

Connexions Buckinghamshire

Financial Statements

For the Year Ended

31 March 2015

**COMPANY REGISTRATION NUMBER 6534215
CHARITY NUMBER 1132204**

BEEVER AND STRUTHERS

Chartered Accountants & Statutory Auditors

St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

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Connexions Buckinghamshire

Financial Statements

Year Ended 31 March 2015

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Connexions Buckinghamshire

Trustees Annual Report Year Ended 31 March 2015

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the year ended 31 March 2015.

Reference and Administrative Details

Registered Charity Name Connexions Buckinghamshire

Charity Registration Number 1132204

Company Registration Number 6534215

Principal Office Ocean House
The Ring
Bracknell
RG12 1AX

The Trustees

| | |
|------------------|--|
| Bob Harrison | (resigned 28 August 2015) |
| Sue Gale | (appointed 28 August 2015) |
| David Lunn | (Chair of the Board and Chair of Business Development Committee) |
| Davina Lacey | |
| Felix Adenaike | (appointed 16 June 2015) |
| James Simmons | |
| Karen Mitchell | |
| Katharine Horler | |
| Lucy Goodyer | Staff Trustee |
| Melissa Basille | |
| Matthew Band | (appointed 16 June 2015) |
| Nigel Sims | |
| Penelope Gray | |
| Sarah Newall | |
| Alan Goodrum | (resigned 16 June 2015) |
| Mark Sellis | (resigned 16 June 2015) |
| Johnson Wenner | (resigned 4 November 2014) |
| Mahria Younas | (resigned 4 November 2014) |
| Mike Appleyard | (resigned 4 November 2014) |
| Paula Buck | (resigned 4 November 2014) |
| Rosalie Arts | (resigned 4 November 2014) |
| Matthew Chidgey | |

Auditor Beever and Struthers
215-219 Chester Road
Manchester M15 4JE

Bankers Barclays Bank plc
Ground Floor, Apex Plaza
Forbury Road
Reading RG 1 1AX

Solicitors Blandy and Blandy
1 Friar Street
Reading, RG 1 1DA

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Reference and Administrative Details *(continued)*

Senior Executive Staff

| | |
|------------------|-------------------------------|
| Katharine Horler | (Chief Executive) |
| Laura Coughtrie | (Corporate Services Director) |
| Bob Harrison | (Delivery Director) |

Introduction from the Chair and Chief Executive

We are delighted to introduce the annual Directors' report for Connexions Buckinghamshire. 2014/15 has been a year of consolidation and diversification into a range of projects. This is set against a backdrop of continued economic challenges in the labour market that has had a significant impact on the outcomes we aspire to for our young people. We continue to manage a change of policy for the provision of IAG by Local Authorities and the focus on encouraging schools to assume responsibility for careers work. Through dedication and commitment we were able to achieve all targets and objectives set for the company.

How have we achieved it?

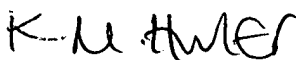
- Through a relentless focus on the needs of young people; we are committed to delivering excellent services to them and their parents and carers.
- By encouraging our staff to demonstrate their enthusiasm and commitment, in order to achieve extraordinary things on behalf of young people and adults.
- By involving young people in the design and delivery of our service. They have been consulted on a range of issues including, the quality of the service we deliver, by being actively involved as Directors on the Board and recruitment of all new staff.
- By analysing our data in partnership with Buckinghamshire County Council to ensure that we understand the needs of young people and are able to allocate our resources accordingly.
- In partnership, we could not have achieved what we have this year without the support of our many partners. We learn a lot from the work that we do with a range of statutory and voluntary sector partners, they can access diverse groups of young people and provide choice and opportunities for our shared clients.

We would like to take this opportunity to thank all those who have contributed to our success; our staff, partners and Directors. Thanks to you we are able to deliver better services to young people and adults in Buckinghamshire.

David Lunn – Independent Chair



Katharine Horler – Chief Executive



Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

The Directors present their annual report for the year ended 31 March 2015, in accordance with the Charities Act 2011 and the Companies Act 2006, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum & Articles of Association and the Charities SORP 2005.

Reference and Administrative Information

Connexions Buckinghamshire is a company limited by guarantee, company registration number 6534215. In the event of the company being wound up, the liability of each member is limited to a maximum of £10.

The present Directors of the company, and any past Directors who served during the year, are given on pages 1 and 2 together with the names of the senior executive staff.

The company was incorporated on 13 March 2008.

Structure, Governance and Management

Governing Document

The company is governed by its Memorandum and Articles of Association dated 13 March 2008.

