

Company Registration No. 08714780 (England and Wales)

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2016

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

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UNIVERSITY TECHNICAL COLLEGE WARRINGTON

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

L Barber (Accounting Officer and Principal)
M Houghton
W J McCann
A McManus
S Park
J Patterson
R M Smith (Appointed 6 December 2016)

Members

S Broomhead
P Adams
C Wheeler
M Thirsk

Senior management team

- Principal L Barber
- Vice principal J Backhouse
- Vice principal A Downing

Company secretary M Ward

Company registration number 08714780 (England and Wales)

Registered office

UTC Warrington
Dallam Lane
Warrington
WA2 7NG

Independent auditor

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Bankers

Lloyds Bank PLC
Horsemarket Street
Warrington
WA1 1TP

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their annual report together with the financial statements and auditor's reports of University Technical College Warrington (UTC Warrington) for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees report & a directors report under company law.

UTC Warrington's object ("the Object") is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum which includes provision for technical education. UTC Warrington specialises in Science & Engineering and provides education for students aged 14-19.

Structure, governance and management

Constitution

UTC Warrington is a company limited by guarantee and an exempt charity, its memorandum and articles of association are the primary governing documents of the trust.

The trustees of University Technical College Warrington are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each Member of UTC Warrington undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

Trustees' indemnities

UTC Warrington maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Governors. UTC Warrington has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 236 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties during the course of acting as Governors or officers' UTC Warrington.

Method of recruitment and appointment or election of trustees

Under the terms of its Articles and Funding Agreement, UTC Warrington must provide to the Secretary of State the names of all new or replacement Charity Trustees and Members of the Academy Trust, stating whether they have been appointed or elected, the date of their appointment or election and, where applicable, the name of the Charity Trustee or member they replaced as soon as is practicable and in any event within 14 days of their appointment or election.

UTC Warrington must not appoint any new or replacement Charity Trustees or Members until it has first informed them, and they have agreed, that their names will be shared with the Secretary of State to enable him to assess their suitability.

UTC Warrington must not amend or remove the provisions in its Articles relating to the appointment, election, resignation or removal of Charity Trustees or Members ("the Governance Articles") without the Secretary of State's consent.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Policies and procedures adopted for the induction and training of trustees

During the year under review (pre-opening phase), the full Governing Body met on a monthly basis. The Governing body have been heavily involved with the pre-opening phase and kept up to date by the Principal & Chief Executive. The training and induction provided for new Governors depends on their previous experience. A skills audit has been completed by all governors which has been analysed to form a governor CPD programme. All new Governors are given a tour of the college and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors.

Organisational structure

The organisational structure consists of three levels: The Governors, the Senior Leadership Team, including the extended Senior Leadership Team, which includes Directors of Faculties. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring UTC Warrington by the use of budgets and making major decisions about the direction of UTC Warrington, capital expenditure and appointment of the Principal & Chief Executive.

The Senior Leadership Team comprises of the Principal & Chief Executive and Vice Principal(s). The Principal & Chief Executive also acts as the Accounting Officer. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment Boards for posts in the Senior Leadership Team always contain a Governor. Some spending control is devolved to Budget Holders, who are generally Members of the middle management team, with limits above which a member of the Senior Leadership Team must countersign.

The Middle Management Team includes Curriculum Area Leaders and Heads of Year. Along with the Senior Leadership Team these managers are responsible for the day to day operation of the Academy, organising the teaching staff, facilities and students.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the academy trust comprise the Trustees and senior leadership team as disclosed on page 1.

The day to day running of the remuneration policy is delegated to the Principal & Chief Executive and monitored by the finance and resources committee. All details for setting pay and remuneration of key management personnel are set out in the staff appraisal policy which is reviewed annually by the Board of Trustees.

Remuneration of key management personnel is set at an individual level, and where possible the Trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked to pay spines (i.e. National Teachers or Local Government Pay Scales), helping Trustees conclude that each individual's remuneration at an appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The Board always bear in mind the charitable status of UTC Warrington and recognise the fact the trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensure the remuneration paid to senior management personnel never exceeds a reasonable amount that provide value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Related parties and other connected charities and organisations

UTC Warrington is sponsored by Manchester Metropolitan University. Connected organisations include; Sellafeld Ltd, Tenet Consultants and Warrington & Co. whom are connected via Members or Trustees.

