

Company Registration No. 08714780 (England and Wales)

UNIVERSITY TECHNICAL COLLEGE WARRINGTON
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2015

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UNIVERSITY TECHNICAL COLLEGE WARRINGTON

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

L Bellamy (Resigned 25 March 2015)
P Harrop (Resigned 25 March 2015)
D L 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)

Senior management team

- Principal

L M Barber (Appointed 1 September 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 YEAR ENDED 31 AUGUST 2015

The governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust's principal activity is that of the provision of secondary school education for 14 to 19 year olds. During the year under review the academy trust continued to construct the academy buildings, with the intention to open to pupils in 2016. The funding agreement with the EFA to do this was signed in the year.

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 year 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 (who are also directors) of the Academy is limited. The school has Professional Indemnity insurance to cover the value of £1,000,000 for any one claim. Each Governor shall benefit from this insurance which covers their liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust (unless done knowingly or with criminal intent).

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

Related parties and other connected charities and organisations

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 objects in the year are the progress of the construction of the academy buildings with the aim of opening the academy to pupils in September 2016.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Objectives, strategies and activities

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

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 continue with the building of the academy continues as anticipated.

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 year the academy trust continued with its planned build project. This has performed as expected during the year.

Reserves policy

As the academy trust is in the process of receiving funds for the building of the academy, its policy for reserves is to ensure that the build project continues within budget.

Investment policy and powers

All funds received are for the build project, therefore no investments are held by the academy.

Principal risks and uncertainties

The principal risk of the academy at this state of its plans is the build project not running to time or budget. This is mitigated by the board of governors by regular review of the project, budget and plans, and the delegation of the day to day running of the project to a project manager.

Plans for future periods

To continue with the build project with the aim of opening the academy to pupils 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**GOVERNANCE STATEMENT****FOR THE YEAR ENDED 31 AUGUST 2015****Scope of responsibility**

As governors 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.

During the period under review the board of governors has delegated the day-to-day responsibility to the project director and project manager. On 1 September 2015, the principal was appointed and was given the responsibility of 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 governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. During the pre-opening phase, governance was exercised by and through the Project Steering Group. This comprised the governors, plus offices of the Department for Education and the Baker Deering Trust. The board of governors has formally met 9 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
L Bellamy (Resigned 25 March 2015)	0	4
P Harrop (Resigned 25 March 2015)	2	4
D L Moore (Resigned 25 March 2015)	4	4
S Park	5	9
L M Barber (Appointed 1 September 2015)	0	0
M Houghton (Appointed 25 March 2015)	2	5
A McManus (Appointed 25 March 2015)	5	5
W J McCann (Appointed 25 March 2015)	3	5
J Patterson (Appointed 15 June 2015)	2	2

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 academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year.

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 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Capacity to handle risk

The board of governors 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 governors 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 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

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 governors;
- 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 governors has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor until the academy opens

Review of effectiveness

As accounting officer the principal 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 financial management;
- the work of the executive managers within the academy trust 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 board of governors and a plan to address weaknesses, if relevant and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on and signed on its behalf by:

S Park

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of University Technical College Warrington I have considered my responsibility to notify the academy trust board of governors 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust's board of governors 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 academy trust's funding agreement and the Academies Financial Handbook.

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 governors and EFA.

Approved on and signed by:

L M Barber
Accounting Officer

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 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 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 2005;
- 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 year ended 31 August 2015 set out on pages 12 to 22. 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 Academies Accounts Direction 2014 to 2015 issued by the EFA.

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 7, 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 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 in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial year 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

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 26 November 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, 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 2014 to 31 August 2015 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 the 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 the 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 the University Technical College Warrington and the 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 and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 issued by the 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.

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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mr Peter Atkinson F.C.A.

Reporting Accountant

Jackson Stephen LLP

Dated:

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 AUGUST 2015**

		Unrestricted funds	Restricted funds	Fixed Asset funds	Total 31 August 2015	Total 31 August 2014
	Notes	£	£	£	£	£
Incoming resources						
<i>Resources from generated funds</i>						
- Voluntary income	2	47,500	-	-	47,500	-
- Investment income	3	98	-	-	98	6
<i>Resources from charitable activities</i>						
- Funding for educational operations	4	-	-	481,639	481,639	180,000
Total incoming resources		47,598	-	481,639	529,237	180,006
Resources expended						
<i>Costs of generating funds</i>						
<i>Charitable activities</i>						
- Educational operations	6	-	60,279	-	60,279	21,467
Governance costs	7	-	76,064	-	76,064	16,770
Total resources expended	5	-	136,343	-	136,343	38,237
Net incoming/(outgoing) resources before transfers		47,598	(136,343)	481,639	392,894	141,769
Gross transfers between funds		(47,604)	44,689	2,915	-	-
Net income/(expenditure) for the year		(6)	(91,654)	484,554	392,894	141,769
Fund balances at 1 September 2014		6	141,763	-	141,769	-
Fund balances at 31 August 2015		-	50,109	484,554	534,663	141,769