Governing Body

The Board of Directors is responsible for the overall governance of the company. There are a total of 18 Directors who represent a wide range of organisations that support young people. The Independent Chair; the Chief Executive; three local authority representatives nominated by Buckinghamshire County Council; a minimum of four Young Persons; one nominated representative from Buckinghamshire Association of Head Teachers, Buckinghamshire Primary Care Trust, Job Centre Plus and Thames Valley Police; one Trustee representing Higher Education; one Trustee representing Further Education; five Trustees representing organisations which work with Young People in the voluntary sector (including such organisations as faith groups and community groups); one Trustee representing the Senior Management Team of the Charity; one Trustee representing the Charity's Staff and such other persons who may be appointed to the Board from time to time having regard to any relevant guidance issued by the Commission. There are currently 5 vacancies on the Board. We are currently reviewing the number of positions on the Board and actively recruiting representation from young people.

Recruitment and Training of Directors

Potential Directors are identified by partner organisations and through open advertisement in accordance with the standards for public appointments where appropriate. Potential Directors are considered against the Body's specifications concerning eligibility, competence, specialist skills and local availability. A new Director Guide was developed and introduced in September 2008. Each Director receives their own copy of the Guide and Directors is inducted by either the Chair or Chief Executive. The Director Guide is updated annually and the revised version provided to current Directors as well as new Directors. Additional support is provided to young directors to support them in meetings and enable them to make a full contribution to the governance of the company.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Structure, Governance and Management *(continued)*

Organisational Management

Connexions Buckinghamshire is part of the Adviza Partnership (formerly Connexions Thames Valley). Connexions Buckinghamshire was incorporated as a separate company with its own Board of Directors and Independent Chair to deliver the Connexions services within the County with a range of support services e.g. Finance, HR, Learning & Development and Marketing & Communications being provided by the parent company, Adviza.

On September 1st 2012 Connexions Thames Valley changed its name to the Adviza Partnership. Connexions Buckinghamshire remains part of the Adviza Partnership and receives the benefits of being part of this group of charities. The Chief Executive is responsible for the day-to-day management of the company's affairs and for implementing strategies and policies agreed by the Board of Directors. The Chief Executive is assisted by 3 Directors and 2 Heads of Services in ensuring the development of new business, delivering contracted objectives and the support services required to run the business are as effective as possible.

The Board of Directors meets 3 times a year and is chaired by the Independent Chair of the Board. The Board delegates its authority to a number of committees to review policies, processes and performance in areas such as Personnel, Finance and Audit and Business Development. These committees meet three times a year, in advance of each Connexions Buckinghamshire Board meeting.

Corporate Governance

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Directors.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a business plan and annual budget approved by the Directors;
- regular consideration by the Directors of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of day-to-day management authority and segregation of duties; and
- identification and management of risks.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Structure, Governance and Management *(continued)*

Risk Management

Connexions Buckinghamshire's general approach is to minimise our exposure to risk: it will seek to recognise and to mitigate the adverse consequences. However, we recognise that in pursuit of our mission and objectives we may choose to accept an increased degree of risk. We will do so subject always to ensuring that potential benefits and risks are fully understood before developments are authorised and that sensible measures to mitigate risk are established. The Chief Executive and the senior leadership team review risk registers each month. The Board has ultimate responsibility for the management of risks for which it monitors our approach and effectiveness. The Board of Connexions Buckinghamshire reviews the top five operational risks at each Board meeting. The Finance and Audit Committee's role is to advise the Board on the effectiveness of the internal control arrangements and reviews the key strategic risks to the organisation at each meeting. The Board, through the Committees, has examined the principal areas of the company's operations and considered what major risks may arise in each of these areas. In the opinion of the Directors the company has established resources and review systems which, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations. Business Continuity and Disaster Recovery plans are in place to ensure that operational performance can be maintained.

There are specific risks associated with our continued contracted and funding arrangements for supplying services beyond 2015/16. These are being mitigated against through: the provision of excellent support services to ensure the retention of existing business; seeking different sources of revenue; not over committing on expenditure, seeking efficiencies and; by ensuring income and reserves can meet all liabilities as they fall due. We do, however, have guaranteed and confirmed funding for the period April 1st 2015 to 31st March 2016 under contract with Buckinghamshire County Council.

Objects, Aims, Objectives and Activities

The Directors confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

The charitable purpose for the charity within the meaning of the Act is enshrined within its objects, as given in the memorandum and articles of association:

To advance in life young people by developing their skills, education, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals by all charitable means.

Strategic Aims and Intended Effect

To deliver excellent services to young people and adults by supporting the work of our frontline delivery staff.

