

Company Registration No. 08714780 (England and Wales)

**UNIVERSITY TECHNICAL COLLEGE WARRINGTON
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

CONTENTS

	Page
Reference and administrative details	1
Governors' report	2 - 3
Statement of governors' responsibilities	4
Independent auditor's report on the accounts	5 - 6
Statement of financial activities	7
Balance sheet	8
Cash flow statement	9
Notes to the accounts	10 - 15

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

REFERENCE AND ADMINISTRATIVE DETAILS

Governors	L Bellamy (Resigned 25 March 2015) P Harrop (Resigned 25 March 2015) D Moore (Resigned 25 March 2015) S Park L M Barber (Appointed 1 September 2015) M Houghton (Appointed 25 March 2015) A McManus (Appointed 25 March 2015) W J McCann (Appointed 25 March 2015) J Patterson (Appointed 15 June 2015)
Company secretary	R Rimmer
Company registration number	08714780 (England and Wales)
Registered office	International Business Centre Delta Crescent Westbrook Warrington Cheshire WA5 7WQ
Independent auditor	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD
Bankers	Santander UK plc Bridle Road Bootle Merseyside L30 4GB

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

GOVERNORS' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2014

The governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 April 2014 to 31 August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust commenced to trade on 18 July 2014, at which date its principal activity became that of the provision of secondary school education for 14 to 19 year olds. During the period under review the academy trust proceeded to prepare to construct the academy buildings and establish an organisational structure, with the intention to open to students in 2016. The funding agreement with the EFA was signed post year end.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

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

Members' liability

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

Governors' indemnities

The liability of the members (the majority of whom are also directors) of the Academy is limited.

Method of recruitment and appointment or election of governors

The members may appoint up to twelve governors and up to three co-opted governors. Governor appointments are made with due regard to the skills they will bring to the governing body.

Policies and procedures adopted for the induction and training of governors

New governors are provided with an induction pack containing information about the school and the role and responsibilities of governors. Training is offered to the governors as necessary.

Organisational structure

During the period under review, the governors delegate the day to day management of the build project to the project director and project manager. All key decisions regarding the project are made at full governors' meetings, including review of the financial performance and budgets.

Connected organisations including related party relationships

All related parties are disclosed in these financial statements. All transactions involving such organisations are conducted at an arm's length basis and in accordance with the academy trust's financial regulations.

Objectives and activities

Objects and aims

The objectives in the period are the progress of the planning and preparation of the building of the academy along with setting up an organisational structure with the aim of opening the academy to students in September 2016.

Objectives, strategies and activities

The academy trust continues to work towards the objective of opening the academy.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

GOVERNORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2014

Public benefit

The governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

The project to plan and build the academy along with setting up an organisational structure has started well, and progress is as expected.

Going concern

After making appropriate enquiries, the board of governors' 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 governors' 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 period the academy trust started the planning of build project. This has performed as expected during the period.

Reserves policy

As the academy trust is in the process of receiving funds for the building of the academy and setting up an organisational structure, its policy for reserves is to ensure that the build project comes within budget.

Investment policy and powers

All funds received are for the build project or to set up the organisational structure, therefore no investments are held by the academy.

Principal risks and uncertainties

The principal risks of the academy at this stage of its plans is the build project not running to time or budget and not attracting sufficient staff and students with appropriate aptitude. This is mitigated by the board of governors by regular review of the project, budget and plans, and the appointment of a project director and manager.

Plans for future periods

To continue with the build project with the aim of opening the academy to students in September 2016.

Auditor

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors 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.

A resolution proposing that Jackson Stephen LLP be reappointed as auditor of the charitable company will be put to the members.

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

.....
S Park

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who act as trustees 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 Governors' Report and the accounts in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 governors 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 governors 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 the EFA/DfE have been applied for the purposes intended.

The governors 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 governors' on and signed on its behalf by:

S Park

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UNIVERSITY TECHNICAL COLLEGE WARRINGTON

We have audited the accounts of University Technical College Warrington for the period ended 31 August 2014 set out on pages 7 to 15. 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) and the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005').

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 governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 4, the governors, 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 governors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors' Annual 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 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005').

