

Registered number: 08351953

HUMBER UTC LIMITED
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 7 MONTH PERIOD ENDED 31 AUGUST 2014

HUMBER UTC LIMITED
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE UTC, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014**

Members

University of Hull, Represented by: Prof. Ian Pashby
North Lindsey College, Represented by: Ann Tyrrell
Outwood Grange Academies Trust, Represented by: David Earnshaw

Trustees

University of Hull, Represented by: Prof. Ian Pashby, Trustee (appointed 20 May 2013)
North Lincolnshire College, Represented by: Cllr Liz Redfern, Trustee (appointed 8 January 2013)
North Lindsey College, Represented by: Ann Tyrrell, Trustee (appointed 20 May 2013)
Able UK, Represented by: David Shepherd, Chair of Trustees (appointed 20 May 2013)
Centrica Storage, Represented by: Brendan Conlan, Trustee (appointed 4 April 2014)
Tata Steel, Represented by: Paul Martin, Trustee (appointed 20 May 2013)
Outwood Grange Academies Trust, Represented by: David Earnshaw, Trustee (appointed 4 April 2014)
BAE Systems, Represented by: David Talbot, Trustee (appointed 19 September 2014)
TOTAL Lindsey Oil Refinery, Represented by: Neal Markham (appointed 7 February 2014, resigned 20 May 2014)
TOTAL Lindsey Oil Refinery, Represented by Bob Emerson (resigned 7 February 2014)

Company registered number

08351953

Principal and registered office

Civic Centre, Ashby Road, Scunthorpe, North Lincolnshire, DN16 1AB

Accounting Officer

Anne Tyrrell

Independent auditors

Saffery Champness, Mitre House, North Park Road, Harrogate, North Yorkshire, HG1 5RX

Bankers

HSBC, West Yorkshire Commercial Centre, HSBC House, 1 Bond Court, Leeds, West Yorkshire, LS1 2JZ

Solicitors

Wrigleys Solicitors, 19 Cookridge Street, Leeds, West Yorkshire, LS2 3AG

HUMBER UTC LIMITED
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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' report of Humber UTC Ltd (the UTC) for the period ended 31 August 2014. The Trustees confirm that the Annual report and financial statements of the UTC comply with the current statutory requirements, the requirements of the UTC's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Humber UTC is an exciting new college opening for 14-19 year olds in September 2015. Specialising in the subjects of Renewables & Engineering, there will be a strong emphasis on science, technology, engineering and maths (STEM subjects). The UTC aims to connect schools and industry by providing top-class education and training which is both academic and technical. Employer's involvement will ensure the curriculum is relevant to the job opportunities on offer and robust enough to prepare students for further academic study at university.

At Humber UTC, students will work on real projects designed and delivered by top companies across the Humber region, including and based on leading research carried out at the University of Hull. Students will be encouraged to work independently on tasks that reflect challenges employers face on a day-to-day basis and will be expected to display values such as respect, reliability and integrity. The UTC will contain specialist 'cuttingedge' equipment to bring learning to life in a setting that feels more like a place of business than school. The day starts at 9am and ends at 5pm Monday to Thursday, and 4.30pm on Friday. Although longer than a typical school day, most homework will be completed during the school day.

The building is being funded through the EFA direct to the Local authority, North Lincolnshire Council who will contract and procure the design and building works and manage the process. The Humber UTC do not have any direct responsibility with the building development although we are involved in some of the discussions mainly about fixtures, fittings and equipment. Once the building is ready for hand over it will be to Humber UTC for a peppercorn rent for 125 year lease.

Structure, governance and management

a. 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 act as the Trustees for the charitable activities of the Academy and are also known as the Directors of the Charitable Company for the purpose of company law. The Charitable Company is known as the Humber UTC.

The principal object of the UTC is to provide educational provision to 14-19 year olds.

Deatials of the Trustees who served during the year are included in the Reference and Administration details on page 1.

b. 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.

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

The management of the UTC is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All Trustees are provided with copies of procedures, minutes, accounts, budgets plans and other documents that they will need to undertake their role as trustees and governors.

