

Registrar  
Registration number: 08351953  
(Please sign &  
return)

# Engineering UTC Northern Lincolnshire

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Forrester Boyd  
Statutory Auditors  
Chartered Accountants  
66-68 Oswald Road  
Scunthorpe  
North Lincolnshire  
DN15 7PG

# **Engineering UTC Northern Lincolnshire**

## **Contents**

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 8
Governance Statement	9 to 11
Statement of Regularity, Propriety and Compliance	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report on the Financial Statements to the Members of Engineering UTC Northern Lincolnshire	14 to 16
Independent Reporting Accountant's Assurance Report on Regularity to Engineering UTC Northern Lincolnshire and the Education and Skills Funding Agency	17 to 18
Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)	19 to 20
Balance Sheet as at 31 August 2021	21
Statement of Cash Flows for the year ended 31 August 2021	22
Notes to the Financial Statements	23 to 40

# Engineering UTC Northern Lincolnshire

## Reference and Administrative Details

<b>Members</b>	B P Conlan J Murray (resigned 26 October 2021) M Gavin (resigned 26 October 2021) N L Stobart S Stead (appointed 26 October 2021) D Robinson (appointed 26 October 2021)
<b>Trustees (Directors)</b>	K E Arundel R Hannigan (resigned 22 September 2020) D J Kemshall A McCullagh G Thornton S M Kelly K Mc Tieron-Marsh (resigned 29 September 2021) N Whittle (appointed 15 September 2020) J J Polonijo (appointed 18 March 2021 and resigned 17 June 2021) M Setterfield (appointed 6 October 2020) M Hancock
<b>Senior Management Team</b>	A McCullagh N Bradford N Oxborough C Reet J Vincent I Bates J Wilby
<b>Principal and Registered Office</b>	Carlton Street Scunthorpe North Lincolnshire DN16 6TA
<b>Company Registration Number</b>	08351953
<b>Auditors</b>	Forrester Boyd Statutory Auditors Chartered Accountants 66-68 Oswald Road Scunthorpe North Lincolnshire DN15 7PG
<b>Bankers</b>	Lloyds Bank 106 High St Scunthorpe DN15 6HG

## **Engineering UTC Northern Lincolnshire**

### **Reference and Administrative Details (continued)**

#### **Solicitors**

Wrigleys Solicitors  
19 Cookridge Street  
Leeds  
West Yorkshire  
LS2 3AG



## **Engineering UTC Northern Lincolnshire Trustees' Report for the Year Ended 31 August 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, including a strategic report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 13 to 19 serving a catchment area in Scunthorpe, North Lincolnshire. It has a pupil capacity of 600 and had a roll of 228 in the school census on 7th October 2021.

### **Structure, governance and management**

#### ***Constitution***

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08351953.

The governors act as the trustees for the charitable activities of Engineering UTC Northern Lincolnshire and are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Engineering UTC Northern Lincolnshire.

Details of the trustees who served during the year, and to the date these accounts are approved 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.

#### ***Trustees' indemnities***

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

#### ***Method of recruitment and appointment or election of Trustees***

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. It is the Members of the Company who appoint and release Trustees from the Board and there must be an agreement of not less than 75% of the Members for a resolution to be binding.

#### ***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 provided by North Lincolnshire Council.

#### ***Organisational structure***

The UTC opened its doors to students in September 2015. A governance structure has been determined, which includes 4 members and a maximum of 16 members of the board of Trustees. There are 2 positions for Parent Trustees and 2 for staff Trustees.

The senior leadership team comprises the Principal, Vice Principal, Assistant Principals and Business Engagement Lead and Business Manager.

The Trustees 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 Principal is also the Accounting Officer.

The UTC Finance Officer is the designated Chief Financial Officer.

## **Engineering UTC Northern Lincolnshire**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### ***Arrangements for setting pay and remuneration of key management personnel***

Teaching staff remuneration policy is in line with the School Teachers' Pay and Conditions Guidelines 2020. Any performance uplifts would be directed through line management and presented to the Board for approval. Similarly, non-teaching staffs' remuneration falls within the National Joint Council Guidelines.

#### ***Connected organisations, including related party relationships***

Engineering UTC Northern Lincolnshire 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: Tronox, Phillips 66, Jacobs, ABP Ports, University of Hull, ECITB, North Lincs Council, British Steel, Airco, Pepperell's Solicitors and Care Plus Group.