We will do this by:

- providing impartial information, advice, guidance and support services to young people and adults to enable them to fulfil their potential
- adding value to the work we do
- developing business ideas that reflect the needs and priorities of our customers
- empowering and equipping our staff to be the best they can be.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Mission

Everyone in Connexions Buckinghamshire works to make a positive difference for all young people and adults so that they have the best possible chance to progress successfully in learning and work.

Vision and Values

Our vision is for all young people and adults to make better decisions that help them to progress in learning and work and achieve their full potential.

At Connexions we:

- Are **passionate** about making a difference for all young people and adults and **care** about their futures.
- **Engage** with young people and adults to understand their needs and support them to achieve their goals.
- **Champion** equality, accessibility and simplicity.
- Expect high levels of **energy** and **commitment** from all our staff. In return we **trust** them and **invest** in their development.
- Treat everyone with **respect and dignity** (young people and adults, partners and colleagues)
- Have the **courage** to **innovate** and **learn** from our experience.
- Work **creatively** and **flexibly** with **partners** to:
 - develop and deliver **excellent, integrated** services;
 - **challenge** bureaucracy and complacency; and
 - **break down barriers** to effective service delivery and customer progress.
- **Invest** our resources wisely and according to need.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Employees

The Directors would like to record their appreciation of the efforts and continued commitment of all of our staff in Buckinghamshire. The effort and dedication is particularly recognised during this period of continuing change within the business.

The company is committed to a policy of recruitment and development opportunities on the basis of aptitude and ability without discrimination of any kind whilst aligned with the advice on good practice of the equal opportunities commission, the commission for racial equality and the disability rights commission.

Attention is given to the training, career development and support of all employees again without discrimination, with a view to encouraging them to play an active role in the development of the company. Line management allows a two-way conversation and an opportunity for employees' views to be aired. In addition, we have a range of communications channels including task and finish groups eg Communication Review, Consequences, Recruitment, Induction and Training, Culture of Dependency and Performance Review, which ensures the involvement of all employees in the direction of the business, whilst achieving a common awareness of the financial and economic factors we face.

Objectives for the Year 2014/15

1. Develop additional services which will enable the company to expand its services to young people and adults in Buckinghamshire.
2. Continue to invest in staff learning and development.
3. Identify additional sources of funding to support our core contract and maintain/enrich the services we provide across Buckinghamshire.
4. Achieve and maintain our NEET, Not Known and In Learning targets as set by Buckinghamshire County Council.
5. Achieve all targets set by commissioners for all our other projects and services.
6. Continue to seek out economies and financial savings without affecting the services we deliver on the front line.

Review of Achievements and Performance for the Year

As required by accounting standards, this report includes significant events since 31 March 2015

Operational Performance

Young people remain at the centre of everything we do and we are passionate about delivering services to young people that meet their needs. The age range of our core contract is for those between 13 to 19 years and up to 25 years for those who have learning difficulties or disabilities. We have achieved all targets set this year during a continued period of challenging economic times.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Headline Targets (as at the end of March 2015)

Young People Not in Employment Education and Training (NEET):

We exceeded the NEET target of 3.5% coming in at the end of the year on 2.9% (compared to 3.6% last year)

Number of young people Not Known

The 'not knowns' have been a challenge for us this year, however, we came in at 1.6%, slightly higher than last year's figure of 1.5% but still under our target of 2%.

Numbers of young people In Learning

Our 'in learning' figure of 89.5% is outstanding, coming in at almost 2% higher than last year's figure and target of 87.6%

Achievement against Other Objectives

In 2014/15 we exceeded our expectations of selling products and services to schools despite schools' diminishing budgets. This is a contrasting situation to many other Connexions charities/companies. This and the positive feedback we have had from schools means that staff, stakeholders and clients are optimistic about the future.

The future of how young people are provided with IAG services across England is under constant debate at a national and local level. Connexions Buckinghamshire has an excellent relationship with the commissioners of the services within BCC. Our customers are constantly changing and we continue to develop our delivery/business model to meet the changing demands and style of work we are now undertaking. We have continued to expand our projects portfolio and revenue sources across Buckinghamshire and have been successful with several bids for additional funds in the year and through to 2015/16.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Achievement against Other Objectives *(continued)*

We have continued to develop our volunteer counselling services and partnerships with many VCS providers across Buckinghamshire. A strength that will support the company in the future is our ability to collaborate and work in true partnership for the benefits of all young people and the community.

During the w/c 15th June 2015 it was confirmed that services provided by Connexions Buckinghamshire under contract to Buckinghamshire County Council will be retendered. A new contract will start as of 1st April 2016 with a specification provided and tendering process commencing September 2015 to be completed with decision made on successful bidder in December 2015.

Financial Review and Results for the Year 2014/15

The Statement of Financial Activities shows total incoming resources of £2,742,302 and total resources expended of £2,744,068, of which £2,738,439 was spent on charitable activities. After taking account of actuarial pension scheme losses, total fund balances decreased by £1,199,766.