All Trustees are supported with training programmes co-ordinated by the partner organisation of Outwood Grange Academies Trust.

e. ORGANISATIONAL STRUCTURE

The UTC is still in its very early days, as it does not actually open its doors to students until September 2015. However, a governance structure has been determined, which includes 3 members, a minimum of 11 members of the board of Trustees, although four are still vacant which include two from the employer and two parent governors.

The senior leadership team will be made up of the Principal, Assistant Principal, Business Manager and 4 senior Lead Teachers in the main subjects of English, Science, Engineering and Maths.

An educational advisor group is also consulted, which consists of members from educational establishments, the local authority and local business's.

The Governors are responsible for setting policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the UTC, capital expenditure and senior staff appointments.

The UTC is currently in its 'pre-opening phase', during this period the Academy is being controlled through governance and a 'Project Steering Group' (PSG). The PSG consists of representation from the Academy stakeholder groups including the University of Hull, North Lindsey College, Outwood Grange Academies Trust and employer sponsors such as TATA Steel UK, Able UK and Centrica Storage.

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Humber UTC is proud to have developed a significant number of partners who are closely involved in the development and future delivery of the curriculum. Building connections with industry will ensure local young people have the skills, knowledge and attitude that companies in Humberside are looking for.

The partners of the UTC are: RES, Clugston, Cristal, Bae Systems, Singleton Birch, Jacobs, Smart Wind, University Technical College, University of Hull, Able UK, North Lincs Council, North Lindsey College, Outwood Grange Academies Trust, Centrica Storage, Tata Steel, Team Humber Marie Alliance.

The University of Hull as the lead academy sponsor, which has membership on the board of trustees. No charges have been made for their support.

North Lindsey College as a member of the board and advisor regarding post 16 technical Education matters. No charges have been made for their support.

Outwood Grange Academies Trust have provided some support in preparing the bid for UTC and also in monitoring the finances. No charges have been made for this support.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

TATA Steel UK, Able UK, Centrica Storage and Team Humber Marine Alliance are lead employer sponsors who direct the technical curriculum and give access to facilities and resources within their organisations to support learning for the young people of the academy. They do not give any financial support or donations.

g. RISK MANAGEMENT

The Trustees have assessed the major risks to which the UTC is exposed, in particular those related to the operations and finances of the UTC, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Trustees have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to health and safety) and in relation to the control of school finance. They have introduced internal financial controls in order to minimise risk.

Objectives and Activities

a. OBJECTS AND AIMS

The Humber UTC has a clear vision to be the global centre for Renewables & Engineering. There is a need for skilled young people in the Humber region to support the growing industry. Major employers and leading education providers will equip Humber UTC students with the skills, knowledge and experience they need to progress into employment or further study.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Academy during the period ended 31 August 2014 are summarised below:

- To ensure the funding agreement is achieved with the provision of evidence required being submitted in a timely manner to the Secretary of State
- To confirm the development agreement with legal support for signing by the Secretary of State
- To provide value for money on funds expended
- To develop close links with industry and commerce, particularly in the engineering and renewables sector
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

The Trust contracted the project management services of The 'S' Factor to deliver the objectives within the time frames set, all of which were achieved for the reporting period in this report.

d. PUBLIC BENEFIT

In exercising its powers and duties the Academy has complied with its duty to have due regard to the Charity Commission's guidance on public benefit. The main public benefit delivered by the Academy is the free provision of education to its students.

Strategic report

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

The UTC is in its 'pre-opening' phase and has no achievements attaining to student achievement or success to report at this stage. The UTC will open its doors to the first cohort of students in September 2015.

Achievements and performance

a. GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the UTC has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. REVIEW OF ACTIVITIES

The UTC has only been operating financially since February 2014. The first grant income was received in June 2014. As the UTC does not open until September 2015, the project manager is setting up the policies and procedures of the organisation and organising events for the UTC. Some events have already taken place, which have been very successful and more are planned in December 2014, January and February 2015.

Lord Baker witnessed the 'ground breaking' of the building work on the new £9.5m UTC on 30 July 2014. Students from across the region will benefit from the creation of a new £9.5m Humber University Technical College that is the first of its kind in this region, and is set to create 600 student places and 220 jobs.

