government stakeholders including Ofsted, HM Treasury, and Members of Parliament.

(2) Raise greater awareness of UTCs (Promotion): Collectively on behalf of all UTCs, the Charity is uniquely positioned to co-ordinate publicity, with the aim of undertaking national awareness campaigns to complement local UTC marketing efforts. The Charity engages with trade and national press organisations, research companies, national employers, and others to communicate the value of a UTC education and to celebrate the many student success stories around the programme.

(3) Ensure UTC distinctiveness is preserved and standards are upheld (Standards): Embedding specialist colleges within the mainstream education system takes time and requires courage: there is significant pressure on UTCs to revert to mainstream schools. The Charity provides 'light touch' support to protect the nature and standards of the unique UTC education provision, as defined by the requirements of the UTC licence.

(4) Facilitate connectivity and exchange amongst UTCs (Connectivity): As a relatively new national network of colleges, it is vital that UTCs share and implement best practice in the areas of technical education, student recruitment, employer engagement, and finance. The Charity provides a rich programme of events for UTC staff; regular communication across all UTCs; data and analysis regarding programme developments; and the brokerage of UTC-to-UTC support, where needed.

(5) Provide UTCs with access to advisory support (Advisory): The Charity retains the services of a small number of highly experienced consultants and commissions support from UTC staff members, to offer individual UTCs advice and assistance in the areas of technical education, student recruitment, employer engagement, finance, re-brokerage, and DfE/ESFA negotiations. Positioned centrally within the UTC network, Charity staff have a holistic view of the entire UTC programme and provide advice to individual UTCs in this context.

(6) Procure services and offer benefits for UTCs on a collective basis (Benefits): The Charity is able to achieve group discounts for third-party services through negotiation and procurement on behalf of all UTCs, such as GL Assessment and Admissions+. In addition, Baker Dearing directly funds various highly valued UTC initiatives such as the Redbourne data analysis, student destinations analysis, and the Baker Award for Technical Education.

Performance against objectives

At the end of 2023, forty four UTCs and one UTC Sleeve were open and applications to open two further UTCs have been accepted as part of the Department for Education's free schools process. Regrettably a UTC has closed mainly as a result of lower than expected pupil numbers which affected its financial viability.

Beneficiaries of our services

The Charity's main activities and who it tries to help are described below. All its charitable activities focus on the development and support of UTCs and are undertaken to further Baker Dearing Educational Trust's charitable purposes for the public benefit.

Beneficiaries of the services are the UTCs and their students.

Financial review

The trustees have determined that the Charity should be financially independent of Government.

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2023

The Trust's income for the period included donations and licence subscriptions from UTCs. This has been used to support the Trust's promotional activities for the development and success of the University Technical College programme.

The donations include funds from Tabor-King Foundation (£200,000), the Michael Bishop Foundation (£125,000), The Gatsby Charitable Foundation (£125,000) and Peter Cundill Foundation (£100,000).

Principle risk and uncertainty

The principal risk to the organisation arises from the lack of income, particularly from donations and grants. This can be mitigated by reducing expenditure. The Charity's contractual arrangements with suppliers' goods and services have short cancellation periods. The effect of lower expenditure would be to reduce the level of activity and services that the Trust can offer, but it would remain in existence.

Reserves policy and going concern

The reserves policy targets a level of reserves held to be sufficient to cover at least a quarter of the annual direct operating costs which implies a target reserve level of around £250,000. At the end of the year the level of free reserves stood at £253,380 (2022: £215,081). The income of the Charity is dependent on raising further donations and the Charity is confident that the current fundraising programme will ensure the appropriate amount is received. Should there be a shortfall the Charity can reduce operating costs to mitigate the situation. There are no material uncertainties about the Charity's ability to continue as a going concern.

Statement on fundraising

Baker Dearing Educational Trust does not engage in public fundraising and does not use professional fundraisers or commercial participators. Baker Dearing Educational Trust nevertheless observes and complies with relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and Baker Dearing Educational Trust received no complaints relating to its fundraising practice.

Plans for the future

Baker Dearing will continue to provide support and advice to UTCs on a variety of areas covering education, marketing and finance. It will also continue to liaise with the Government to ensure that the UTC programme and the technical education provided by UTCs will be embedded in the educational landscape.

Statement of responsibilities of the trustees

The trustees (who are also directors of Baker Dearing Educational Trust for the purposes of company law) are responsible for preparing the trustees' annual reports 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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

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

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

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 December 2023 was 9 (2022: 10). The trustees are members of the Charity but this entitles them only to voting rights. The trustees have no beneficial interest in the Charity.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2023

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 6 March 2024 and signed on their behalf by:

The Rt Hon Lord Baker of Dorking CH
Chairman

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Opinion

We have audited the financial statements of Baker Dearing Educational Trust (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Baker Dearing Educational Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and trustees, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano (Senior statutory auditor)

12 April 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Baker Dearing Educational Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	3	425,000	125,000	550,000	280,000
Charitable activities					
UTC promotion and support	4	941,689	–	941,689	574,492
Investments		12,561	–	12,561	880
Total income		1,379,250	125,000	1,504,250	855,372
Expenditure on:					
Raising funds		15,940	–	15,940	12,660
Charitable activities					
UTC promotion and support		1,325,011	72,505	1,397,516	898,841
Total expenditure	5a	1,340,951	72,505	1,413,456	911,501
Net income/(expenditure) for the year and net movement in funds	15a	38,299	52,495	90,794	(56,129)
Reconciliation of funds:					
Total funds brought forward		215,081	28,813	243,894	300,023
Total funds carried forward		253,380	81,308	334,688	243,894

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Baker Dearing Educational Trust**Balance sheet**

Company no. 07390138

As at 31 December 2023

	Note	£	2023 £	£	2022 £
Current assets:					
Debtors	11	23,497		34,612	
Term deposits		179,437		65,000	
Cash at bank and in hand		569,308		525,314	
		<u>772,242</u>		<u>624,926</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(437,554)		(381,032)	
Total net assets	14a		<u><u>334,688</u></u>		<u><u>243,894</u></u>
The funds of the charity:	15a				
Restricted income funds			81,308		28,813
General funds		253,380		215,081	
Total unrestricted funds			<u>253,380</u>		215,081
Total charity funds			<u><u>334,688</u></u>		<u><u>243,894</u></u>

Approved by the trustees on 6 March 2024 and signed on their behalf by

The Rt Hon Lord Baker of Dorking
Chairman

Baker Dearing Educational Trust

Statement of cash flows

For the year ended 31 December 2023

	Note	2023 £	£	2022 £	£
Net cash provided/(used in) by operating activities	16		145,870		(49,516)
Cash flows from investing activities:					
Dividends, interest and rents from investments		<u>12,561</u>		<u>880</u>	
Net cash provided by investing activities			12,561		880
Change in cash and cash equivalents in the year			158,431		(48,636)
Cash and cash equivalents at the beginning of the year			<u>590,314</u>		<u>638,950</u>
Cash and cash equivalents at the end of the year	17		<u><u>748,745</u></u>		<u><u>590,314</u></u>

1 Accounting policies

a) Statutory information

Baker Dearing Educational Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office is 1, Sanctuary Buildings, London SW1P 3JT.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of promoting and supporting UTCs to further the purposes of the charity and their associated support costs

1 Accounting policies (continued)

h) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Governance costs are allocated to the promotion and support of UTCs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

i) Debtors

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

j) Cash at bank and in hand

Cash at bank and cash 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.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

l) Pensions

The charity offers a defined contribution scheme for all employees which is auto-enrolment compliant. All pension contributions relate to payments made to individual employees' personal pension plans. Contributions are charged to the statement of financial activities in the year to which they relate. Differences between contributions due and actually paid are shown as either accruals or prepayments in the balance sheet.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2022 Total £
Income from:			
Donations and legacies	230,000	50,000	280,000
Charitable activities	574,492	–	574,492
Investments	880	–	880
Total income	805,372	50,000	855,372
Expenditure on:			
Raising funds	12,660	–	12,660
Charitable activities	877,654	21,187	898,841
Total expenditure	890,314	21,187	911,501
Net (expenditure) and net movement in funds	(84,942)	28,813	(56,129)
Removed this line			
Total funds brought forward	300,023		300,023
Total funds carried forward	215,081	28,813	243,894

3 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Gifts	425,000	125,000	550,000	280,000
	425,000	125,000	550,000	280,000

4 Income from charitable activities

UTC promotion and support	2023 Total £	2022 Total £
UTC licence fees and other income	941,689	574,492
Total income from charitable activities	941,689	574,492

All income from charitable activities in unrestricted.