The liability currently representing the year-end funding position on the staff pension scheme is designated in the accounts as a "Pension Reserve" under FRS17. This Pension Reserve can fluctuate widely in line with the assumptions used and the prevailing stock market prices at each year-end. The Directors are considering the impact of this liability on future cash flows and on Reserves, but believe that it will be funded from the Company's normal activities. However, as there is no immediate impact on available cash flows and therefore on Reserves Policy, its effect has been disregarded in the rest of this Report.

Connexions Buckinghamshire has also been supported in 2014/15 by the following organisations in cash or kind:

Action 4 Youth
Adviza Partnership
Amersham and Wycombe College
Aylesbury College
Buckinghamshire County Council
Buckinghamshire UTC
Bucks Business First
Great Marlow School
Longridge
The Grange School (Aylesbury)
UNISON
Way-In
Woodrow High House
Wycombe Youth Action
Youth Concern
Youth Enquiry Service

Reserves Policy

Connexions Buckinghamshire needs free reserves to enable it to fulfil its charitable obligations and commitments that it enters into. The charity also requires reserves to ensure continuance of these obligations in the eventuality of any unexpected revenue shortfall.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Financial Review and Results for the Year 2014/15 (continued)

Reserves Policy (continued)

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets. Free reserves should not be mistaken for cash reserves. After adjusting unrestricted funds for designations and disregarding the transient notional deficit on the pension scheme, free reserves stood at £584,666.

Connexions Buckinghamshire's policy in the long term is to aim to hold free reserves equal to not less than three months and no more than six months normal running costs. The Directors believe that the reserves should be built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable objectives. The charity's short term objective is to ensure that the combination of cash and realisable fixed assets is sufficient to meet current and anticipated obligations.

Pensions

The Charity operates a funded defined-benefit pension scheme. The effect of compliance with FRS17 is disclosed in Note 17 to the financial statements. The annually calculated notional surplus or deficit on the funding of the Scheme is shown in the financial statements as a designated fund entitled "Pensions Reserve", which is deducted from Unrestricted Funds in the balance sheet. An actuarial evaluation carried out at 31 March 2015 shows the market value of the assets of the scheme to be £4,177,000 and the present value of the liabilities £47,037,000. The net deficit on the Scheme of £2,860,000 is a statement of the transient situation at 31 March 2015, and the Directors recognise that this can swing notably in response to market factors and the actuarial assumptions made.

Future Plans

1. Continue to develop additional sources of funding to enhance funding from BCC.
2. Improve our performance against our headline targets and provide evidence of the impact of the work that we do.
3. Develop new products, services and customer bases with parents/carers, FE colleges, private investors and by winning additional bids/tenders and revenue.
4. Retain and/or grow on the existing order book we have with schools across Buckinghamshire.
5. Ensure that we offer high quality, relevant services that young people wish to use and that encourage them to maintain contact with Connexions.
6. Embed continuous improvement across the services that we provide to customers.

Trustees' Responsibilities Statement

The trustees (who are also the directors of Connexions Buckinghamshire for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the income and expenditure of the company for that period.

Connexions Buckinghamshire

Trustees Annual Report *(continued)*

Year Ended 31 March 2015

Trustees' Responsibilities Statement (continued)

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 accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of Information to Auditors

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

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.


Auditors

Beever and Struthers are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Small Company Provisions

In preparing this report, the Directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Directors on 24 November 2015 and signed on their behalf by:



D Lunn
Director

Connexions Buckinghamshire

Independent Auditor's Report to the Members of Connexions Buckinghamshire

Year Ended 31 March 2015

We have audited the financial statements of Connexions Buckinghamshire for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As explained more fully 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 financial statements and for being satisfied that they give a true and fair view.

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

Scope of the Audit of the Financial Statements

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

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 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.

Connexions Buckinghamshire

Independent Auditor's Report to the Members of Connexions Buckinghamshire *(continued)*