Linking with the objectives of the board the following was successfully achieved by 31 August 2014:

- the funding agreement was achieved with the provision of evidence required being submitted in a timely manner to the Secretary of State for Education. Achieved on 1 August 2014
- The confirmed development agreement with legal support for signing by the Secretary of State for Education. Achieved on 1st August 2014.
- Demonstrated 'value for money' on funds expended using the scheme of delegation. The capital expenditure for the build development has been in line with the EFA guidance and approval process to select the contracting parties.
- Developed close links with industry and commerce, particularly in the engineering and renewables sector.

c. INVESTMENT POLICY AND PERFORMANCE

The UTC aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances.

The general policy is to invest any surplus funds prudently. The investment priorities are:

- Security of the invested capital.
- Liquidity of the invested capital.
- And commensurate with security and liquidity, an optimal return on those investments.

Financial review

a. PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which the UTC trust is exposed, as identified by the trustees, have been reviewed, and that the procedures have been established to manage those risks. The risks are reviewed on a regular basis.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

The key risk that was identified during this reporting period was that the building construction not being completed on time. The Trustees reviewed this and requested adjustments were made to the construction contract to allow for this being addressed. The Construction contractor has built in strategies to illuminate this risk.

b. RESERVES POLICY

The trustees review the reserve levels of the UTC 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 year end the UTC held £119,425 of restricted reserves. Reserves are held to ensure that the UTC has sufficient resources to continue to advance the education of pupils, including incurring the necessary capital expenditure.

c. PRINCIPAL FUNDING

For this reporting period the principal funding is from the DfE/EFA in the form of a post development grant (PDG) income for the purpose of establishing the provision of specialist education for students aged 14 to 19. The PDG is to ensure the UTC is in a state of readiness for the opening in September 2015.

d. MATERIAL INVESTMENTS POLICY

The Trust held £119,425 of restricted reserves at 31 August 2014. At this stage all of the Trusts income had been obtained from the DfE/EFA in the form of two tranches of £90K funding for the PDG. Total income for this reporting period is £180K.

Plans for future periods

a. FUTURE DEVELOPMENTS

The Trust will continue to raise the profile of the UTC to recruit sufficient learners to open in September 2015.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.


AUDITORS

The auditors, Saffery Champness, were appointed in the period and have expressed their willingness to continue in office. However, a formal procurement process will be adhered to in order to determine who the auditors will be next year. The Designated Trustees will propose a motion appointing the auditors at a meeting of the Trustees once the procurement process has been completed.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 19 December 2014 and signed on the board's behalf by:



.....
Able UK, Represented by: David Shepherd
Chair of Trustees

HUMBER UTC LIMITED
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Humber UTC Limited 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 interim Principal (Martyn Oliver), 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 Humber UTC Limited 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 Trustees' responsibilities statement. The board of trustees has formally met times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
University of Hull, Represented by: Prof. Ian Pashby, Trustee	2	4
North Lincolnshire College, Represented by: Cllr Liz Redfern, Trustee	3	4
North Lindsey College, Represented by: Ann Tyrrell, Trustee	2	4
Able UK, Represented by: David Shepherd, Chair of Trustees	4	4
Centrica Storage, Represented by: Brendan Conlan, Trustee	3	3
Tata Steel, Represented by: Paul Martin, Trustee	3	4
Outwood Grange Academies Trust, Represented by: David Earnshaw, Trustee	3	3
BAE Systems, Represented by: David Talbot, Trustee	0	0
TOTAL Lindsey Oil Refinery, Represented by: Neal Markham	1	1
TOTAL Lindsey Oil Refinery, Represented by: Bob Emerson	1	1

There have been two representatives from TOTAL during the year with both stepping down during the year.

Governance reviews:

The Board structure in the main has remained stable with just one fluctuation from the Corporate member of TOTAL Lindsey Oil Refinery, due to a personnel change for them internally. This reduced the membership of the Board of governors by one for an interim period which has now been addressed. The TOTAL representative attended 1 out of a possible 1 meetings.

One meeting on 27 June was unable to achieve quoracy. This was discussed and urgent matters were dealt with by the Chair.