5a Analysis of expenditure

	Charitable activities			2023 Total £	2022 Total £
	Cost of raising funds £	UTC promotion and support £	Governance costs £		
Staff costs (Note 7)	-	388,011	-	388,011	307,451
UTC promotional activities:					
Operational & programme management	-	775,937	27,571	803,508	430,409
Marketing & events	-	114,008	-	114,008	96,287
Administration	15,940	91,989	-	107,929	77,354
	<u>15,940</u>	<u>1,369,945</u>	<u>27,571</u>	<u>1,413,456</u>	<u>911,501</u>
Reallocation of:					
Total expenditure 2023	15,940	1,397,516	-	1,413,456	
Total expenditure 2022	12,660	898,841	-		<u>911,501</u>

5b Analysis of expenditure prior year

	Charitable activities			2022 Total £
	Cost of raising funds £	UTC promotion and support £	Governance costs £	
Staff costs (Note 7)	-	307,451	-	307,451
UTC promotional activities:				
Operational & programme management	-	412,726	17,683	430,409
Marketing & events	-	96,287	-	96,287
Administration	12,660	64,694	-	77,354
	<u>12,660</u>	<u>881,158</u>	<u>17,683</u>	<u>911,501</u>
Reallocation of:				
Governance costs	-	17,683	(17,683)	-
Total expenditure 2022	12,660	898,841	-	911,501

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2023

6 Net incoming/(outgoing) resources for the year

This is stated after charging / crediting:

	2023 £	2022 £
Auditor's remuneration (excluding VAT): Audit	8,000	7,500

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	339,124	267,445
Social security costs	36,416	28,592
Employer's contribution to defined contribution pension schemes	6,899	6,335
Other forms of employee benefits	5,572	5,080
	388,011	307,451

The following number of employees received employee benefits in excess of £60,000 (excluding employer pension costs and employer national insurance) during the year between:

	2023 No.	2022 No.
£160,000 – £169,999	–	1
£180,000 – £189,999	–	–
£190,000–£199,999	1	–

The aggregate remuneration for key management personnel (including employer national insurance contributions and employer pension contributions) is £206,897 (2022: £189,599).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £6,966 (2022:£ 2,277) incurred by 3 (2022: 1) member relating to attendance at meetings of the trustees and development of UTCs.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Promotion of UTCs	5.0	4.0
	5.0	4.0

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2023

9 Related party transactions

From time to time, averaging approximately one day per week, Lord Baker receives secretarial support provided by the Baker Dearing Educational Trust for his personal administrative matters. One fifth of the salary costs for this person amounts to £8,542 (2022: £7,986).

In the year, the Trust paid £35,000 (2022: £5,000) to Consilia Consultants Ltd "Consilia" for expert consultancy services of which Simon Connell, Chief Executive, is a Director. The level of services this year has increased as a result of Consilia's participation in a Baker Dearing project advising on technical education. Simon does not take part in any decisions with Trustees responsible for appointing and approving the work carried out by Consilia.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Debtors

	2023 £	2022 £
Trade debtors	5,040	21,900
Accrued income and pre-payments	18,457	12,712
	<u>23,497</u>	<u>34,612</u>

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	29,332	8,449
Accruals	47,947	40,100
Deferred income (note 13)	360,275	332,483
	<u>437,554</u>	<u>381,032</u>

13 Deferred income

	Other contractual income	UTC subscriptions £	2023 £	2022 £
Balance at the beginning of the year	8,576	323,907	332,483	347,120
Amount deferred in the year	36,572	323,703	360,275	332,483
Amount released to income in the year	(8,576)	(323,907)	(332,483)	(347,120)
Balance at the end of the year	<u>36,572</u>	<u>323,703</u>	<u>360,275</u>	<u>332,483</u>

14a Analysis of net assets between funds 2023

	General unrestricted £	Restricted £	Total £
Net current assets	253,380	81,308	334,688
Net assets at the end of the year	253,380	81,308	334,688

14b Analysis of net assets between funds 2022

	General unrestricted £	Restricted £	Total
Net current assets	215,081	28,813	243,894
Net assets at the end of the year	215,081	28,813	243,894

15a Movements in funds (current year)

	At 1 January 2023 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2023 £
Restricted funds:					
Gatsby Charitable Foundation	28,813	125,000	(72,505)	-	81,308
Total restricted funds	28,813	125,000	(72,505)	-	81,308
Unrestricted funds:					
General funds	215,081	1,379,250	(1,340,951)	-	253,380
Total unrestricted funds	215,081	1,379,250	(1,340,951)	-	253,380
Total funds	243,894	1,504,250	(1,413,456)	-	334,688

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation.

15b Movements in funds (prior year)

	At 1 January 2022 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2022 £
Restricted funds:					
Gatsby Charitable Foundation	-	50,000	(21,187)	-	28,813
Total restricted funds	-	50,000	(21,187)	-	28,813
Unrestricted funds:					
General funds	300,023	805,372	(890,314)	-	215,081
Total unrestricted funds	300,023	805,372	(890,314)	-	215,081
Total funds	300,023	855,372	(911,501)	-	243,894

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation.

16 Reconciliation of income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per statement of financial activities)	90,794	(56,129)
Dividends, interest and rent from investments	(12,561)	(880)
Decrease/(Increase) in debtors	11,115	(4,319)
Increase/(Decrease) in creditors	56,522	11,812
Net cash provided by/(used in) operating activities	145,870	(49,516)

17 Analysis of cash and cash equivalents

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	525,314	114,437	639,751
Notice deposits (short term)	65,000	43,994	108,994
Total cash and cash equivalents	590,314	158,431	748,745

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BAKER DEARING EDUCATIONAL TRUST

England & Wales - Charity number 1138894

Accounts

Company number: 07390138

Charity number: 1138894

Baker Dearing Educational Trust

Report and financial statements

For the year ended 31 December 2022

Baker Dearing Educational Trust

Contents

For the year ended 31 December 2022

Reference and administrative details	1
Trustees' annual report	2
Independent auditor's report	8
Statement of financial activities (incorporating an income and expenditure account)	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15

Baker Dearing Educational Trust

Reference and administrative details

For the year ended 31 December 2022

Company number 07390138 – incorporated in the United Kingdom

Charity number 1138894 – registered in England and Wales

Registered office and operational address 2nd Floor, 1, The Sanctuary
London
SW1P 3JT

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

The Rt Hon Lord Baker of Dorking CH, Chairman
The Rt Hon Lord Adonis (resigned 23 September 2022)
Clive Barker
Ms Madeleine Hallward
Will Harding
David Land
Baroness Estelle Morris (appointed 24 May 2022)
Sir Mike Tomlinson CBE
Jim Wade
Michael Wright

Chief Executive Simon Connell

Bankers HSBC
16 King Street
London
WC2E 8JF

Solicitors Stone King LLP
91 Charterhouse Street
London
EC1M 6HR

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108–114 Golden Lane
London
EC1Y 0TL

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2022

The trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The organisation is a charitable company limited by guarantee, incorporated on 28 September 2010 and registered as a Charity on 9 November 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The objects of the Charity are to advance the education of children, young people and young adults by technically-oriented study at new or existing colleges with an emphasis on practical training, business and commerce leading to employment.

Appointment of trustees

Trustees are selected by reference to their eligibility, personal competence and specialist skills. A Nominations Committee, chaired by Lord Baker, meets twice a year to discuss and recommend the appointment of trustees.

Trustee induction and training

On appointment trustees are inducted into the strategic aims of the Charity and the underlying financial implications. Throughout the year trustees are updated with progress reports and are invited to attend educational seminars and events to increase their awareness of the Charity's activities and the educational sector governance requirements.

The members of the company appoint new trustees. There must be a minimum of three trustees and a maximum of twelve.

All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 7 to the accounts.

Related parties and connected organisations

See note 9 for details of related parties and connected organisations.

Remuneration Policy for key management personnel

Remuneration is reviewed, and agreed, once each year by the trustees at a trustees' meeting. The review takes into account the performance of individuals and the change in cost of living as measured by the RPI.

Objectives and activities

Baker Dearing Educational Trust (Baker Dearing) licenses UTCs (University Technical Colleges). The Charity offers guidance and support to UTCs to help them ensure high standards of education and financial viability and liaises between sponsors, the UTCs themselves and the DfE (Department for Education).

The trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work. The trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Vision of the Charity

Baker Dearing promotes and supports University Technical Colleges (UTCs).

UTCs are a relatively new concept in education, introduced in England in 2010. They offer students the opportunity to take a highly regarded, technically-oriented full-time course of study at a specialist school equipped to the highest standards. The UTCs are publicly-funded academies which are sponsored by a university in partnership with employers offering clear progression routes into higher education or further training and employment.

Students usually start at the age of 14, integrating academic requirements with the technical and practical elements of the curriculum in an adult environment, which is strongly influenced by profound engagement with local employers. Under the same roof they study technical subjects alongside the GCSE subjects of English, mathematics, science and IT. They also take part in sport and acquire employability, entrepreneurial and financial skills. Each UTC has particular technical specialisms.

UTCs typically have a capacity of between 500 and 800 students, a deliberately small size to foster loyalty and so that each student is known individually. The size also ensures that numbers in nearby schools are not unduly disturbed.

UTCs are demand-led, but have support from all three main political parties. The government has been committed to establishing UTCs and 46 are open. The DfE provides the capital cost of a UTC and the ongoing running costs.

The UTC brand and trademarks belong to the Charity which grants a licence to each UTC. The Charity retains close links with UTCs once they are open, to help ensure high standards of education, compliance with the licence and financial viability. It is in the interests of the whole UTC programme that the Charity's brand values are preserved.

The Charity's strategies and objectives

In order to achieve the above vision Baker Dearing Educational Trust's objectives are:

- To promote the University Technical College concept.
- To support University Technical Colleges so they provide a high quality technical education ensuring excellent outcomes for their students.
- To protect the University Technical College brand against erosion and contamination.
- To ensure that all University Technical Colleges are on a trajectory towards being full.