Related Party Questionnaires have been completed by all Trustees and a register of related parties/declarations of interest is kept by the Clerk to Governors.

Objectives and activities

Objects and aims

UTC Warrington aims to create an outstanding academic and technical institution, with support from our employer and university partners, to achieve the following objectives:

- Address the skills gap, as identified by the Energy and Engineering industries and government
- Be known as a pioneering institution for outstanding quality STEM (Science Technology, Engineering & Maths) education in Warrington; filling the void which currently exists
- Prepare a generation of skilled, career-ready young people with the necessary technical, academic and softer skills to succeed
- Establish a modern, progressive college with innovative and forward-thinking curriculum, valued by students and employers alike
- Support female engineers into the profession, working alongside high profile aspirational women in Engineering
- Establish a dynamic staff team, who have strong relationships with students and are prepared to go the 'extra mile'

Objectives, strategies and activities

Public benefit

UTC Warrington is a Single Academy Trust catering for students aged 14 to 19 which strives to promote and support the advancement of education within the Warrington area. UTC Warrington provides an extensive programme of academic and technical education - all designed to contribute to the overall education of our students focussing on areas such as Science, Technology, Engineering, Arts and Mathematics. The vision is for students to be inspired by the relevance and challenge of solving real-life problems and developing the skills and confidence to succeed throughout their journey into their working lives.

UTC Warrington works with:

- Manchester Metropolitan University, our University sponsor.
- A large network of local employers
- local primary and secondary educational establishments

UTC Warrington also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:

- Use of a state of the art lecture theatre
- Use of high quality engineering equipment/machinery and/or science laboratories
- Use of high quality conferencing and catering spaces

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance

The aim for the financial year was to meet the target recruitment of students for entry in September 2016 to ensure UTC Warrington operates within its aims and to achieve good examination achievements at the end of the first academic year.

UTC Warrington met its student recruitment target opening with 193 students in September 2016.

Visits from the Department for Education have been very positive, indicating the high levels of readiness for opening having successfully navigated the robust DfE/Ofsted pre-opening gateway.

Key performance indicators

Key performance indicators have been set to achieve; student recruitment numbers to capacity (according to PAN); operating within an agreed (and funded) budget from the Department for Education; efficient use of the EFA capital funding allocation.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

During the year to 31 August 2016 the academy has managed to implement the foundations of which it will operate for the foreseeable future.

The build of the academy was approaching completion at the year end with costs incurred in the year of £8,963,362 giving a net book value of £9,446,489 of fixed assets at year end (2015 - £484,554).

There were no unrestricted fund balances as at the balance sheet date. Restricted general funds were slightly overdrawn at £51,522 (2015 - £50,109 surplus). This can be expected with the academy becoming established at an early stage in its life, budgets and forecasts show an expected surplus from 2016/17 going forward.

The fixed asset restricted funds are at the same value as the NBV of the fixed assets stated above.

The academy is solvent with a net current assets position of £81,477 and healthy cash reserves of £21,729 at the balance sheet date.

Within the financial year, UTC Warrington has established a full set of key financial policies to meet its obligations.

Guidance from the Academies Financial Handbook has been used to form an internal financial manual with plans to make any necessary revisions upon opening. A Finance & Resources Committee has been established to provide support and scrutiny, ensuring adequate financial controls are in place.

UTC Warrington has kept a risk register which has been reviewed on a monthly basis.

The biggest risks have been identified as student recruitment and successful on-time completion of the new build project. Failure to recruit enough students will result in financial claw back from the EFA which could affect longer term plans. Upon opening, it is expected that student recruitment will continue to be the biggest challenge along with maintaining financial viability.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Reserves policy

The Trustees will review the reserve levels of UTC Warrington annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

At the balance sheet date, the academy had total funds of £9,394,967 of which none were unrestricted.

The Trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the students.

Investment policy and powers

The governors' investment powers are set down in the charitable company's Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law. UTC Warrington held no investments within the financial year.