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial period for which the accounts are prepared is consistent with the accounts.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF UNIVERSITY TECHNICAL COLLEGE WARRINGTON

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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mr Peter Atkinson F.C.A. (Senior Statutory Auditor)

Jackson Stephen LLP

Chartered Accountants

Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Dated:

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE PERIOD ENDED 31 AUGUST 2014**

		Unrestricted funds	Restricted funds	Fixed Asset fund	Total 31 August 2014 5 months	Total 31 March 2014
	Notes	£	£	£	£	£
<u>Incoming resources</u>						
<i>Resources from generated funds</i>						
- Investment income	2	6	-	-	6	-
<i>Resources from charitable activities</i>						
- Funding for educational operations	3	-	180,000	-	180,000	-
Total incoming resources		<u>6</u>	<u>180,000</u>	<u>-</u>	<u>180,006</u>	<u>-</u>
<u>Resources expended</u>						
<i>Costs of generating funds</i>						
<i>Charitable activities</i>						
- Educational operations	5	-	21,467	-	21,467	-
Governance costs	6	-	16,770	-	16,770	-
Total resources expended	4	<u>-</u>	<u>38,237</u>	<u>-</u>	<u>38,237</u>	<u>-</u>
Net incoming resources before transfers		<u>6</u>	<u>141,763</u>	<u>-</u>	<u>141,769</u>	<u>-</u>
Gross transfers between funds		-	-	-	-	-
Net income for the period		<u>6</u>	<u>141,763</u>	<u>-</u>	<u>141,769</u>	<u>-</u>
Fund balances at 1 April 2014		-	-	-	-	-
Fund balances at 31 August 2014		<u>6</u>	<u>141,763</u>	<u>-</u>	<u>141,769</u>	<u>-</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**BALANCE SHEET****AS AT 31 AUGUST 2014**

	Notes	£	31 August 2014 £	£	31 March 2014 £
Current assets					
Cash at bank and in hand		152,558		-	
Creditors: amounts falling due within one year	9	(10,789)		-	
Total assets less current liabilities			141,769		-
Funds of the academy trust:					
Restricted income funds					
- Fixed asset funds	10		-		-
- General funds			141,763		-
Total restricted funds			141,763		-
Unrestricted funds	10		6		-
Total funds			141,769		-

The accounts were approved by order of the board of governors' and authorised for issue on

.....

S Park

Company Number 08714780

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**CASH FLOW STATEMENT****FOR THE PERIOD ENDED 31 AUGUST 2014**

		31 August 2014 5 months £	31 March 2014 £
Net cash inflow from operating activities	12	152,552	-
Returns on investments and servicing of finance			
Investment income		6	-
		<hr/>	<hr/>
Net cash inflow from returns on investments and servicing of finance		6	-
		<hr/>	<hr/>
Increase in cash	13	152,558	-
		<hr/> <hr/>	<hr/> <hr/>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

The governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the accounts.

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 AUGUST 2014****1 Accounting policies (Continued)****1.5 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.

1.6 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 governors.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

2 Investment income

	Unrestricted funds	Restricted funds	Total 31 August 2014	Total 31 March 2014
	£	£	£	£
Bank interest	6	-	6	-
	<u>6</u>	<u>-</u>	<u>6</u>	<u>-</u>

3 Funding for the academy trust's educational operations

	Unrestricted funds	Restricted funds	Total 31 August 2014	Total 31 March 2014
	£	£	£	£
DfE / EFA grants				
Other DfE / EFA grants	-	180,000	180,000	-
	<u>-</u>	<u>180,000</u>	<u>180,000</u>	<u>-</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 AUGUST 2014****4 Resources expended**

	Staff costs	Premises & equipment	Other costs	Total 31 August 2014	Total 31 March 2014
	£	£	£	£	£
Academy's educational operations					
- Direct costs	-	-	-	-	-
- Allocated support costs	-	-	21,467	21,467	-
	<u>-</u>	<u>-</u>	<u>21,467</u>	<u>21,467</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>21,467</u></u>	<u><u>21,467</u></u>	<u><u>-</u></u>
Other expenditure					
Governance costs	-	-	16,770	16,770	-
	<u>-</u>	<u>-</u>	<u>16,770</u>	<u>16,770</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>16,770</u></u>	<u><u>16,770</u></u>	<u><u>-</u></u>
Total expenditure	<u>-</u>	<u>-</u>	<u>38,237</u>	<u>38,237</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>38,237</u></u>	<u><u>38,237</u></u>	<u><u>-</u></u>