With an original focus on opening new UTCs, the Charity's support has evolved over time to meet needs of UTCs, aiming to provide services that cannot be provided by others within the education system. Today, the Charity exists to:

(1) Foster a favourable policy and funding environment for UTCs (Policy): Charity staff meet regularly with senior personnel at the Department for Education ("DfE") and Education and Skills Funding Agency ("ESFA") to communicate the views of UTCs and to discuss UTC challenges at a programme-wide level, with the aim of influencing policy decisions. The charity also meets with other key government stakeholders including Ofsted, HM Treasury, and Members of Parliament.

(2) Raise greater awareness of UTCs (Promotion): Collectively on behalf of all UTCs, the Charity is uniquely positioned to co-ordinate publicity, with the aim of undertaking national awareness campaigns to complement local UTC marketing efforts. The Charity engages with trade and national press organisations, research companies, national employers, and others to communicate the value of a UTC education and to celebrate the many student success stories around the programme.

(3) Ensure UTC distinctiveness is preserved and standards are upheld (Standards): Embedding specialist colleges within the mainstream education system takes time and requires courage: there is significant pressure on UTCs to revert to mainstream schools. The Charity provides 'light touch' support to protect the nature and standards of the unique UTC education provision, as defined by the requirements of the UTC licence.

(4) Facilitate connectivity and exchange amongst UTCs (Connectivity): As a relatively new national network of colleges, it is vital that UTCs share and implement best practice in the areas of

technical education, student recruitment, employer engagement, and finance. The Charity provides a rich programme of events for UTC staff; regular communication across all UTCs; data and analysis regarding programme developments; and the brokerage of UTC-to-UTC support, where needed.

(5) Provide UTCs with access to advisory support (Advisory): The Charity retains the services of a small number of highly experienced consultants and commissions support from UTC staff members, to offer individual UTCs advice and assistance in the areas of technical education, student recruitment, employer engagement, finance, re-brokerage, and DfE/ESFA negotiations. Positioned centrally within the UTC network, Charity staff have a holistic view of the entire UTC programme and provide advice to individual UTCs in this context.

(6) Procure services and offer benefits for UTCs on a collective basis (Benefits): The Charity is able to achieve group discounts for third-party services through negotiation and procurement on behalf of all UTCs, such as GL Assessment and Admissions+. In addition, Baker Dearing directly funds various highly valued UTC initiatives such as the Redbourne data analysis, student destinations analysis, and the Baker Award for Technical Education.

Performance against objectives

At the end of 2022, 46 UTCs were open and applications to open 2 further UTCs have been submitted as part of the Department for Education's free schools process.

Beneficiaries of our services

The Charity's main activities and who it tries to help are described below. All its charitable activities focus on the development and support of UTCs and are undertaken to further Baker Dearing Educational Trust's charitable purposes for the public benefit.

Beneficiaries of the services are the UTCs and their students.

Financial review

The trustees have determined that the Charity should be financially independent of Government. The Trust's income for the period included donations and licence subscriptions from UTCs. This has been used to support the Trust's promotional activities for the development and success of the University Technical College programme.

The donations include funds from the Michael Bishop Foundation (£75,000) and Garfield Weston Foundation (£125,000).

Principal risk and uncertainty

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2022

The principal risk to the organisation arises from the lack of income, particularly from donations and grants. This can be mitigated by reducing expenditure. The Charity's contractual arrangements with suppliers' goods and services have short cancellation periods. The effect of lower expenditure would be to reduce the level of activity and services that the Trust can offer, but it would remain in existence.

Reserves policy and going concern

The reserves policy targets a level of reserves held to be sufficient to cover at least a quarter of the annual direct operating costs which implies a target reserve level of around £250,000. At the end of the year the level of free reserves stood at £215,081 (2021: £300,023). The income of the Charity is dependent on raising further donations and the Charity is confident that the current fundraising programme will ensure the appropriate amount is received. Should there be a shortfall the Charity can reduce operating costs to mitigate the situation. There are no material uncertainties about the Charity's ability to continue as a going concern.

Statement on fundraising

Baker Dearing Educational Trust does not engage in public fundraising and does not use professional fundraisers or commercial participators. Baker Dearing Educational Trust nevertheless observes and complies with relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and Baker Dearing Educational Trust received no complaints relating to its fundraising practice.

Plans for the future

Baker Dearing will continue to provide support and advice to UTCs on a variety of areas covering education, marketing and finance. It will also continue to liaise with the Government to ensure that the UTC programme and the technical education provided by UTCs will be embedded in the educational landscape.

Statement of responsibilities of the trustees

The trustees (who are also directors of Baker Dearing Educational Trust for the purposes of company law) are responsible for preparing the trustees' annual reports 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 which 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 judgements and estimates that are reasonable and prudent

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2022

- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

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

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

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 December 2022 was 10 (2021: 9). The trustees are members of the Charity but this entitles them only to voting rights. The trustees have no beneficial interest in the Charity.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 8 March 2023 and signed on their behalf by:

The Rt Hon Lord Baker of Dorking CH
Chairman

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Opinion

We have audited the financial statements of Baker Dearing Educational Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Baker Dearing Educational Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and trustees, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano (Senior statutory auditor)

31 March 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Baker Dearing Educational Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Income from:					
Donations and legacies	3	230,000	50,000	280,000	302,125
Charitable activities					
UTC promotion and support	4	574,492	–	574,492	596,216
Investments		880	–	880	40
Total income		805,372	50,000	855,372	898,381
Expenditure on:					
Raising funds		12,660	–	12,660	5,250
Charitable activities					
UTC promotion and support		877,654	21,187	898,841	826,356
Total expenditure	5a	890,314	21,187	911,501	831,606
Net income/(expenditure) for the year and net movement in funds	15a	(84,942)	28,813	(56,129)	66,775
Reconciliation of funds:					
Total funds brought forward		300,023	–	300,023	233,248
Total funds carried forward		215,081	28,813	243,894	300,023

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Baker Dearing Educational Trust**Balance sheet**

Company no. 07390138

As at 31 December 2022

	Note	£	2022 £	£	2021 £
Current assets:					
Debtors	11	34,612		30,293	
Term deposits		65,000		-	
Cash at bank and in hand		525,314		638,950	
			<u>624,926</u>	<u>669,243</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(381,032)		(369,220)	
Net current assets			<u>243,894</u>		<u>300,023</u>
Total net assets	14a		<u>243,894</u>		<u>300,023</u>
The funds of the charity:	15a				
Restricted income funds			28,813		-
Unrestricted income funds:					
General funds		215,081		300,023	
Total unrestricted funds			<u>215,081</u>		<u>300,023</u>
Total charity funds			<u>243,894</u>		<u>300,023</u>

Approved by the trustees on 8 March 2023 and signed on their behalf by

The Rt Hon Lord Baker of Dorking
Chairman

Baker Dearing Educational Trust

Statement of cash flows

For the year ended 31 December 2022

	Note	2022	2021
		£	£
Net cash (used in)/provided by operating activities	16	(49,516)	167,082
Cash flows from investing activities:			
Dividends, interest and rents from investments		880	40
Net cash provided by investing activities		880	40
Change in cash and cash equivalents in the year		(48,636)	167,122
Cash and cash equivalents at the beginning of the year		638,950	471,828
Cash and cash equivalents at the end of the year	17	590,314	638,950

1 Accounting policies

a) Statutory information

Baker Dearing Educational Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office is 1, Sanctuary Buildings, London SW1P 3JT.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of promoting and supporting UTCs to further the purposes of the charity and their associated support costs

i) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Governance costs are allocated to the promotion and support of UTCs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash 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.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m) Pensions

The charity offers a defined contribution scheme for all employees which is auto-enrolment compliant. All pension contributions relate to payments made to individual employees' personal pension plans. Contributions are charged to the statement of financial activities in the year to which they relate. Differences between contributions due and actually paid are shown as either accruals or prepayments in the balance sheet.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2021 Total £
Income from:			
Donations and legacies	302,125	–	302,125
Charitable activities	596,216	–	596,216
Investments	40	–	40
Total income	898,381	–	898,381
Expenditure on:			
Raising funds	5,250	–	5,250
Charitable activities	709,690	116,666	826,356
Total expenditure	714,940	116,666	831,606
Net income and net movement in funds	183,441	(116,666)	66,775
Total funds brought forward	116,582	116,666	233,248
Total funds carried forward	300,023	–	300,023

3 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Gifts	230,000	50,000	280,000	302,125
	230,000	50,000	280,000	302,125

4 Income from charitable activities

UTC promotion and support	2022 Total £	2021 Total £
UTC licence fees	574,492	596,216
Total income from charitable activities	574,492	596,216

All income from charitable activities in unrestricted.