On 16 May 2014, the Board agreed that Martyn Oliver (Executive Principal for Outwood Grange Academies Trust) would become a non-voting member of the Board in the role of Interim Principal (until the Principal

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GOVERNANCE STATEMENT (continued)

Designate had been appointed and started in their role). Out of a possible 2 meetings Martyn attended both.

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 ongoing process designed to identify and prioritise the risks to the achievement of UTC 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 Humber UTC Limited for the period 1 February 2014 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the UTC 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 UTC's significant risks, that has been in place for the period 1 February 2014 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The UTC'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 group 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 appointee's role includes giving advice on financial matters and performing a range of checks on the UTC's financial systems. On an annual basis, the appointee reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Given that the UTC has not begun operating in full, no checks have yet been performed.

REVIEW OF EFFECTIVENESS

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

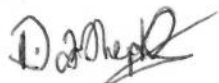
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the UTC who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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GOVERNANCE STATEMENT (continued)

Approved by order of the members of the board of trustees on 19 December 2014 and signed on its behalf, by:



.....
Able UK, Represented by: David Shepherd,
Chair of Trustees



.....
North Lindsey College, Represented by: Ann
Tyrrell
Accounting Officer

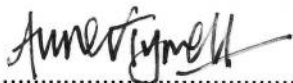
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Humber UTC Limited I have considered my responsibility to notify the UTC 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 UTC and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the UTC board of trustees are able to identify any material, irregular or improper use of funds by the UTC, or material non-compliance with the terms and conditions of funding under the UTC's funding agreement and the Academies Financial Handbook (2013).

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 EFA.



.....
North Lindsey College,
Represented by: Ann Tyrrell
Accounting Officer

Date: 19 December 2014

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**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014**

The Trustees (who act as governors of Humber UTC Ltd and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements 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 financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments 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 financial statements;
- prepare the financial statements 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 19 December 2014 and signed on its behalf by:



.....
Able UK, Represented by: David Shepherd
Chair of Trustees

HUMBER UTC LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF HUMBER UTC LIMITED

We have audited the financial statements of Humber UTC Limited for the period ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the charitable UTC's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable UTC's members those matters we are required to state to them in an Auditors' 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 UTC and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable UTC for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable UTC'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
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF HUMBER UTC LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the UTC has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Alison Robinson



Saffery Champness

Auditors

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

30 December 2014

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HUMBER
UTC LIMITED AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21/11/14 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Humber UTC Limited during the period 1 February 2014 to 31 August 2014 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 Humber UTC Limited and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Humber UTC Limited 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 Humber UTC Limited and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF HUMBER UTC LIMITED'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Humber UTC Limited's funding agreement with the Secretary of State for Education dated [enter date here], and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. 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 February 2014 to 31 August 2014 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 2013 to 2014 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 UTC's income and expenditure.

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

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(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HUMBER
UTC LIMITED AND THE EDUCATION FUNDING AGENCY (continued)**

Saffery Champness

Alison Robinson

Saffery Champness

Auditors

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

Date: *30th December 2014*

HUMBER UTC LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	Restricted funds 2014 £	Total funds 2014 £
INCOMING RESOURCES			
Incoming resources from generated funds:			
Incoming resources from charitable activities	2	181,250	181,250
TOTAL INCOMING RESOURCES		<u>181,250</u>	<u>181,250</u>
RESOURCES EXPENDED			
Charitable activities		58,036	58,036
Governance costs	4	3,789	3,789
TOTAL RESOURCES EXPENDED	6	<u>61,825</u>	<u>61,825</u>
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME FOR THE PERIOD		119,425	119,425
<i>Total funds at 1 February 2014</i>		-	-
TOTAL FUNDS AT 31 AUGUST 2014		<u><u>119,425</u></u>	<u><u>119,425</u></u>

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 20 to 26 form part of these financial statements.

HUMBER UTC LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08351953

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £
CURRENT ASSETS			
Cash at bank		174,400	
CREDITORS: amounts falling due within one year	10	<u>(54,975)</u>	
NET CURRENT ASSETS			119,425
NET ASSETS			<u>119,425</u>
FUNDS OF THE ACADEMY			
Restricted funds	11		<u>119,425</u>
TOTAL FUNDS			<u><u>119,425</u></u>

The Trustees consider that the UTC is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the UTC to obtain an audit for the period in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees, and authorised for issue, on 19 December 2014 and are signed on their behalf, by:



.....
Able UK, Represented by: David Shepherd
Chair of Trustees

The notes on pages 20 to 26 form part of these financial statements.