Principal risks and uncertainties

The Governors have assessed the major risks to which UTC Warrington is exposed, in particular those relating to the specific teaching, student recruitment, finances and operational matters such as facilities. The Governors have implemented a number of systems to assess potential risks, especially in the operational areas (e.g. in relation to teaching, health and safety, anti-bullying and trips & visits) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of college grounds) and internal financial controls (see below) in order to manage risk. Within the pre-opening phase risk workshops were established and attended by Governors and key stakeholders. Where significant financial risk still remains they have ensured they have adequate insurance cover. UTC Warrington has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

Plans for future periods

- In order to off-set depreciation of specialist equipment, UTC Warrington plans to build a funding reserve to replenish, maintain and upgrade over a 5-year period.
- To monitor and scrutinise a Fixed Asset Register to protect current investment.
- To implement an on-going internal audit provision by external accountants to improve financial procedures and control.

Funds held as custodian trustee on behalf of others

Although the Academy Trust maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors and other funders, the Trust does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodian for any third party.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 15 December 2016 and signed on its behalf by:



A McManus

Trustee

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that University Technical College Warrington has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between University Technical College Warrington and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 12 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
L Barber (Accounting Officer and Principal)	11	12
M Houghton	11	12
W J McCann	10	12
A McManus	11	12
S Park	10	12
J Patterson	11	12
R M Smith (Appointed 6 December 2016)	3	12

As this is a shadow Governing Body in the pre-opening phase of UTC Warrington's existence, the development of governance procedures incrementally increased throughout the year, including training/CPD from a range of consultants and national leaders of governance. Governance procedures were scrutinised by the Department for Education at several junctures throughout the year.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to support and challenge the Principal and Senior Leadership Team in the areas of budget, audit, pay, facilities, HR and staffing.

Review of value for money

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for UTC Warrington has delivered improved value for money during the year by:

- following thorough financial processes
- obtaining 3 or more quotes per tender
- seeking to use the most cost effective solutions

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in University Technical College Warrington for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function once UTC is open and has decided:

- to appoint UHY Hacker Young Manchester LLP as internal auditor.

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the auditor will report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The proposed approach for the internal audit is to concentrate on the following areas:

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

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of effectiveness

As Accounting Officer, the Principal & Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor;
- the work of the executive managers within UTC Warrington who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the external auditors and the executive managers and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 15 December 2016 and signed on its behalf by:



L Barber
Accounting Officer and Principal



A McManus
Trustee

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

As Accounting Officer of UTC Warrington, I have considered my responsibility to notify the UTC Warrington Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the UTC Warrington Trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the trust's funding agreement and the Academies Financial Handbook 2015.

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



L Barber
Accounting Officer

15 December 2016

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who also act as governors for University Technical College Warrington and are also the directors of University Technical College Warrington for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 15 December 2016 and signed on its behalf by:



A McManus
Trustee

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF UNIVERSITY TECHNICAL COLLEGE WARRINGTON

We have audited the accounts of University Technical College Warrington for the year ended 31 August 2016 set out on pages 17 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees, who are also the directors of University Technical College Warrington for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF UNIVERSITY TECHNICAL COLLEGE WARRINGTON (CONTINUED)

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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mark Robertson (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

Chartered Accountants
Statutory Auditor
St James Building
79 Oxford Street
Manchester
M1 6HT

Dated: 15 December 2016

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UNIVERSITY TECHNICAL COLLEGE WARRINGTON AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 14 October 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by University Technical College Warrington during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to University Technical College Warrington and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the University Technical College Warrington and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than University Technical College Warrington and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of University Technical College Warrington's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of University Technical College Warrington's funding agreement with the Secretary of State for Education dated 26 March 2015 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements University Technical College Warrington for the year ended 31 August 2016 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UNIVERSITY TECHNICAL COLLEGE WARRINGTON AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

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



Mark Robertson
Reporting Accountant
UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Dated: 15 December 2016