Year Ended 31 March 2015

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

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

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

Beever and Struthers

Maria Hallows (Senior Statutory Auditor)

for and on behalf of

Beever and Struthers

Chartered Accountants and Statutory Auditor

St George's House

215-219 Chester Road

Manchester

M15 4JE

Dated: *24 November 2015*

Connexions Buckinghamshire

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year Ended 31 March 2015

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2015 £ | Total Funds 2014 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|
| Incoming resources | | | | | |
| Incoming resources from generating funds: | | | | | |
| Investment income | 2 | 1,763 | - | 1,763 | 755 |
| Incoming resources from charitable activities | 3 | 2,702,827 | 37,712 | 2,740,539 | 3,109,392 |
| Total incoming resources | | 2,704,590 | 37,712 | 2,742,302 | 3,110,147 |
| Resources expended | | | | | |
| Costs of generating funds: | | | | | |
| Charitable activities | 4 | (2,702,114) | (36,325) | (2,738,439) | (3,202,071) |
| Governance costs | 5 | (5,629) | - | (5,629) | (11,013) |
| Total resources expended | | (2,707,743) | (36,325) | (2,744,068) | (3,213,084) |
| Net income/ (expenditure) for the year before transfers | | (3,153) | 1,387 | (1,766) | (102,937) |
| Transfers | | 52,183 | (52,183) | - | - |
| Net income/ (expenditure) for the year after transfers | | 49,030 | (50,796) | (1,766) | (102,937) |
| Other recognised gains and losses | | | | | |
| Actuarial (losses)/gains in respect of defined benefit pension schemes | 11 | (1,198,000) | - | (1,198,000) | 129,000 |
| Net movement in funds | | (1,148,970) | (50,796) | (1,199,766) | 26,063 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | (1,126,364) | 58,703 | (1,067,661) | (1,093,724) |
| Total funds carried forward | | (2,275,334) | 7,907 | (2,267,427) | (1,067,661) |

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The surplus for the year for Companies Act purposes comprises the net incoming resources for the year plus any realised gains and losses, and was a deficit of £1,199,766 (2014: £26,063 surplus).

The notes on pages 16 to 24 form part of these financial statements.

Connexions Buckinghamshire

Balance Sheet

31 March 2015

| | Note | 2015 £ | 2014 £ |
|---|------|--------------------|--------------------|
| Current assets | | | |
| Debtors | 8 | 364,794 | 93,774 |
| Cash in hand | | <u>1,013,369</u> | <u>1,337,022</u> |
| | | 1,378,163 | 1,430,796 |
| Creditors: amounts falling due within one year | 9 | <u>(685,589)</u> | <u>(944,457)</u> |
| Net current assets | | <u>692,574</u> | <u>486,339</u> |
| Total assets less current liabilities | | <u>692,574</u> | 486,339 |
| Provisions for liabilities | | | |
| Other provisions | 10 | <u>(100,000)</u> | <u>(50,000)</u> |
| Net assets excluding pension liability | | 592,574 | 436,339 |
| Defined benefit pension scheme liability | 11 | <u>(2,860,000)</u> | <u>(1,504,000)</u> |
| Net liabilities including pension scheme | | <u>(2,267,426)</u> | <u>(1,067,661)</u> |
| Funds | | | |
| Restricted income funds | 12 | 7,907 | 58,703 |
| Unrestricted income funds: | | | |
| Unrestricted income funds excluding pension liability | 12 | 584,666 | 377,636 |
| Pension reserve | 12 | <u>(2,860,000)</u> | <u>(1,504,000)</u> |
| Total unrestricted income funds | | <u>(2,275,334)</u> | <u>(1,126,364)</u> |
| Total funds | | <u>(2,267,427)</u> | <u>(1,067,661)</u> |

These financial statements were approved and signed by the member of the committee and authorised for issue on 24 November 2015

D Lunn
Director



Company Registration Number: 6534215

The notes on pages 16 to 24 form part of these financial statements.

Connexions Buckinghamshire

Notes to the Financial Statements

Year Ended 31 March 2015

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Cash Flow Statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fund accounting

Unrestricted funds comprise accumulated surplus and deficits on general funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and that have not been designated for other purposes.

Restricted funds are subject to special conditions imposed by the donor.

Resources Expended

Resources expended are recorded in the Statement of Financial Activities as incurred on an accrual basis. They are analysed between generating funds, charitable expenditure and governance of the charity, based on the nature of the expense.

Costs of charitable activities are costs in furtherance of the charity's objects relating to the benefit of children and young people in the county of Buckinghamshire.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and represent the costs of staff employed and overhead costs based on Full Time Equivalents. Management costs are those incurred in connection with administration and workforce development and compliance with constitutional and statutory requirements. The costs are apportioned across charitable activities.

Governance costs are those relating to the Charity itself, not its objects and include external audit, any legal advice for the Trustees and any costs associated with complying with constitutional and statutory requirements e.g. the costs of Trustees meetings and preparing statutory accounts.

Income

Income represents direct government grants and other income from government funded projects receivable during the year, excluding value added tax.

Pension Costs

The charitable company operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2015.

Taxation

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

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

1. Accounting Policies (continued)

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the period of the lease.