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 2015**

	Notes	31 August 2015		31 August 2014	
		£	£	£	£
Fixed assets					
Tangible assets	10		484,554		-
Current assets					
Debtors	11	201,563		-	
Cash at bank and in hand		76,088		152,558	
		<u>277,651</u>		<u>152,558</u>	
Current liabilities					
Creditors: amounts falling due within one year	12	(227,542)		(10,789)	
Net current assets			50,109		141,769
Net assets			<u>534,663</u>		<u>141,769</u>
Funds of the academy trust:					
Restricted funds	13				
- Fixed asset funds			484,554		-
- General funds			50,109		141,763
Total restricted funds			<u>534,663</u>		<u>141,763</u>
Unrestricted income funds	13		-		6
Total funds			<u>534,663</u>		<u>141,769</u>

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 YEAR ENDED 31 AUGUST 2015**

	Notes	31 August 2015 £	31 August 31 August 2014 £
Net cash inflow/(outflow) from operating activities	15	(73,653)	152,552
Returns on investments and servicing of finance			
Investment income		98	6
Net cash inflow/(outflow) from returns on investments and servicing of finance		98	6
		(73,555)	152,558
Capital expenditure and financial investments			
Capital grants received		481,639	-
Payments to acquire tangible fixed assets		(484,554)	-
Net cash flow from capital activities		(2,915)	-
Increase/(decrease) in cash	16	(76,470)	152,558

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency 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.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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 is certainty of receipt and the value of the donation is measurable.

Donations

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

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.

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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 basis over its expected useful life, as follows:

Buildings	2% per annum
Computer equipment	25% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

1.6 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.

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2015****1 Accounting policies (Continued)****1.7 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 Voluntary income

	Unrestricted funds	Restricted funds	Total 2015	Total 31 August 2014
	£	£	£	£
Private donations	47,500	-	47,500	-
	<u>47,500</u>	<u>-</u>	<u>47,500</u>	<u>-</u>

3 Investment income

	Unrestricted funds	Restricted funds	Total 2015	Total 31 August 2014
	£	£	£	£
Short term deposits	98	-	98	6
	<u>98</u>	<u>-</u>	<u>98</u>	<u>6</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds	Restricted funds	Total 2015	Total 31 August 2014
	£	£	£	£
DfE / EFA grants				
Capital grants	-	481,639	481,639	-
Other DfE / EFA grants	-	-	-	180,000
	<u>-</u>	<u>481,639</u>	<u>481,639</u>	<u>180,000</u>
	<u>-</u>	<u>481,639</u>	<u>481,639</u>	<u>180,000</u>
Total funding	<u>-</u>	<u>481,639</u>	<u>481,639</u>	<u>180,000</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2015****5 Resources expended**

	Staff costs	Premises & equipment	Other costs	Total 2015	Total 31 August 2014
	£	£	£	£	£
Academy's educational operations					
- Direct costs	3,062	-	-	3,062	-
- Allocated support costs	-	-	57,217	57,217	21,467
	<u>3,062</u>	<u>-</u>	<u>57,217</u>	<u>60,279</u>	<u>21,467</u>
Other expenditure					
Governance costs	-	-	76,064	76,064	16,770
	<u>-</u>	<u>-</u>	<u>76,064</u>	<u>76,064</u>	<u>16,770</u>
Total expenditure	<u>3,062</u>	<u>-</u>	<u>133,281</u>	<u>136,343</u>	<u>38,237</u>

Net income/(expenditure) for the YEAR includes:

	2015	31 August 2014
	£	£
Fees payable to auditor		
- Audit	1,550	1,170
	<u>1,550</u>	<u>1,170</u>

6 Charitable activities

	Unrestricted funds	Restricted funds	Total 2015	Total 31 August 2014
	£	£	£	£
Direct costs				
Teaching and educational support staff costs	-	3,062	3,062	-
	<u>-</u>	<u>3,062</u>	<u>3,062</u>	<u>-</u>
Allocated support costs				
Insurance	-	1,412	1,412	-
Security and transport	-	550	550	293
Other support costs	-	55,255	55,255	21,174
	<u>-</u>	<u>57,217</u>	<u>57,217</u>	<u>21,467</u>
Total costs	<u>-</u>	<u>60,279</u>	<u>60,279</u>	<u>21,467</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2015****7 Governance costs**