North Lincolnshire Council charged £67,086 during the year for business rates, clerking services, training services and school catering.

Other partners give time resources or donations of equipment to support learning for the young people of the academy. They do not give any financial support.

#### **Objectives and activities**

##### ***Objects and aims***

The Engineering UTC Northern Lincolnshire has a clear vision to be the centre of excellence for 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 Engineering UTC Northern Lincolnshire students with the skills, knowledge and experience they need to progress into employment or further study.

The main objectives of the Academy during the period ended 31 August 2021 are summarised below:

- To recruit sufficient student numbers to ensure the viability of the UTC.
- To engage with employers within the region to secure support for the Board and project work and outcomes for the students.
- To maintain the academic results at the highest possible level.
- To ensure the learning takes place in a safe, positive, supportive and encouraging environment
- To conduct the UTC's business in accordance with the highest standards of integrity, probity and openness.
- To provide value for money of funds expended.

##### ***Activities for achieving objectives***

- A full time recruitment team continue to support high quality engagement with the many potential partners and to support student recruitment. Employers and Board members are invited to support the marketing activity. The Board has engaged a Marketing/PR company, Engaging Education, to support this activity.
- Employer engagement is seen as a critical activity for a UTC. The engagement strategy is led by the Director of Employer Engagement and Curriculum Committee along with support from the wider Board Members.
- The Principal, staff and Board continue to implement and deliver the standards including the new Positive Discipline system. This includes maintaining the learning environment in a positive and supporting manner.
- The Committees, overseen by the Board of Trustees, will ensure that business is conducted to the highest standards through implementation and monitoring of governance.
- All purchases are authorised through the Principal in order to ensure cost control and value for money. There is a preferred supplier list in place.

##### ***Public benefit***

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

## **Engineering UTC Northern Lincolnshire**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### **Achievements and performance**

The UTC successfully opened in September 2015, with the building works being completed on time. Policies and procedures of the organisation have been set up and further events organised for the UTC.

An Ofsted in February 2018 deemed the school to be Good in all areas of inspection.

A number of employer projects have been run for the students. The engagement of the employers is critical to the UTC and, through the Director of Employer Engagement and Curriculum Committee we are seeing events and activities taking place on a more regular basis; they will continue to increase during the next academic year.

At the end of the academic year there were 196 students at the UTC. Punctuality and behaviour are excellent, which indicate good engagement from the students.

Covid had a significant impact on student recruitment for September 2020. All planned visits to other schools and events were cancelled. We were, however, able to retain all of the students that had already applied. Regular contact was made with the students, and their families, throughout the lockdown period. Online events were also held to promote the UTC.

The use of open events, promotion via social media and additional advertising was utilised throughout 2020/21, to mitigate the ongoing Covid restrictions.

Initial discussions have taken place regarding the UTC joining a MAT; in line with ESFA guidance.

##### **Investment 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.

##### ***Going concern***

The Finance and Audit Committee and the full Board have discussed the budget situation and have put in place a strategy to turn around the deficit that will include maintaining the cost controls in place, producing a marketing strategy to increase student recruitment and looking to rent space currently not being utilised.

As identified in the financial review above there is a planned cumulative budget deficit for the next 2 financial years. This deficit will be mitigated through a strong Marketing Strategy coupled with a robust Business Plan endorsed by the Board. The financial position that the UTC is anticipating for the next 2 years is not unusual for UTCs after their first few years of operation and with the introduction of a Year 9 cohort in 2019, there is a strong belief that the recruitment will continue to grow. The UTC has recognised that recruitment is difficult and is working to mitigate it through increased employer engagement activity. The Board has identified that industry engagement is critical to the success of the UTC and has set up an Engagement and Curriculum committee to lead this work. It is envisaged that improved industry engagement will improve recruitment. Coupled with the recruitment and industry engagement campaigns, the management will also maintain the tight cost control measures that are already in place

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.

# Engineering UTC Northern Lincolnshire

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Financial review

This has been the fifth year of operating for the UTC and the year end accounts for FY 2020/21 show an in year surplus of £228,900 (not including fixed assets and pension adjustment). Pupil numbers have increased, although not at the desired level.

#### 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 £5,705,472 of total reserves, made up of fixed asset reserves of £6,238,748, unrestricted reserves of £35,134, restricted general reserves of £55,590 and restricted pension reserves of deficit £624,000. 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. The trustees would like to maintain reserves of restricted and unrestricted funds (not including fixed assets and pension reserve) of the equivalent of 2 months staffing costs for the UTC. Of the total restricted fixed asset fund, £6,238,748 can only be realised by disposing of tangible fixed assets.