2. Investment Income

| | Unrestricted Funds | Total Funds 2015 | Total Funds 2014 |
|--------------------------|-----------------------|---------------------|---------------------|
| | £ | £ | £ |
| Bank interest receivable | <u>1,763</u> | <u>1,763</u> | <u>755</u> |

3. Incoming Resources from Charitable Activities

| | Restricted Funds | Unrestricted Funds | Total Funds 2015 | Total Funds 2014 |
|------------------------------|---------------------|-----------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Other Government Funds/ESF | - | 294,546 | 294,546 | 122,566 |
| Local Authority Grant Income | - | 2,206,264 | 2,206,264 | 2,471,686 |
| Other Income | 37,712 | 33,713 | 71,425 | 330,499 |
| Schools | <u>-</u> | <u>168,304</u> | <u>168,304</u> | <u>184,641</u> |
| | <u>37,712</u> | <u>2,702,827</u> | <u>2,740,539</u> | <u>3,109,392</u> |

4. Costs of Charitable Activities by Activity Type

| | Unrestricted Funds | Restricted Funds | Total Funds 2015 | Total Funds 2014 |
|---------------------------------|-----------------------|---------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Pension finance charge | 8,000 | - | 8,000 | 35,000 |
| Other pension costs | 150,000 | - | 150,000 | 158,000 |
| Staff costs | 1,675,075 | - | 1,675,075 | 1,801,590 |
| Travel and subsistence | 55,012 | - | 55,012 | 51,578 |
| Other staff costs | 61,839 | - | 61,839 | 291,119 |
| Premises costs | 144,118 | - | 144,118 | 202,825 |
| IT and communications | 65,000 | - | 65,000 | 83,218 |
| Printing postage and stationery | 6,383 | 17,029 | 23,412 | 23,365 |
| Training costs | 16,396 | - | 16,396 | 16,599 |
| Other costs | <u>520,291</u> | <u>19,296</u> | <u>539,588</u> | <u>538,777</u> |
| | <u>2,702,114</u> | <u>36,325</u> | <u>2,738,438</u> | <u>3,202,071</u> |

The above costs include £424,146 (2014: £449,552) in relation to support costs. Support costs relate to payroll, IT, HR, support staff and head office functions.

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

5. Governance Costs

| | Unrestricted Funds £ | Total Funds 2015 £ | Total Funds 2014 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Auditors remuneration | | 5,629 | 8,353 |
| Professional fees | | <u>-</u> | <u>2,660</u> |
| | | <u>5,629</u> | <u>11,013</u> |

6. Net Incoming Resources for the Year

This is stated after charging:

| | 2015 £ | 2014 £ |
|-------------------------------------|---------------|---------------|
| Auditors' remuneration: | | |
| - audit of the financial statements | 5,629 | 8,353 |
| - other services | - | - |
| Operating leases | <u>98,891</u> | <u>92,868</u> |

Staff Costs and Emoluments

Total staff costs were as follows:

| | 2015 £ | 2014 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,387,338 | 1,488,790 |
| Social security costs | 93,711 | 106,117 |
| Other pension costs | <u>194,025</u> | <u>206,684</u> |
| | <u>1,675,074</u> | <u>1,801,591</u> |

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

| | 2015 No | 2014 No |
|------------------------------|------------|------------|
| Average number of employees: | | |
| Support | 8 | 6 |
| Operations | <u>64</u> | <u>67</u> |
| | <u>72</u> | <u>73</u> |

The number of employees whose remuneration for the year fell within the following bands, were:

| | 2015 No | 2014 No |
|--------------------|------------|------------|
| £60,000 to £69,999 | <u>1</u> | <u>1</u> |
| | <u>1</u> | <u>1</u> |

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

8. Debtors

| | 2015 | 2014 |
|------------------------------------|----------------|---------------|
| | £ | £ |
| Trade debtors | 120,964 | 70,160 |
| Amounts owed by group undertakings | 217,675 | 10,857 |
| Other debtors | - | 1,339 |
| Prepayments | <u>26,155</u> | <u>11,418</u> |
| | <u>364,794</u> | <u>93,774</u> |

9. Creditors: Amounts falling due within one year

| | 2015 | 2014 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 10,547 | 14,793 |
| Amounts owed to group undertakings | 188,843 | 571,152 |
| Taxation and social security | 32,844 | 40,752 |
| Other creditors | 16,581 | - |
| Accruals | <u>436,774</u> | <u>317,760</u> |
| | <u>685,589</u> | <u>944,457</u> |

10. Other Provisions

| | Dilapidations | Total 2015 |
|--------------------------|----------------|----------------|
| | | £ |
| Balance at 1 April 2014 | 50,000 | 50,000 |
| Charged in the year | <u>50,000</u> | <u>50,000</u> |
| Balance at 31 March 2015 | <u>100,000</u> | <u>100,000</u> |

11. Pension

The company is a member of the Buckinghamshire Pension Scheme, which operates within the Local Government Pension Scheme, providing defined benefits based on pay and service. The assets of the scheme are held separately. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The charity operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the charity, being invested with (insert investment explanation e.g. insurance companies).