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	40,000	-	8,962,357	9,002,357	529,139
Charitable activities:						
- Funding for educational operations	3	-	170,000	-	170,000	-
Investments	4	168	-	-	168	98
Total income and endowments		<u>40,168</u>	<u>170,000</u>	<u>8,962,357</u>	<u>9,172,525</u>	<u>529,237</u>
Expenditure on:						
Charitable activities:						
- Educational operations	6	-	310,795	1,427	312,222	136,343
Total expenditure	5	<u>-</u>	<u>310,795</u>	<u>1,427</u>	<u>312,222</u>	<u>136,343</u>
Net income/(expenditure)		40,168	(140,795)	8,960,930	8,860,303	392,894
Transfers between funds		(40,168)	39,163	1,005	-	-
Reconciliation of funds						
Total funds brought forward		-	50,109	484,554	534,663	141,769
Total funds carried forward		<u>-</u>	<u>(51,523)</u>	<u>9,446,489</u>	<u>9,394,966</u>	<u>534,663</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

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

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2015 £
Income and endowments from:					
Donations and capital grants	2	47,500	-	481,639	529,139
Charitable activities:					
Investments	4	98	-	-	98
Total income and endowments		<u>47,598</u>	<u>-</u>	<u>481,639</u>	<u>529,237</u>
Expenditure on:					
Charitable activities:					
- Educational operations	6	-	136,343	-	136,343
Total expenditure	5	<u>-</u>	<u>136,343</u>	<u>-</u>	<u>136,343</u>
Net income/(expenditure)		47,598	(136,343)	481,639	392,894
Transfers between funds		(47,604)	44,689	2,915	-
Reconciliation of funds					
Total funds brought forward		<u>6</u>	<u>141,763</u>	<u>-</u>	<u>141,769</u>
Total funds carried forward		<u>-</u>	<u>50,109</u>	<u>484,554</u>	<u>534,663</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	10		9,446,489		484,554
Current assets					
Debtors	11	3,361,637		201,563	
Cash at bank and in hand		21,729		76,088	
			3,383,366		277,651
Current liabilities					
Creditors: amounts falling due within one year	12	(3,301,889)		(227,542)	
Net current assets			81,477		50,109
Total assets less current liabilities			9,527,966		534,663
Creditors: amounts falling due after more than one year	13		(133,000)		-
Net assets excluding pension asset			9,394,966		534,663
Funds of the academy trust:					
Restricted funds	14				
- Fixed asset funds			9,446,489		484,554
- Restricted income funds			(51,523)		50,109
Total restricted funds			9,394,966		534,663
Unrestricted income funds	14		-		-
Total funds			9,394,966		534,663

The accounts set out on pages 17 to 30 were approved by the board of trustees and authorised for issue on 15 December 2016 and are signed on its behalf by:



A McManus
Trustee

Company Number 08714780

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Net cash used in operating activities	17		(53,522)		(73,653)
Cash flows from investing activities					
Dividends, interest and rents from investments		168		98	
Capital grants from DfE and EFA		8,962,357		481,639	
Payments to acquire tangible fixed assets		(8,963,362)		(484,554)	
			(837)		(2,817)
Change in cash and cash equivalents in the reporting period			(54,359)		(76,470)
Cash and cash equivalents at 1 September 2015			76,088		152,558
Cash and cash equivalents at 31 August 2016			21,729		76,088

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

University Technical College Warrington meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of University Technical College Warrington prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

1.5 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Land and buildings	50 years straight line
Computer equipment	4 years straight line
Fixtures, fittings & equipment	5% - 25% reducing balance

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Leasing and hire purchase commitments

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

1.8 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note , the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.10 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency.

1.11 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The trustees believe there are no key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Private sponsorship	40,000	-	40,000	47,500
Capital grants	-	8,962,357	8,962,357	481,639
	<u>40,000</u>	<u>8,962,357</u>	<u>9,002,357</u>	<u>529,139</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE / EFA grants				
Other DfE / EFA grants	-	170,000	170,000	-
Total funding	-	170,000	170,000	-

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Other investment income	168	-	168	98

5 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
- Direct costs	233,446	-	9,918	243,364	3,062
- Allocated support costs	-	1,427	67,431	68,858	133,281
	<u>233,446</u>	<u>1,427</u>	<u>77,349</u>	<u>312,222</u>	<u>136,343</u>
Total expenditure	233,446	1,427	77,349	312,222	136,343

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees payable to auditor for:		
- Audit	3,000	1,550
- Other services	2,000	-
Operating lease rentals	3,685	-
Depreciation of tangible fixed assets	1,427	-