HUMBER UTC LIMITED
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CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	Period ended 31 August 2014 £
Net cash flow from operating activities	13	174,400
INCREASE IN CASH IN THE PERIOD		<u><u>174,400</u></u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2014

	Period ended 31 August 2014 £
Increase in cash in the period	174,400
MOVEMENT IN NET FUNDS IN THE PERIOD	<u>174,400</u>
NET FUNDS AT 31 AUGUST 2014	<u><u>174,400</u></u>

The notes on pages 20 to 26 form part of these financial statements.

HUMBER UTC LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the UTC 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 and include grants from the Department for Education.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the UTC has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 provided to the UTC 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 it is measurable.

The value of donated services and gifts in kind provided to the UTC are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the UTC 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 UTC's policies.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

HUMBER UTC LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

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.

Charitable activities are costs incurred in the UTC's educational operations.

Governance costs include the costs attributable to the UTC's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees 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 UTC to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The building is being funded through the EFA direct to the Local authority, North Lincolnshire Council who will contract and procure the design and building works and manage the process. The Humber UTC do not have any direct responsibility with the building development although we are involved in some of the discussions mainly about fixtures, fittings and equipment. Once the building is ready for hand over it will be to Humber UTC for a peppercorn rent for 125 year lease. The grants provided by the EFA are enough to cover Humber UTC's ongoing project costs.

1.6 Taxation

The UTC 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 UTC 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.

HUMBER UTC LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2014 £	Total funds 2014 £
Educational Operations	181,250	181,250

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2014 £	Total funds 2014 £
DfE/EFA revenue grants		
Start up Grants	180,000	180,000
Other DfE/EFA Grants	1,250	1,250
	181,250	181,250

3. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted funds 2014 £	Total funds 2014 £
Educational Operations	58,036	58,036

SUMMARY BY EXPENDITURE TYPE

	Other costs 2014 £
Educational Operations	58,036

HUMBER UTC LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

4. GOVERNANCE COSTS

	Restricted funds 2014 £	Total funds 2014 £
Governance Auditors' remuneration	3,500	3,500
Governance expense	289	289
	<u>3,789</u>	<u>3,789</u>

5. SUPPORT COSTS

	Educational Operations £	Total 2014 £
Technology costs	24	24
Educational Supplies	610	610
Educational Consultancy	44,562	44,562
Other Support Costs	12,840	12,840
	<u>58,036</u>	<u>58,036</u>

6. RESOURCES EXPENDED

	Non Pay Expenditure Other costs 2014 £
Support costs - Educational Operations	58,036
Governance	3,789
	<u>61,825</u>

7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Support costs 2014 £	Total 2014 £
Educational Operations	58,036	58,036

HUMBER UTC LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

15. RELATED PARTY TRANSACTIONS

Owing to the nature of the UTC's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the UTC's financial regulations and normal procurement procedures.

Humber UTC is proud to have developed a significant number of partners who are closely involved in the development and future delivery of the curriculum. Building connections with industry will ensure local young people have the skills, knowledge and attitude that companies in Humberside are looking for.

The partners of the UTC are: RES, Clugston, Cristal, Bae Systems, Singleton Birch, Jacobs, Smart Wind, University Technical College, University of Hull, Able UK, North Lincs Council, North Lindsey College, Outwood Grange Academies Trust, Centrica Storage, Tata Steel, Team Humber Marine Alliance.

The University of Hull as the lead academy sponsor, which has membership on the board of trustees. No charges have been made for their support.

North Lindsey College as a member of the board and advisor regarding post 16 technical Education matters. No charges have been made for their support.

Outwood Grange Academies Trust have provided some support in preparing the bid for UTC and also in monitoring the finances. No charges have been made for this support.

TATA Steel UK, Centrica Storage and Team Humber Marine Alliance are lead employer sponsors who direct the technical curriculum and give access to facilities and resources within their organisations to support learning for the young people of the academy. They do not give any financial support or donations.