5a Analysis of expenditure

	Cost of raising funds £	Charitable activities		2022 Total £	2021 Total £
		UTC promotion and support £	Governance costs £		
Staff costs (Note 7)	-	307,451	-	307,451	249,167
UTC promotional activities:					
Operational & programme management	-	412,726	17,683	430,409	443,157
Marketing & events	-	96,287	-	96,287	68,212
Administration	12,660	64,694	-	77,354	57,599
Premises	-	-	-	-	13,471
	12,660	881,158	17,683	911,501	831,606
Reallocation of: Governance costs	-	17,683	(17,683)	-	-
Total expenditure 2022	12,660	898,841	-	911,501	
Total expenditure 2021	5,250	826,356	-		831,606

5b Analysis of expenditure prior year

	Cost of raising funds £	Charitable activities		2021 Total £
		UTC promotion and support £	Governance costs £	
Staff costs (Note 7)	-	249,167	-	249,167
UTC promotional activities:				
Operational & programme management	-	423,292	19,865	443,157
Marketing & events	-	68,212	-	68,212
Administration	5,250	52,349	-	57,599
Premises	-	13,471	-	13,471
	5,250	806,491	19,865	831,606
Reallocation of: Governance costs	-	19,865	(19,865)	-
Total expenditure 2021	5,250	826,356	-	831,606

6 Net incoming/(outgoing) resources for the year

This is stated after charging / crediting:

	2022 £	2021 £
Auditor's remuneration (excluding VAT): Audit	7,500	6,800

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	267,445	216,295
Social security costs	28,592	22,979
Employer's contribution to defined contribution pension schemes	6,335	5,101
Other forms of employee benefits	5,080	4,792
	<u>307,451</u>	<u>249,167</u>

The following number of employees received employee benefits in excess of £60,000 (excluding employer pension costs and employer national insurance) during the year between:

	2022 No.	2021 No.
£150,000 – £159,999	–	1
£160,000 – £169,999	1	–

The aggregate remuneration for key management personnel (including employer national insurance contributions and employer pension contributions) is £189,599 (2021: £168,090).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £2,277 (2021:£ 534) incurred by 1 (2021: 1) member relating to attendance at meetings of the trustees and development of UTCs.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Promotion of UTCs	4.0	3.0
	<u>4.0</u>	<u>3.0</u>

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2022

9 Related party transactions

From time to time, averaging approximately one day per week, Lord Baker receives secretarial support provided by the Baker Dearing Educational Trust for his personal administrative matters. One fifth of the salary costs for this person amounts to £7,986 (2021: £7,245).

In the year, the Trust paid £5,000 (2021: £18,000) to Consilia Consultants Ltd "Consilia" for expert consultancy services of which Simon Connell, Chief Executive, is a Director. Simon does not take part in any decisions with Trustees responsible for appointing and approving the work carried out by Consilia. The future level of services is expected to reduce.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Debtors

	2022 £	2021 £
Trade debtors	21,900	17,452
Accrued income and pre-payments	12,712	12,841
	34,612	30,293

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	8,449	16,162
Accruals	40,100	5,938
Deferred income (note 13)	332,483	347,120
	381,032	369,220

13 Deferred income

	Other contractual income	UTC subscriptions	2022 £	2021 £
Balance at the beginning of the year	23,720	323,400	347,120	337,333
Amount deferred in the year	8,576	323,907	332,483	347,120
Amount released to income in the year	(23,720)	(323,400)	(347,120)	(337,333)
Balance at the end of the year	8,576	323,907	332,483	347,120

14a Analysis of net assets between funds 2022

	General unrestricted £	Restricted £	Total £
Net current assets	215,081	28,813	243,894
Net assets at the end of the year	215,081	28,813	243,894

14b Analysis of net assets between funds 2021

	General unrestricted £	Restricted £	Total
Net current assets	300,023	-	300,023
Net assets at the end of the year	300,023	-	300,023

15a Movements in funds (current year)

	At 1 January 2022 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2022 £
Restricted funds:					
Gatsby Charitable Foundation	-	50,000	(21,187)	-	28,813
Total restricted funds	-	50,000	(21,187)	-	28,813
Unrestricted funds:					
General funds	300,023	805,372	(890,314)	-	215,081
Total unrestricted funds	300,023	805,372	(890,314)	-	215,081
Total funds	300,023	855,372	(911,501)	-	243,894

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation.

15b Movements in funds (prior year)

	At 1 January 2021 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2021 £
Restricted funds:					
Gatsby Charitable Foundation	100,000	-	(100,000)	-	-
Sage Foundation	10,000	-	(10,000)	-	-
Special Growth Fund	6,666	-	(6,666)	-	-
Total restricted funds	116,666	-	(116,666)	-	-
Unrestricted funds:					
General funds	116,582	898,381	(714,940)	-	300,023
Total unrestricted funds	116,582	898,381	(714,940)	-	300,023
Total funds	233,248	898,381	(831,606)	-	300,023

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation, entry age at 11 and join Multi Academy Trusts.

The Sage Foundation grant is used to deliver Sage Future Maker's AI For Good course at UTCs.

The Special Growth Fund assists UTCs with funding educational projects and resources such as employer based activities and engagement.

16 Reconciliation of (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per statement of financial activities)	(56,129)	66,815
Dividends, interest and rent from investments	(880)	(40)
(Increase)/decrease in debtors	(4,319)	141,648
(Decrease)/increase in creditors	11,812	(41,301)
Net cash (used in)/provided by operating activities	(49,516)	167,122

17 Analysis of cash and cash equivalents

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	638,950	(113,636)	525,314
Notice deposits (short term)	-	65,000	65,000
Total cash and cash equivalents	638,950	(48,636)	590,314

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BAKER DEARING EDUCATIONAL TRUST

England & Wales - Charity number 1138894

Accounts

Company number: 07390138

Charity number: 1138894

Baker Dearing Educational Trust

Report and financial statements

For the year ended 31 December 2021

Baker Dearing Educational Trust

Contents

For the year ended 31 December 2021

Reference and administrative details	1
Trustees' annual report	2
Independent auditor's report	9
Statement of financial activities (incorporating an income and expenditure account)	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16

Baker Dearing Educational Trust

Reference and administrative details

For the year ended 31 December 2021

Company number 07390138 – incorporated in the United Kingdom

Charity number 1138894 – registered in England and Wales

Registered office and operational address 2nd Floor, 1, The Sanctuary
London
SW1P 3JT

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

The Rt Hon Lord Baker of Dorking CH, Chairman
The Rt Hon Lord Adonis
Clive Barker
Ms Madeleine Hallward
Will Harding (appointed 22 April 2021)
David Land
Dr Theresa Simpkin (resigned 23 April 2021)
Sir Mike Tomlinson CBE
Jim Wade
Michael Wright

Chief Executive Simon Connell

Bankers HSBC
16 King Street
London
WC2E 8JF

Solicitors Stone King LLP
91 Charterhouse Street
London
EC1M 6HR

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108–114 Golden Lane
London
EC1Y 0TL

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2021

The trustees present their report and the audited financial statements for the year ended 31 December 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The organisation is a charitable company limited by guarantee, incorporated on 28 September 2010 and registered as a Charity on 9 November 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The objects of the Charity are to advance the education of children, young people and young adults by technically-oriented study at new or existing colleges with an emphasis on practical training, business and commerce leading to employment.

Appointment of trustees

Trustees are selected by reference to their eligibility, personal competence and specialist skills. A Nominations Committee, chaired by Lord Baker, meets twice a year to discuss and recommend the appointment of trustees.

Trustee induction and training

On appointment trustees are inducted into the strategic aims of the Charity and the underlying financial implications. Throughout the year trustees are updated with progress reports and are invited to attend educational seminars and events to increase their awareness of the Charity's activities and the educational sector governance requirements.

The members of the company appoint new trustees. There must be a minimum of three trustees and a maximum of twelve.

All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 7 to the accounts.

Related parties and connected organisations

See note 9 for details of related parties and connected organisations.

Remuneration Policy for key management personnel

Remuneration is reviewed, and agreed, once each year by the trustees at a trustees' meeting. The review takes into account the performance of individuals and the change in cost of living as measured by the RPI.

Objectives and activities

Baker Dearing Educational Trust (Baker Dearing) licenses UTCs (University Technical Colleges). The Charity offers guidance and support to UTCs to help them ensure high standards of education and financial viability and liaises between sponsors, the UTCs themselves and the DfE (Department for Education).

The trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work. The trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Vision of the Charity

Baker Dearing promotes and supports University Technical Colleges (UTCs).

UTCs are a relatively new concept in education, introduced in England in 2010. They offer students the opportunity to take a highly regarded, technically-oriented full-time course of study at a specialist school equipped to the highest standards. The UTCs are publicly-funded academies which are sponsored by a university in partnership with employers offering clear progression routes into higher education or further training and employment.

Students usually start at the age of 14, integrating academic requirements with the technical and practical elements of the curriculum in an adult environment, which is strongly influenced by profound engagement with local employers. Under the same roof they study technical subjects alongside the GCSE subjects of English, mathematics, science and IT. They also take part in sport and acquire employability, entrepreneurial and financial skills. Each UTC has particular technical specialisms.

UTCs typically have a capacity of between 500 and 800 students, a deliberately small size to foster loyalty and so that each student is known individually. The size also ensures that numbers in nearby schools are not unduly disturbed.

UTCs are demand-led, but have support from all three main political parties. The government has been committed to establishing UTCs and so far 48 are open. The DfE provides the capital cost of a UTC and the ongoing running costs.

The UTC brand and trademarks belong to the Charity which grants a licence to each UTC. The Charity retains close links with UTCs once they are open, to help ensure high standards of education, compliance with the licence and financial viability. It is in the interests of the whole UTC programme that the Charity's brand values are preserved.