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

6 Charitable activities

	2016 £	2015 £
All from restricted funds:		
Direct costs - educational operations	243,364	3,062
Support costs - educational operations	68,858	133,281
	<u>312,222</u>	<u>136,343</u>

	2016 £	2015 £
Analysis of support costs		
Depreciation and amortisation	1,427	-
Premises costs	3,685	-
Other support costs	35,672	57,217
Governance costs	28,074	76,064
	<u>68,858</u>	<u>133,281</u>

7 Staff costs

	2016 £	2015 £
Wages and salaries	211,913	3,062
Operating costs of defined benefit pension schemes	21,533	-
Total staff expenditure	<u>233,446</u>	<u>3,062</u>

Staff numbers

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

	2016 Number	2015 Number
Administration and support	2	-
Management	2	1
	<u>4</u>	<u>1</u>

Higher paid staff

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

	2016 Number	2015 Number
£80,001 - £90,000	1	-

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Staff costs

(Continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £146,177.

8 Trustees' remuneration and expenses

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

The value of trustees' remuneration and other benefits was as follows:

L Barber (principal and trustee):

Remuneration: £80,000 - £90,000

Employer pension contributions paid £15,000 - £20,000

During the period ended 31 August 2016, travel and subsistence expenses totalling £155 were reimbursed or paid directly to 1 trustee.

9 Trustees and officers insurance

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

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

10 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2015	483,226	1,328	-	484,554
Additions	8,455,767	178,473	329,122	8,963,362
At 31 August 2016	8,938,993	179,801	329,122	9,447,916
Depreciation				
At 1 September 2015	-	-	-	-
Charge for the year	-	1,427	-	1,427
At 31 August 2016	-	1,427	-	1,427
Net book value				
At 31 August 2016	8,938,993	178,374	329,122	9,446,489
At 31 August 2015	483,226	1,328	-	484,554

11 Debtors

	2016 £	2015 £
Other debtors	3,350,570	201,315
Prepayments and accrued income	11,067	248
	3,361,637	201,563

12 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	70,827	117,094
Other taxation and social security	20,727	-
EFA creditors	1,540,338	96,828
Other creditors	155,198	4,000
Accruals and deferred income	1,514,799	9,620
	3,301,889	227,542

13 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	133,000	-

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

14 Funds

	Balance at 1 September 2015	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2016
	£	£	£	£	£
Restricted general funds					
Other DfE / EFA grants	50,109	170,000	(310,795)	39,163	(51,523)
Restricted fixed asset funds					
DfE / EFA capital grants	484,554	8,962,357	(1,427)	1,005	9,446,489
Total restricted funds	534,663	9,132,357	(312,222)	40,168	9,394,966
Unrestricted funds					
General funds	-	40,168	-	(40,168)	-
Total funds	534,663	9,172,525	(312,222)	-	9,394,966

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

i) Other DfE / EFA grants is a fund used to track other restricted grants provided by the DfE or EFA.

ii) The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward as well as the current assets held.

15 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	9,446,489	9,446,489
Current assets	266,000	3,117,366	-	3,383,366
Creditors falling due within one year	(133,000)	(3,168,889)	-	(3,301,889)
Creditors falling due after one year	(133,000)	-	-	(133,000)
	-	(51,523)	9,446,489	9,394,966

16 Pension and similar obligations

As at the year end the academy trust had no active members in the pension fund. entry to this fund has been deferred until 1 September 2016. There is therefore no liability held in the accounts at the year end.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Reconciliation of net income to net cash flows from operating activities	2016	2015
	£	£
Net income for the reporting period	8,860,303	392,894
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(8,962,357)	(481,639)
Investment income	(168)	(98)
Depreciation of tangible fixed assets	1,427	-
(Increase)/decrease in debtors	(3,160,074)	(201,563)
Increase/(decrease) in creditors	3,207,347	216,753
Net cash used in operating activities	<u>(53,522)</u>	<u>(73,653)</u>

18 Related party transactions

The academy received £10,000 (2015 - £nil) in sponsorship donations from Manchester Metropolitan University (MMU) in the year. MMU are noted to have a direct interest in the academy being a relevant legal entity and also have two designated members on the academy's trust board.

19 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.