	Unrestricted funds	Restricted funds	Total 2015	Total 31 August 2014
	£	£	£	£
Legal and professional fees	-	74,514	74,514	15,600
Auditor's remuneration				
- Audit of financial statements	-	1,550	1,550	1,170
	<u>-</u>	<u>76,064</u>	<u>76,064</u>	<u>16,770</u>
	<u>-</u>	<u>76,064</u>	<u>76,064</u>	<u>16,770</u>

8 Staff costs

	2015	31 August 2014
	£	£
Wages and salaries	3,062	-
Social security costs	-	-
Other pension costs	-	-
	<u>3,062</u>	<u>-</u>
Total staff costs	<u>3,062</u>	<u>-</u>

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2015	31 August 2014
	Number	Number
Management	1	-
	<u>1</u>	<u>-</u>
	<u>1</u>	<u>-</u>

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

9 Governors' remuneration and expenses

None of the governors have been remunerated through the academy.

Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £117 (31 August 2014: £nil).

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2015****10 Tangible fixed assets**

	Assets in the course of construction	Computer equipment	Total
	£	£	£
Cost			
At 1 September 2014	-	-	-
Additions	483,226	1,328	484,554
	<u>483,226</u>	<u>1,328</u>	<u>484,554</u>
At 31 August 2015	483,226	1,328	484,554
	<u>483,226</u>	<u>1,328</u>	<u>484,554</u>
Depreciation			
At 1 September 2014 and at 31 August 2015	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 August 2015	483,226	1,328	484,554
	<u>483,226</u>	<u>1,328</u>	<u>484,554</u>

11 Debtors

	2015	31 August 2014
	£	£
Other debtors	201,315	-
Prepayments and accrued income	248	-
	<u>201,563</u>	<u>-</u>
	<u>201,563</u>	<u>-</u>

12 Creditors: amounts falling due within one year

	2015	31 August 2014
	£	£
Trade creditors	117,094	6,919
EFA creditors	96,828	-
Other creditors	4,000	-
Accruals	9,620	3,870
	<u>227,542</u>	<u>10,789</u>
	<u>227,542</u>	<u>10,789</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2015****13 Funds**

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
Other DfE / EFA grants	141,763	-	(136,343)	44,689	50,109
	<u>141,763</u>	<u>-</u>	<u>(136,343)</u>	<u>44,689</u>	<u>50,109</u>
Restricted fixed asset funds					
DfE / EFA capital grants	-	481,639	-	2,915	484,554
	<u>-</u>	<u>481,639</u>	<u>-</u>	<u>2,915</u>	<u>484,554</u>
Total restricted funds	<u>141,763</u>	<u>481,639</u>	<u>(136,343)</u>	<u>47,604</u>	<u>534,663</u>
Unrestricted funds					
General funds	6	47,598	-	(47,604)	-
	<u>6</u>	<u>47,598</u>	<u>-</u>	<u>(47,604)</u>	<u>-</u>
Total funds	<u>141,769</u>	<u>529,237</u>	<u>(136,343)</u>	<u>-</u>	<u>534,663</u>

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

Other DfE/EFA grants related to grants received for the day to day running of the academy.

DfE/EFA capital grants relates to the capital grants received for the cost of building the academy.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	484,554	484,554
Current assets	227,542	50,109	-	277,651
Creditors falling due within one year	(227,542)	-	-	(227,542)
	<u>-</u>	<u>50,109</u>	<u>484,554</u>	<u>534,663</u>
	<u>-</u>	<u>50,109</u>	<u>484,554</u>	<u>534,663</u>

UNIVERSITY TECHNICAL COLLEGE WARRINGTON**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2015**

15 Reconciliation of net income to net cash inflow/(outflow) from operating activities	2015	31 August 2014		
	£	£		
Net income	392,894	141,769		
Capital grants and similar income	(481,639)	-		
Investment income	(98)	(6)		
(Increase)/decrease in debtors	(201,563)	-		
Increase/(decrease) in creditors	216,753	10,789		
	<u> </u>	<u> </u>		
Net cash inflow/(outflow) from operating activities	<u>(73,653)</u>	<u>152,552</u>		
	<u> </u>	<u> </u>		
16 Reconciliation of net cash flow to movement in net funds	2015	31 August 2014		
	£	£		
Increase/(decrease) in cash	(76,470)	152,558		
Net funds at 1 September 2014	152,558	-		
	<u> </u>	<u> </u>		
Net funds at 31 August 2015	<u>76,088</u>	<u>152,558</u>		
	<u> </u>	<u> </u>		
17 Analysis of net funds	At 1 September 2014	Cash flows	Non-cash changes	At 31 August 2015
	£	£	£	£
Cash at bank and in hand	152,558	(76,470)	-	76,088
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Related parties

Owing to the nature of the academy trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. There were no related party transactions taking place during the year.

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.