The pension costs charged in the SOFA amounted to £194,025 (2014: 206,684).

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

11. Pension (continued)

Principle Assumptions at the Balance Sheet Date

| | 2015 | 2014 |
|--|------------|------------|
| RPI increases | 3.4% | 3.7% |
| CPI increases | 2.6% | 2.9% |
| Salary increases | 4.4% | 4.7% |
| Pension increases | 2.6% | 2.9% |
| Discount rate | 3.5% | 4.6% |
| Assumed life expectancy from age 65 are: | | |
| Males (retiring today) | 23.7 years | 23.6 years |
| Females (retiring today) | 26.1 years | 26.0 years |
| Males (retiring in 20 years) | 26.0 years | 25.8 years |
| Females (retiring in 20 years) | 28.4 years | 28.3 years |

Major Categories of Scheme Assets as a Percentage of Total Scheme Assets

| | 2015 | | | 2014 | | |
|-------------------------------------|-------------|----------------|------------|-------------|----------------|------------|
| | Return % | Value £'000 | Share % | Return % | Value £'000 | Share % |
| Gilts | 6.4 | 521 | 12 | 3.6 | 171 | 5 |
| Equities | 6.4 | 2,281 | 55 | 7.0 | 2,314 | 68 |
| Other bonds | 6.4 | 541 | 13 | 4.2 | 340 | 10 |
| Property | 6.4 | 358 | 9 | 5.8 | 272 | 8 |
| Cash | 6.4 | 81 | 2 | 3.4 | 34 | 1 |
| Alternative assets | 6.4 | 395 | 9 | 7.0 | 272 | 8 |
| | | 4,177 | 100 | | | |
| Total market value | | | | | 3,403 | 100 |
| Present value of scheme liabilities | | 7,037 | | | 4,907 | |
| (Deficit) in the scheme | | (2,860) | | | (1,504) | |

Amounts included in the Statement of Financial Activities

| | 2015 | 2014 |
|--|-------|-------|
| Current service cost | 384 | 376 |
| Expected return on scheme assets | 237 | 216 |
| Interest on pension liabilities | (229) | (181) |
| Total amount charged within net incoming resources | 392 | 411 |
| Actuarial loss/(gain) | 1,198 | (129) |
| Total amount charged | 1,590 | 282 |

Connexions Buckinghamshire expects to contribute £245,000 (2014: £213,000) to its defined benefit pension scheme in 2016. The cumulative total of recognised actuarial losses is £2,264,000 (2014: £1,066,000).

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

11. Pension (continued)

Asset and Benefit Reconciliation

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Changes in the present value of defined benefit obligations: | | |
| Opening defined benefit obligations | 4,907 | 4,348 |
| Employee contributions | 106 | 100 |
| Current service cost | 384 | 376 |
| Interest on liabilities | 237 | 216 |
| Actuarial experience (gains) | 1,408 | (154) |
| Benefits paid | <u>(5)</u> | <u>21</u> |
| Closing defined benefit obligations | <u>7,037</u> | <u>4,907</u> |
| Changes in the fair value of plan assets: | | |
| Opening fair value of assets | 3,403 | 2,909 |
| Employer contributions | 234 | 218 |
| Employee contributions | 106 | 100 |
| Expected return on assets | 229 | 181 |
| Actuarial experience gains/(losses) | 210 | (25) |
| Benefits paid | <u>(5)</u> | <u>21</u> |
| Closing fair value of assets | <u>4,177</u> | <u>3,403</u> |

Experience adjustments for the current and previous four periods are as follows:

| | 2015 £'000 | 2014 £'000 | 2013 £'000 | 2012 £'000 | 2011 £'000 |
|--|----------------|----------------|----------------|----------------|----------------|
| Plan assets at fair value | 4,177 | 3,403 | 2,909 | 2,157 | 1,897 |
| Defined benefit obligation | <u>(7,037)</u> | <u>(4,907)</u> | <u>(4,348)</u> | <u>(3,733)</u> | <u>(2,571)</u> |
| Surplus/(deficit) | <u>(2,860)</u> | <u>(1,504)</u> | <u>(1,439)</u> | <u>(1,576)</u> | <u>(674)</u> |
| Experience adjustments on plan assets | <u>210</u> | <u>(25)</u> | <u>322</u> | <u>(215)</u> | <u>11</u> |
| Experience adjustments on plan liabilities | <u>-</u> | <u>504</u> | <u>-</u> | <u>-</u> | <u>(135)</u> |