The Charity's strategies and objectives

In order to achieve the above vision Baker Dearing Educational Trust's objectives are:

- To promote the University Technical College concept.
- To support University Technical Colleges so they provide a high quality technical education ensuring excellent outcomes for their students.
- To protect the University Technical College brand against erosion and contamination.
- To ensure that all University Technical Colleges are on a trajectory towards being full.

With an original focus on opening new UTCs, the Charity's support has evolved over time to meet needs of UTCs, aiming to provide services that cannot be provided by others within the education system. Today, the Charity exists to:

(1) Foster a favourable policy and funding environment for UTCs (Policy): Charity staff meet regularly with senior personnel at the Department for Education ("DfE") and Education and Skills Funding Agency ("ESFA") to communicate the views of UTCs and to discuss UTC challenges at a programme-wide level, with the aim of influencing policy decisions. The charity also meets with other key government stakeholders including Ofsted, HM Treasury, and Members of Parliament.

(2) Raise greater awareness of UTCs (Promotion): Collectively on behalf of all UTCs, the Charity is uniquely positioned to co-ordinate publicity, with the aim of undertaking national awareness campaigns to complement local UTC marketing efforts. The Charity engages with trade and national press organisations, research companies, national employers, and others to communicate the value of a UTC education and to celebrate the many student success stories around the programme.

(3) Ensure UTC distinctiveness is preserved and standards are upheld (Standards): Embedding specialist colleges within the mainstream education system takes time and requires courage: there is significant pressure on UTCs to revert to 'normal' schools. The Charity provides 'light touch' support to protect the nature and standards of the unique UTC education provision, as defined by the requirements of the UTC licence.

(4) Facilitate connectivity and exchange amongst UTCs (Connectivity): As a relatively new national network of colleges, it is vital that UTCs share and implement best practice in the areas of technical education, student recruitment, employer engagement, and finance. The Charity provides

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2021

a rich programme of events for UTC staff; regular communication across all UTCs; data and analysis regarding programme developments; and the brokerage of UTC-to-UTC support, where needed.

(5) Provide UTCs with access to advisory support (Advisory): The Charity retains the services of a small number of highly experienced consultants and commissions support from UTC staff members, to offer individual UTCs advice and assistance in the areas of technical education, student recruitment, employer engagement, finance, re-brokerage, and DfE/ESFA negotiations. Positioned centrally within the UTC network, Charity staff have a holistic view of the entire UTC programme and provide advice to individual UTCs in this context.

(6) Procure services and offer benefits for UTCs on a collective basis (Benefits): The Charity is able to achieve group discounts for third-party services through negotiation and procurement on behalf of all UTCs, such as SSAT and GL Assessment. In addition, Baker Dearing directly funds various highly valued UTC initiatives such as the Redbourne data analysis, UTC Hub for student destinations, and the Baker Award for Technical Education.

Performance against objectives

By the end of 2021, 48 UTCs were open and applications to open further UTCs will be presented to the Secretary of State for approval.

Beneficiaries of our services

The Charity's main activities and who it tries to help are described below. All its charitable activities focus on the development and support of UTCs and are undertaken to further Baker Dearing Educational Trust's charitable purposes for the public benefit.

Beneficiaries of the services are the UTCs and their students.

Financial review

The trustees have determined that the Charity should be financially independent of Government. The Trust's income for the period included donations and licence subscriptions from UTCs. This has been used to support the Trust's promotional activities for the development and success of the University Technical College programme.

The donations include funds from Peter Cundill Foundation (£90,250), Michael Bishop Foundation (£75,000) and Garfield Weston Foundation (£125,000).

The Covid pandemic has clearly affected the UTCs in a similar way to all other schools. The Charity has worked with them to advise and has been instrumental in setting up online classes and online communications to assist.

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2021

The Charity, as with other organisations, has been affected by the Covid pandemic and has set up internal procedures to communicate using online computer systems which has allowed it to continue its activities and deliver its support without material issues.

Principle risk and uncertainty

The principle risk to the organisation arises from the lack of income, particularly from donations and grants. This can be mitigated by reducing expenditure. The Charity's contractual arrangements with suppliers' goods and services have short cancellation periods. The effect of lower expenditure would be to reduce the level of activity and services that the Trust can offer, but it would remain in existence.

Reserves policy and going concern

The reserves policy targets a level of reserves held to be sufficient to cover at least a quarter of the annual direct operating costs which implies a target reserve level of around £250,000. At the end of the year the level of free reserves stood at £300,023 (2019: £116,582). The income of the Charity is dependent on raising further donations and the Charity is confident that the current fundraising programme will ensure the appropriate amount is received. Should there be a shortfall the Charity can reduce operating costs to mitigate the situation. There are no material uncertainties about the Charity's ability to continue as a going concern.

Statement on fundraising

Baker Dearing Educational Trust does not engage in public fundraising and does not use professional fundraisers or commercial participators. Baker Dearing Educational Trust nevertheless observes and complies with relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and Baker Dearing Educational Trust received no complaints relating to its fundraising practice.

Plans for the future

Baker Dearing will continue to provide support and advice to UTCs on a variety of areas covering education, marketing and finance. It will also continue to liaise with the Government to ensure that the UTC programme and the technical education provided by UTCs will be embedded in the educational landscape. The Covid pandemic will hopefully abate during 2022 and the Charity will continue to assist UTCs where possible. The Charity has operated both internally and externally by remote online communications which has allowed it to provide support where required.

Statement of responsibilities of the trustees

The trustees (who are also directors of Baker Dearing Educational Trust for the purposes of company law) are responsible for preparing the trustees' annual reports 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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

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

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

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 December 2021 was 9 (2020: 9). The trustees are members of the Charity but this entitles them only to voting rights. The trustees have no beneficial interest in the Charity.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2021

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 9 March 2022 and signed on their behalf by:

The Rt Hon Lord Baker of Dorking CH
Chairman

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Opinion

We have audited the financial statements of Baker Dearing Educational Trust (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Baker Dearing Educational Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and trustees, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano (Senior statutory auditor)

30 March 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Baker Dearing Educational Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	3	302,125	–	302,125	324,973
Charitable activities					
UTC promotion and support	4	596,216	–	596,216	501,658
Investments		40	–	40	1,301
Total income		898,381	–	898,381	827,932
Expenditure on:					
Raising funds		5,250	–	5,250	33,750
Charitable activities					
UTC promotion and support		709,690	116,666	826,356	778,639
Total expenditure	5a	714,940	116,666	831,606	812,389
Net income/(expenditure) for the year and net movement in funds	15a	183,441	(116,666)	66,775	15,543
Reconciliation of funds:					
Total funds brought forward		116,582	116,666	233,248	217,705
Total funds carried forward		300,023	–	300,023	233,248

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Baker Dearing Educational Trust

Balance sheet

Company no. 07390138

As at 31 December 2021

	Note	£	2021 £	£	2020 £
Current assets:					
Debtors	11	30,293		171,941	
Short term deposits		-		55,581	
Cash at bank and in hand		638,950		416,247	
		<u>669,243</u>		<u>643,769</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(369,220)		(410,521)	
Net current assets			300,023		233,248
			<u>300,023</u>		<u>233,248</u>
Total net assets	14a		300,023		233,248
			<u>300,023</u>		<u>233,248</u>
The funds of the charity:					
Restricted income funds	15a		-		116,666
Unrestricted income funds:					
General funds		300,023		116,582	
		<u>300,023</u>		<u>116,582</u>	
Total unrestricted funds			300,023		116,582
			<u>300,023</u>		<u>116,582</u>
Total charity funds			300,023		233,248
			<u>300,023</u>		<u>233,248</u>

Approved by the trustees on 9 March 2022 and signed on their behalf by

The Rt Hon Lord Baker of Dorking
Chairman

Baker Dearing Educational Trust

Statement of cash flows

For the year ended 31 December 2021

	Note	2021 £	£	2020 £	£
Net cash provided by/(used in) operating	16		167,082		(117,864)
Cash flows from investing activities:					
Dividends, interest and rents from investments		40		1,301	
Net cash provided by investing activities			40		1,301
Change in cash and cash equivalents in the			167,122		(116,563)
Cash and cash equivalents at the beginning of			471,828		588,391
Cash and cash equivalents at the end of the	17		<u>638,950</u>		<u>471,828</u>

1 Accounting policies

a) Statutory information

Baker Dearing Educational Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office is 1, Sanctuary Buildings, London SW1P 3JT.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of promoting and supporting UTCs to further the purposes of the charity and their associated support costs

i) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Governance costs are allocated to the promotion and support of UTCs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash 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.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m) Pensions

The charity offers a defined contribution scheme for all employees which is auto-enrolment compliant. All pension contributions relate to payments made to individual employees' personal pension plans. Contributions are charged to the statement of financial activities in the year to which they relate. Differences between contributions due and actually paid are shown as either accruals or prepayments in the balance sheet.