Incoming/outgoing resources for the year include:

	31 August 2014	31 March 2014
	£	£
Fees payable to auditor		
- Audit	1,170	-
	<u>1,170</u>	<u>-</u>
	<u><u>1,170</u></u>	<u><u>-</u></u>

5 Charitable activities

	Unrestricted funds	Restricted funds	Total 31 August 2014	Total 31 March 2014
	£	£	£	£
Allocated support costs				
Security and transport	-	293	293	-
Other support costs	-	21,174	21,174	-
	<u>-</u>	<u>21,467</u>	<u>21,467</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>21,467</u></u>	<u><u>21,467</u></u>	<u><u>-</u></u>
Total costs	<u>-</u>	<u>21,467</u>	<u>21,467</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>21,467</u></u>	<u><u>21,467</u></u>	<u><u>-</u></u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 AUGUST 2014****6 Governance costs**

	Unrestricted funds	Restricted funds	Total 31 August 2014	Total 31 March 2014
	£	£	£	£
Legal and professional fees	-	15,600	15,600	-
Auditor's remuneration				
- Audit of financial statements	-	1,170	1,170	-
	<u>-</u>	<u>16,770</u>	<u>16,770</u>	<u>-</u>
	<u>-</u>	<u>16,770</u>	<u>16,770</u>	<u>-</u>

7 Staff costs

There were no employees during the period.

There were no employees whose annual remuneration was £60,000 or more.

8 Governors' remuneration and expenses

No governors are remunerated through the academy.

9 Creditors: amounts falling due within one year

	31 August 2014	31 March 2014
	£	£
Trade creditors	6,919	-
Accruals	3,870	-
	<u>10,789</u>	<u>-</u>
	<u>10,789</u>	<u>-</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 AUGUST 2014****10 Funds**

	Balance at 1 April 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2014 £
Restricted general funds					
Other DfE / EFA grants	-	180,000	(38,237)	-	141,763
	<u>-</u>	<u>180,000</u>	<u>(38,237)</u>	<u>-</u>	<u>141,763</u>
	<u>-</u>	<u>180,000</u>	<u>(38,237)</u>	<u>-</u>	<u>141,763</u>
Total restricted funds	<u>-</u>	<u>180,000</u>	<u>(38,237)</u>	<u>-</u>	<u>141,763</u>
Unrestricted funds					
General funds	-	6	-	-	6
	<u>-</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>6</u>
Total funds	<u>-</u>	<u>180,006</u>	<u>(38,237)</u>	<u>-</u>	<u>141,769</u>

Other DfE/EFA grants relate to funding provided to cover initial costs of planning and project development towards the build project of the academy.

11 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2014 are represented by:				
Current assets	6	152,552	-	152,558
Creditors: amounts falling due within one year	-	(10,789)	-	(10,789)
	<u>6</u>	<u>141,763</u>	<u>-</u>	<u>141,769</u>

12 Reconciliation of net income to net cash inflow from operating activities

	31 August 2014 £	31 March 2014 £
Net income	141,769	-
Investment income	(6)	-
Increase in creditors	10,789	-
Net cash inflow from operating activities	<u>152,552</u>	<u>-</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 AUGUST 2014**

13 Reconciliation of net cash flow to movement in net funds	31 August 2014	31 March 2014
	£	£
Increase/(decrease) in cash	152,558	-
Net funds at 1 April 2014	-	-
Net funds at 31 August 2014	<u>152,558</u>	<u>-</u>

14 Analysis of net funds	At 1 April 2014	Cash flows	Non-cash changes	At 31 August 2014
	£	£	£	£
Cash at bank and in hand	-	152,558	-	152,558
	<u>-</u>	<u>152,558</u>	<u>-</u>	<u>152,558</u>

15 Related parties

No related party transactions took place in the period of account.

16 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.