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

12. Funds

| | Balance at 1 Apr 2014 £ | Incoming resources £ | Outgoing resources £ | Other gains and losses £ | Reserve Transfers £ | Balance at 31 Mar 2015 £ |
|-------------------------------|-------------------------------|----------------------------|----------------------------|--------------------------------|---------------------------|--------------------------------|
| Restricted Funds | | | | | | |
| Right Track | 27,183 | - | - | - | (27,183) | - |
| Investors in careers | 12,300 | - | - | - | - | 12,300 |
| Prince's Trust | 25,000 | - | - | - | (25,000) | - |
| Delivery Support Materials | <u>(5,780)</u> | <u>37,712</u> | <u>(36,325)</u> | <u>-</u> | <u>-</u> | <u>(4,393)</u> |
| | 58,703 | 37,712 | (36,325) | - | (52,183) | 7,907 |
| Unrestricted Funds | | | | | | |
| General fund | 377,636 | 2,704,590 | (2,549,743) | - | 52,183 | 584,666 |
| Pension reserve | <u>(1,504,000)</u> | <u>-</u> | <u>(158,000)</u> | <u>(1,198,000)</u> | <u>-</u> | <u>(2,860,000)</u> |
| | <u>(1,126,364)</u> | <u>2,704,590</u> | <u>(2,707,743)</u> | <u>(1,198,000)</u> | <u>52,183</u> | <u>(2,275,334)</u> |
| Total Funds | <u>(1,067,661)</u> | <u>2,742,302</u> | <u>(2,744,068)</u> | <u>(1,198,000)</u> | <u>-</u> | <u>(2,267,427)</u> |

Right Track is a project to deliver support to young people in years 10 and 11 to help them sustain their education and move on successfully into jobs or further education.

Investors in Careers provides funding to support schools gain accreditation for the Investors in Careers Award.

The Prince's Trust Mentoring Scheme is a programme which matches volunteer mentors with young people leaving care.

The Delivery Support Materials fund provides online career resources to schools in Buckinghamshire.

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

13. Analysis of Net Assets between Funds

| | Net current assets £ | Provisions for liabilities £ | Pension Scheme £ | Total £ |
|---------------------------------|----------------------------|------------------------------------|---------------------------|---------------------------|
| Restricted Funds | | | | |
| Right Track | - | - | - | - |
| Investors in careers | 12,300 | - | - | 12,300 |
| Prince's Trust | - | - | - | - |
| Delivery Support Materials | (4,393) | - | - | (4,393) |
| Unrestricted Funds | | | | |
| General fund | 684,667 | (100,000) | - | 584,667 |
| Pension reserve | - | - | (2,860,000) | (2,860,000) |
| Net assets/(liabilities) | <u>692,574</u> | <u>(100,000)</u> | <u>(2,860,000)</u> | <u>(2,267,427)</u> |

14. Commitments under Operating Leases

At 31 March 2015, the charitable company had annual commitments under non-cancellable operating leases as follows:

| | 2015 £ | 2014 £ |
|-------------------------------------|----------------------|----------------------|
| Land and buildings: | | |
| Expiring in less than one year | 32,000 | - |
| Expiring between two and five years | - | 32,000 |
| | <u>32,000</u> | <u>32,000</u> |

15. Related Parties

The following organisations have representatives on the Trustee Board and are, therefore, considered to be related parties:

| | Invoiced To £ | Invoiced From £ | Due To £ | Due From £ |
|--------------------------------|-------------------------|-----------------------|-----------------|-----------------------|
| Buckinghamshire County Council | <u>3,061,174</u> | <u>51,300</u> | <u>-</u> | <u>113,572</u> |

The ultimate controlling party is deemed to be the Adviza Partnership. As such, the financial statements of Connexions Buckinghamshire have been included in the consolidated financial statements of Adviza Partnership. Transactions with the parent undertaking are not disclosed as the company has taken advantage of the special exemption conferred by FRS 8.

Connexions Buckinghamshire

Notes to the Financial Statements (continued)

Year Ended 31 March 2015

16. Trustee Remuneration and Benefits

During the year, the following amounts have been paid to trustees in their capacity as directors of the charitable company:

| | 2015 | 2014 |
|----------------------------------|----------------------|----------------------|
| | £ | £ |
| David Lunn (Chairman) | | |
| Remuneration | <u>6,121</u> | <u>6,060</u> |
| Lucy Goodyer | | |
| Remuneration | 32,679 | 31,788 |
| Employer's pension contributions | <u>4,575</u> | <u>4,415</u> |
| | <u>37,254</u> | <u>36,203</u> |