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2020 Total £
Income from:			
Donations and legacies	199,973	125,000	324,973
Charitable activities	501,658	-	501,658
Investments	1,301	-	1,301
Total income	702,932	125,000	827,932
Expenditure on:			
Raising funds	33,750	-	33,750
Charitable activities	763,639	15,000	778,639
Total expenditure	797,389	15,000	812,389
Net expenditure	(94,457)	110,000	15,543
Net movement in funds	(94,457)	110,000	15,543
Total funds brought forward	211,039	6,666	217,705
Total funds carried forward	116,582	116,666	233,248

3 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Gifts	302,125	-	302,125	324,973
	302,125	-	302,125	324,973

4 Income from charitable activities

UTC promotion and support	2021 Total £	2020 Total £
UTC licence fees	596,216	501,658
Total income from charitable activities	596,216	501,658

All income from charitable activities in unrestricted.

5a Analysis of expenditure (current year)

	Charitable activities			2021 Total £	2020 Total £
	Cost of raising funds £	UTC promotion and support £	Governance costs £		
Staff costs (Note 7)	-	249,167	-	249,167	253,213
UTC promotional activities:					
Operational & programme management	-	423,292	19,865	443,157	376,879
Marketing & events	-	68,212	-	68,212	78,771
Administration	5,250	52,349	-	57,599	96,346
Premises	-	13,471	-	13,471	7,180
	5,250	806,491	19,865	831,606	812,389
Reallocation of: Governance costs	-	19,865	(19,865)	-	-
Total expenditure 2021	5,250	826,356	-	831,606	
Total expenditure 2020	33,750	778,639	-		812,389

5b Analysis of expenditure (prior year)

	Charitable activities			2020 Total £
	Cost of raising funds £	UTC promotion and support £	Governance costs £	
Staff costs (Note 7)	-	253,213	-	253,213
UTC promotional activities:				
Operational & programme management	-	360,040	16,839	376,879
Marketing & events	-	78,771	-	78,771
Administration	33,750	62,596	-	96,346
Premises, IT & personnel donated by Edge	-	7,180	-	7,180
	33,750	761,800	16,839	812,389
Reallocation of: Governance costs	-	16,839	(16,839)	-
Total expenditure 2020	33,750	778,639	-	812,389

6 Net incoming/(outgoing) resources for the year

This is stated after charging / crediting:

	2021 £	2020 £
Auditor's remuneration (excluding VAT):		
Audit	6,800	6,500

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	216,295	221,727
Social security costs	22,979	22,192
Employer's contribution to defined contribution pension schemes	5,101	4,887
Other forms of employee benefits	4,792	4,408
	<u>249,167</u>	<u>253,214</u>

The following number of employees received employee benefits in excess of £60,000 (excluding employer pension costs and employer national insurance) during the year between:

	2021 No.	2020 No.
£140,000 – £149,999	–	1
£150,000 – £159,999	1	–

The aggregate remuneration for key management personnel (including employer national insurance contributions and employer pension contributions) is £168,090 (2020: £165,349).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £534 (2020: £466) incurred by 1 (2020: 1) member relating to attendance at meetings of the trustees and development of UTCs.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Promotion of UTCs	3.0	3.0
	<u>3.0</u>	<u>3.0</u>

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2021

9 Related party transactions

During the year Lord Baker donated £7,500 (2020: nil)

From time to time, averaging approximately one day per week, Lord Baker receives secretarial support provided by the Baker Dearing Educational Trust for his personal administrative matters. One fifth of the salary costs for this person amounts to £7,254 (2020: £7,415).

In the year, the Trust paid £18,000 (2020: £13,500) to Consilia Consultants Ltd "Consilia" for expert consultancy services of which Simon Connell, Chief Executive, is a Director. Simon does not take part in any decisions with Trustees responsible for appointing and approving the work carried out by Consilia. The future level of services is expected to reduce.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Debtors

	2021 £	2020 £
Trade debtors	17,452	143,373
Accrued income and pre-payments	12,841	28,568
	<u>30,293</u>	<u>171,941</u>

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	16,162	39,158
Accruals	5,938	34,230
Deferred income (note 13)	347,120	337,133
	<u>369,220</u>	<u>410,521</u>

13 Deferred income

	Other contractual income	UTC subscriptions £	2021 £	2020 £
Balance at the beginning of the year	20,000	317,333	337,333	333,333
Amount deferred in the year	23,720	323,400	347,120	337,133
Amount released to income in the year	(20,000)	(317,333)	(337,333)	(333,333)
Balance at the end of the year	<u>23,720</u>	<u>323,400</u>	<u>347,120</u>	<u>337,133</u>

14a Analysis of net assets between funds 2021

	General unrestricted £	Restricted £	Total £
Net current assets	300,023	-	300,023
Net assets at the end of the year	300,023	-	300,023

14b Analysis of net assets between funds 2020

	General unrestricted £	Restricted £	Total
Net current assets	116,582	116,666	233,248
Net assets at the end of the year	116,582	116,666	233,248

15a Movements in funds (current year)

	At 1 January 2021 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2021 £
Restricted funds:					
Gatsby Charitable Foundation	100,000	-	(100,000)	-	-
Sage Foundation	10,000	-	(10,000)	-	-
Special Growth Fund	6,666	-	(6,666)	-	-
Total restricted funds	116,666	-	(116,666)	-	-
Unrestricted funds:					
General funds	116,582	898,381	(714,940)	-	300,023
Total unrestricted funds	116,582	898,381	(714,940)	-	300,023
Total funds	233,248	898,381	(831,607)	-	300,023

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation, entry age at 11 and join Multi Academy Trusts.

The Sage Foundation grant is used to deliver Sage Future Maker's AI For Good course at UTCs.

The Special Growth Fund assists UTCs with funding educational projects and resources such as employer based activities and engagement.

15b Movements in funds (prior year)

	At 1 January 2019 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2020 £
Restricted funds:					
Gatsby Charitable Foundation	-	100,000	-	-	100,000
Sage Foundation	-	25,000	(15,000)	-	10,000
Special Growth Fund	6,666	-	-	-	6,666
Total restricted funds	6,666	125,000	(15,000)	-	116,666
Unrestricted funds:					
General funds	211,039	702,932	(797,389)	-	116,582
Total unrestricted funds	211,039	702,932	(797,389)	-	116,582
Total funds	217,705	827,932	(812,389)	-	233,248

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation, entry age at 11 and join Multi Academy Trusts.

The Sage Foundation grant is used to deliver Sage Future Maker's AI For Good course at UTCs.

The Special Growth Fund assists UTCs with funding educational projects and resources such as employer based activities and engagement.

16 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per statement of financial activities)	66,815	15,543
Dividends, interest and rent from investments	(40)	(1,301)
(Increase)/decrease in debtors	141,648	(113,703)
(Decrease)/increase in creditors	(41,301)	(18,403)
Net cash (used in)/provided by operating activities	167,122	(117,864)

17 Analysis of cash and cash equivalents

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	415,111	223,839	638,950
Notice deposits (less than three months)	56,717	(56,717)	-
Total cash and cash equivalents	471,828	167,122	638,950

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2021 £	2020 £
Less than one year	-	7,090
	-	7,090

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BAKER DEARING EDUCATIONAL TRUST

England & Wales - Charity number 1138894

Accounts

Company number: 07390138

Charity number: 1138894

Baker Dearing Educational Trust

Report and financial statements

For the year ended 31 December 2020

Baker Dearing Educational Trust

Contents

For the year ended 31 December 2020

Reference and administrative details	1
Trustees' annual report	2
Independent auditor's report	9
Statement of financial activities (incorporating an income and expenditure account)	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16

Baker Dearing Educational Trust

Reference and administrative details

For the year ended 31 December 2020

Company number 07390138 – incorporated in the United Kingdom

Charity number 1138894 – registered in England and Wales

Registered office and operational address 2nd Floor, 1, The Sanctuary
London
SW1P 3JT

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

The Rt Hon Lord Baker of Dorking CH, Chairman
The Rt Hon Lord Adonis
Clive Barker
Ms Madeleine Hallward
David Land
Dr Theresa Simpkin
Sir Mike Tomlinson CBE
Jim Wade (appointed 8 July 2020)
Michael Wright

Chief Executive Simon Connell

Bankers HSBC
16 King Street
London
WC2E 8JF

Solicitors Stone King LLP
91 Charterhouse Street
London
EC1M 6HR

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108–114 Golden Lane
London
EC1Y 0TL

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2020

The trustees present their report and the audited financial statements for the year ended 31 December 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The organisation is a charitable company limited by guarantee, incorporated on 28 September 2010 and registered as a Charity on 9 November 2010.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The objects of the Charity are to advance the education of children, young people and young adults by technically-oriented study at new or existing colleges with an emphasis on practical training, business and commerce leading to employment.

Appointment of trustees

Trustees are selected by reference to their eligibility, personal competence and specialist skills. A Nominations Committee, chaired by Lord Baker, meets twice a year to discuss and recommend the appointment of trustees.

Trustee induction and training

On appointment trustees are inducted into the strategic aims of the Charity and the underlying financial implications. Throughout the year trustees are updated with progress reports and are invited to attend educational seminars and events to increase their awareness of the Charity's activities and the educational sector governance requirements.

The members of the company appoint new trustees. There must be a minimum of three trustees and a maximum of twelve.

All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 7 to the accounts.

Related parties and connected organisations

See note 9 for details of related parties and connected organisations.

Remuneration Policy for key management personnel

Remuneration is reviewed, and agreed, once each year by the trustees at a trustees' meeting. The review takes into account the performance of individuals and the change in cost of living as measured by the RPI.

Objectives and activities

Baker Dearing Educational Trust (Baker Dearing) licenses UTCs (University Technical Colleges). The Charity offers guidance and support to UTCs to help them ensure high standards of education and financial viability and liaises between sponsors, the UTCs themselves and the DfE (Department for Education).

The trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work. The trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Vision of the Charity

Baker Dearing promotes and supports University Technical Colleges (UTCs).

UTCs are a relatively new concept in education, introduced in England in 2010. They offer students the opportunity to take a highly regarded, technically-oriented full-time course of study at a specialist school equipped to the highest standards. The UTCs are publicly-funded academies which are sponsored by a university in partnership with employers offering clear progression routes into higher education or further training and employment.

Students usually start at the age of 14, integrating academic requirements with the technical and practical elements of the curriculum in an adult environment, which is strongly influenced by profound engagement with local employers. Under the same roof they study technical subjects alongside the GCSE subjects of English, mathematics, science and IT. They also take part in sport and acquire employability, entrepreneurial and financial skills. Each UTC has particular technical specialisms.

UTCs typically have a capacity of between 500 and 800 students, a deliberately small size to foster loyalty and so that each student is known individually. The size also ensures that numbers in nearby schools are not unduly disturbed.

UTCs are demand-led, but have support from all three main political parties. The government has been committed to establishing UTCs and so far 48 are open. The DfE provides the capital cost of a UTC and the ongoing running costs.

The UTC brand and trademarks belong to the Charity which grants a licence to each UTC. The Charity retains close links with UTCs once they are open, to help ensure high standards of education, compliance with the licence and financial viability. It is in the interests of the whole UTC programme that the Charity's brand values are preserved.

The Charity's strategies and objectives

In order to achieve the above vision Baker Dearing Educational Trust's objectives are:

- To promote the University Technical College concept.
- To support University Technical Colleges so they provide a high quality technical education ensuring excellent outcomes for their students.
- To protect the University Technical College brand against erosion and contamination.
- To ensure that all University Technical Colleges are on a trajectory towards being full.

With an original focus on opening new UTCs, the Charity's support has evolved over time to meet needs of UTCs, aiming to provide services that cannot be provided by others within the education system. Today, the Charity exists to:

(1) Foster a favourable policy and funding environment for UTCs (Policy): Charity staff meet regularly with senior personnel at the Department for Education ("DfE") and Education and Skills Funding Agency ("ESFA") to communicate the views of UTCs and to discuss UTC challenges at a programme-wide level, with the aim of influencing policy decisions. The charity also meets with other key government stakeholders including Ofsted, HM Treasury, and Members of Parliament.

(2) Raise greater awareness of UTCs (Promotion): Collectively on behalf of all UTCs, the Charity is uniquely positioned to co-ordinate publicity, with the aim of undertaking national awareness campaigns to complement local UTC marketing efforts. The Charity engages with trade and national press organisations, research companies, national employers, and others to communicate the value of a UTC education and to celebrate the many student success stories around the programme.

(3) Ensure UTC distinctiveness is preserved and standards are upheld (Standards): Embedding specialist colleges within the mainstream education system takes time and requires courage: there is significant pressure on UTCs to revert to 'normal' schools. The Charity provides 'light touch' support to protect the nature and standards of the unique UTC education provision, as defined by the requirements of the UTC licence.

(4) Facilitate connectivity and exchange amongst UTCs (Connectivity): As a relatively new national network of colleges, it is vital that UTCs share and implement best practice in the areas of technical education, student recruitment, employer engagement, and finance. The Charity provides

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2020

a rich programme of events for UTC staff; regular communication across all UTCs; data and analysis regarding programme developments; and the brokerage of UTC-to-UTC support, where needed.

(5) Provide UTCs with access to advisory support (Advisory): The Charity retains the services of a small number of highly experienced consultants and commissions support from UTC staff members, to offer individual UTCs advice and assistance in the areas of technical education, student recruitment, employer engagement, finance, re-brokerage, and DfE/ESFA negotiations. Positioned centrally within the UTC network, Charity staff have a holistic view of the entire UTC programme and provide advice to individual UTCs in this context.

(6) Procure services and offer benefits for UTCs on a collective basis (Benefits): The Charity is able to achieve group discounts for third-party services through negotiation and procurement on behalf of all UTCs, such as SSAT and GL Assessment. In addition, Baker Dearing directly funds various highly valued UTC initiatives such as the Redbourne data analysis, UTC Hub for student destinations, and the Baker Award for Technical Education.

Performance against objectives

By the end of 2020, 48 UTCs were open and applications to open further UTCs will be presented to the Secretary of State for approval.

Beneficiaries of our services

The Charity's main activities and who it tries to help are described below. All its charitable activities focus on the development and support of UTCs and are undertaken to further Baker Dearing Educational Trust's charitable purposes for the public benefit.

Beneficiaries of the services are the UTCs and their students.

Financial review

The trustees have determined that the Charity should be financially independent of Government. The Trust's income for the period included donations and licence subscriptions from UTCs. This has been used to support the Trust's promotional activities for the development and success of the University Technical College programme.

The donations include funds from Peter Cundill Foundation (£77,559), Michael Bishop Foundation (£100,000) and Gatsby Charitable Foundation (£100,000).

The Covid pandemic has clearly affected the UTCs in a similar way to all other schools. The Charity has worked with them to advise and has been instrumental in setting up online classes and online communications to assist.

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2020

The Charity, as with other organisations, has been affected by the Covid pandemic and has set up internal procedures to communicate using online computer systems which has allowed it to continue its activities and deliver its support without material issues.

Principle risk and uncertainty

The principle risk to the organisation arises from the lack of income, particularly from donations and grants. This can be mitigated by reducing expenditure. The Charity's contractual arrangements with suppliers' goods and services have short cancellation periods. The effect of lower expenditure would be to reduce the level of activity and services that the Trust can offer, but it would remain in existence.

Reserves policy and going concern

The reserves policy targets a level of reserves held to be sufficient to cover at least a quarter of the annual direct operating costs which implies a target reserve level of around £250,000. At the end of the year the level of free reserves stood at £116,582 (2019: £211,039). The income of the Charity is dependent on raising further donations and the Charity is confident that the current fundraising programme will ensure the appropriate amount is received. Should there be a shortfall the Charity can reduce operating costs to mitigate the situation. There are no material uncertainties about the Charity's ability to continue as a going concern.

Statement on fundraising

Baker Dearing Educational Trust does not engage in public fundraising and does not use professional fundraisers or commercial participators. Baker Dearing Educational Trust nevertheless observes and complies with relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and Baker Dearing Educational Trust received no complaints relating to its fundraising practice.

Plans for the future

Baker Dearing will continue to provide support and advice to UTCs on a variety of areas covering education, marketing and finance. It will also continue to liaise with the Government to ensure that the UTC programme and the technical education provided by UTCs will be embedded in the educational landscape. The Covid pandemic will hopefully abate during 2021 and the Charity will continue to assist UTCs where possible. The Charity has operated both internally and externally by remote online communications which has allowed it to provide support where required.

Statement of responsibilities of the trustees

The trustees (who are also directors of Baker Dearing Educational Trust for the purposes of company law) are responsible for preparing the trustees' annual 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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

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

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

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 December 2020 was 9 (2019: 8). The trustees are members of the Charity but this entitles them only to voting rights. The trustees have no beneficial interest in the Charity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Baker Dearing Educational Trust

Trustees' annual report

For the year ended 31 December 2020

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 10 March 2021 and signed on their behalf by:

The Rt Hon Lord Baker of Dorking CH
Chairman

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Opinion

We have audited the financial statements of Baker Dearing Educational Trust (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Baker Dearing Educational Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and trustees, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

Baker Dearing Educational Trust

- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano (Senior statutory auditor)

11 March 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Baker Dearing Educational Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Income from:					
Donations and legacies	3	199,973	125,000	324,973	388,039
Charitable activities					
UTC promotion and support	4	501,658	–	501,658	358,235
Investments		1,301	–	1,301	2,338
Total income		702,932	125,000	827,932	748,612
Expenditure on:					
Raising funds		33,750	–	33,750	3,875
Charitable activities					
UTC promotion and support		763,639	15,000	778,639	1,106,308
Total expenditure	5a	797,389	15,000	812,389	1,110,183
Net income/(expenditure) for the year and net movement in funds	15a	(94,457)	110,000	15,543	(361,571)
Reconciliation of funds:					
Total funds brought forward		211,039	6,666	217,705	579,276
Total funds carried forward		116,582	116,666	233,248	217,705

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Baker Dearing Educational Trust

Balance sheet

Company no. 07390138

As at 31 December 2020

	Note	£	2020 £	£	2019 £
Current assets:					
Debtors	11	171,941		58,238	
Short term deposits		56,717		56,027	
Cash at bank and in hand		415,111		532,364	
			<u>643,769</u>	<u>646,629</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(410,521)		(428,924)	
			<u>233,248</u>		<u>217,705</u>
Net current assets			<u>233,248</u>		<u>217,705</u>
Total net assets	14a		<u><u>233,248</u></u>		<u><u>217,705</u></u>
The funds of the charity:					
Restricted income funds	15a		116,666		6,666
Unrestricted income funds:					
General funds		116,582		211,039	
		<u>116,582</u>		<u>211,039</u>	
Total unrestricted funds			<u>116,582</u>		<u>211,039</u>
Total charity funds			<u><u>233,248</u></u>		<u><u>217,705</u></u>

Approved by the trustees on 10 March 2021 and signed on their behalf by

The Rt Hon Lord Baker of Dorking
Chairman

Baker Dearing Educational Trust

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 £	£	2019 £	£
Net cash (used in)/provided by operating activities	16	(117,864)		138,935	
Cash flows from investing activities:					
Dividends, interest and rents from investments		<u>1,301</u>		<u>2,338</u>	
Net cash provided by investing activities			1,301		2,338
Change in cash and cash equivalents in the year		(116,563)		141,273	
Cash and cash equivalents at the beginning of the year			588,391		447,118
Cash and cash equivalents at the end of the year	17		<u>471,828</u>		<u>588,391</u>

1 Accounting policies

a) Statutory information

Baker Dearing Educational Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office is 1, Sanctuary Buildings, London SW1P 3JT.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of promoting and supporting UTCs to further the purposes of the charity and their associated support costs

i) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Governance costs are allocated to the promotion and support of UTCs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash 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.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m) Pensions

The charity offers a defined contribution scheme for all employees which is auto-enrolment compliant. All pension contributions relate to payments made to individual employees' personal pension plans. Contributions are charged to the statement of financial activities in the year to which they relate. Differences between contributions due and actually paid are shown as either accruals or prepayments in the balance sheet.

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2020

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2019 Total £
Income from:			
Donations and legacies	388,039	–	388,039
Charitable activities	358,235	–	358,235
Investments	2,338	–	2,338
Total income	748,612	–	748,612
Expenditure on:			
Raising funds	3,875	–	3,875
Charitable activities	1,094,506	11,802	1,106,308
Total expenditure	1,098,381	11,802	1,110,183
Net expenditure	(349,769)	(11,802)	(361,571)
Net movement in funds	(349,769)	(11,802)	(361,571)
Total funds brought forward	560,808	18,468	579,276
Total funds carried forward	211,039	6,666	217,705

3 Income from donations and legacies

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Gifts	199,973	125,000	324,973	284,039
Donated services	–	–	–	104,000
	199,973	125,000	324,973	388,039

The donated services represented the shared use of Edge Foundation's premises and staff. The sharing arrangement stopped in 2019 on the move of Baker Dearing to new premises.

4 Income from charitable activities

UTC promotion and support	2020 Total £	2019 Total £
UTC licence fees	501,658	358,235
Total income from charitable activities	501,658	358,235

All income from charitable activities in unrestricted.

5a Analysis of expenditure

	Charitable activities			2020 Total £	2019 Total £
	Cost of raising funds £	UTC promotion and support £	Governance costs £		
Staff costs (Note 7)	-	253,213	-	253,213	292,225
UTC promotional activities:					-
Operational & programme management	-	360,040	16,839	376,879	338,010
Marketing & events	-	78,771	-	78,771	305,862
Administration	33,750	62,596	-	96,346	70,086
Premises	-	7,180	-	7,180	104,000
	33,750	761,800	16,839	812,389	1,110,183
Reallocation of: Governance costs	-	16,839	(16,839)	-	-
Total expenditure 2020	33,750	778,639	-	812,389	
Total expenditure 2019	3,875	1,106,308	-		1,110,183

5b Analysis of expenditure prior year

	Charitable activities			2019 Total £
	Cost of raising funds £	UTC promotion and support £	Governance costs £	
Staff costs (Note 7)	-	292,225	-	292,225
UTC promotional activities:				
Operational & programme management	-	316,041	21,969	338,010
Marketing & events	-	305,862	-	305,862
Administration	3,875	66,211	-	70,086
Premises, IT & personnel donated by Edge	-	104,000	-	104,000
	3,875	1,084,339	21,969	1,110,183
Reallocation of: Governance costs	-	21,969	(21,969)	-
Total expenditure 2019	3,875	1,106,308	-	1,110,183

6 Net incoming/(outgoing) resources for the year

This is stated after charging / crediting:

	2020 £	2019 £
Auditor's remuneration (excluding VAT): Audit	6,500	6,650

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	221,727	252,460
Social security costs	22,192	27,769
Employer's contribution to defined contribution pension schemes	4,887	5,942
Other forms of employee benefits	4,408	6,054
	<u>253,213</u>	<u>292,225</u>

The following number of employees received employee benefits in excess of £60,000 (excluding employer pension costs and employer national insurance) during the year between:

	2020 No.	2019 No.
£60,000–£69,999	–	1
£80,000– £89,999	–	1
£140,000 – £149,999	1	–

The aggregate remuneration for key management personnel (including employer national insurance contributions and employer pension contributions) is £165,349 (2019: £161,469).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £466 (2019: £5,531) incurred by 1 (2019: 1) member relating to attendance at meetings of the trustees and development of UTCs.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020 No.	2019 No.
Promotion of UTCs	3.0	5.0
	<u>3.0</u>	<u>5.0</u>

Baker Dearing Educational Trust

Notes to the financial statements

For the year ended 31 December 2020

9 Related party transactions

Baker Dearing Educational Trust received no in-kind support from Edge Foundation because the office sharing arrangement stopped in 2019. In 2019 £104,000 was received as in-kind support covering premises, IT and other personnel costs. No persons were trustees of both the Edge Foundation and the Baker Dearing Educational Trust during 2020. The Rt Hon Lord Baker of Dorking was appointed to the Edge Foundation on 1 March 2010 and resigned on 3 July 2019.

From time to time, averaging approximately one day per week, Lord Baker receives secretarial support provided by the Baker Dearing Educational Trust for his personal administrative matters. One fifth of the salary costs for this person amounts to £7,415 (2019: £7,132).

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Debtors

	2020 £	2019 £
Trade debtors	143,373	47,000
Accrued income and pre-payments	28,568	11,238
	<u>171,941</u>	<u>58,238</u>

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	39,158	47,676
Accruals	34,230	47,915
Deferred income (note 13)	337,133	333,333
	<u>410,521</u>	<u>428,924</u>

13 Deferred income

	Other contractual income	UTC subscriptions £	2020 £	2019 £
Balance at the beginning of the year	-	333,333	333,333	184,747
Amount deferred in the year	20,000	317,133	337,133	333,333
Amount released to income in the year	-	(333,333)	(333,333)	(184,747)
Balance at the end of the year	<u>20,000</u>	<u>317,133</u>	<u>337,133</u>	<u>333,333</u>

14a Analysis of net assets between funds 2020

	General unrestricted £	Restricted £	Total £
Net current assets	116,582	116,666	233,248
Net assets at the end of the year	116,582	116,666	233,248

14b Analysis of net assets between funds 2019

	General unrestricted £	Restricted £	Total £
Net current assets	211,039	6,666	217,705
Net assets at the end of the year	211,039	6,666	217,705

15a Movements in funds (current year)

	At 1 January 2019 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2020 £
Restricted funds:					
Gatsby Charitable Foundation	–	100,000	–	–	100,000
Sage Foundation	–	25,000	(15,000)	–	10,000
Special Growth Fund	6,666	–	–	–	6,666
Total restricted funds	6,666	125,000	(15,000)	–	116,666
Unrestricted funds:					
General funds	211,039	702,932	(797,389)	–	116,582
Total unrestricted funds	211,039	702,932	(797,389)	–	116,582
Total funds	217,705	827,932	(812,390)	–	233,248

Purposes of restricted funds

The Gatsby Charitable Foundation's grant is to support UTCs to engage in national technical education reforms including T Level implementation, entry age at 11 and join Multi Academy Trusts. This will be spent during 2021.

The Sage Foundation grant is used to deliver Sage Future Maker's AI For Good course at UTCs.

The Special Growth Fund assists UTCs with funding educational projects and resources such as employer based activities, specialist equipment and travel and associated costs for certain UTC students. Covid has curtailed some activities for 2020.

15b Movements in funds (prior year)

	At 1 January 2018 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 December 2019 £
Restricted funds:					
Special Growth Fund	18,468	-	(11,802)	-	6,666
Total restricted funds	18,468	-	(11,802)	-	6,666
Unrestricted funds:					
General funds	560,808	748,612	(1,098,382)	-	211,039
Total unrestricted funds	560,808	748,612	(1,098,382)	-	211,039
Total funds	579,276	748,612	(1,110,184)	-	217,705

Purposes of restricted funds

The Special Growth Fund assists UTCs with funding educational projects and resources such as employer based activities, specialist equipment and travel and associated costs for certain UTC students.

16 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per statement of financial activities)	15,543	(361,571)
Dividends, interest and rent from investments	(1,301)	(2,338)
(Increase)/decrease in debtors	(113,703)	389,082
(Decrease)/increase in creditors	(18,403)	113,762
Net cash (used in)/provided by operating activities	(117,864)	138,935

17 Analysis of cash and cash equivalents

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	532,364	(117,253)	415,111
Notice deposits (less than three months)	56,027	690	56,717
Total cash and cash equivalents	588,391	(116,563)	471,828

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2020 £	2019 £
Less than one year	7,090	7,090
	7,090	7,090

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.