Total income for this reporting period is £2,005,079. The money held by the UTC is first and foremost for the benefit of the students and all decisions taken are done so with this in mind. The capital income has already been spent on capital items, mainly IT equipment and other equipment for the UTC.

#### Investment policy

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.

#### Principal risks and uncertainties

The major risks to which the UTC trust is exposed, as identified by the trustees, have been reviewed and procedures have been established to manage those risks. The risks identified are:-

- Insufficient student numbers to ensure the viability of the UTC;
- Insufficient cash to manage day to day finances; and
- Insufficient funds put aside for replacement of fixed assets.

Trustees feel that they have put steps in place to mitigate against these factors. The risks are reviewed on a regular basis.

#### Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

## Engineering UTC Northern Lincolnshire

### Trustees' Report for the Year Ended 31 August 2021 (continued)

#### Strategic Report

##### *Plans for future periods*

The UTC will continue to improve employer engagement at Board level and within the curriculum. The Board and staff will work to continue to raise the profile of the UTC to support the recruitment process. The Board has been reorganised and refocussed to support the Principal and staff in terms of strategic direction and governance.

The UTC will continue to prioritise student recruitment, industry engagement and governance. The Employer Engagement group will focus on new sponsor organisations and developing the support provided by employers to the curriculum through projects. A new core partner, Care Plus Group, began working with us during this financial year.

A second specialism in Health Sciences and Social Care is being introduced from September 2021. A successful marketing campaign and summer school led to us seeing our highest student recruitment numbers to date. Student numbers are expected to grow over the next few years, with applications for the next academic year already significantly higher than those seen at the same point last year.

An experienced Business Manager joined the UTC from 1st September 2020. As a member of the Senior Leadership Team they lead and manage the school's business functions including Finance and HR; working closely with the Principal and Board. Improvements have already been seen, by the Board, in terms of financial information, monitoring and control.

The UTC will continue to work towards joining a MAT.

## Engineering UTC Northern Lincolnshire

### Trustees' Report for the Year Ended 31 August 2021 (continued)

#### Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 2 December 2021 and signed on its behalf by:



G Thornton  
Trustee

# Engineering UTC Northern Lincolnshire

## Governance Statement

### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Engineering UTC Northern Lincolnshire 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.

As trustees, we have reviewed and taken account of the guidance in DfE's Government Handbook and competency framework for governance.

The Governing Body has delegated the day-to-day responsibility to A McCullagh, 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 Engineering UTC Northern Lincolnshire and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
K E Arundel	3	6
M Hancock	5	6
S M Kelly	6	6
D J Kemshall	5	6
A McCullagh	6	6
K Mc Tieron-Marsh (resigned 29 September 2021)	6	6
J J Polonijo (appointed 18 March 2021 and resigned 17 June 2021)	1	1
M Setterfield (appointed 6 October 2020)	5	5
G Thornton	6	6
N Whittle (appointed 15 September 2020)	4	6

### Governance reviews

A review of the governance of the UTC has recently been undertaken by the Board. This has been led by the Chair of the Board and supported by the Chairs of the sub-committees and staff from the University of Hull.

The Chair, G Thornton, and trustee K Arundel were both reappointed. Parent Governor K McTiernan-Marsh resigned at the end of the academic year

The Finance, Audit and Risk Committee is a sub-committee of the main Governing Body. Its purpose is to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity in line with the EFA guidelines in the Academies Financial handbook and Accounts Direction documents Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
K E Arundel	3	3
A McCullagh	3	3
M Setterfield (appointed 6 October 2020)	3	3
G Thornton	3	3
M Hancock	2	3



## Engineering UTC Northern Lincolnshire

### Governance Statement (continued)

#### Capacity to handle risk

The Governing Body 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 Governing Body 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 year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

#### 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 Governing Body;
- regular reviews by the Finance and Resources 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;
- identification and management of risks.

The board of trustees has considered the need for an internal peer review and has enlisted an experienced Business Manager from another UTC to conduct this. All policies were signed off by the Board prior to opening and processes and procedures have been reviewed by the Principal, Chief Financial Officer and the Finance, Audit and Risk Committee. The results of checks are reported to the main Board through the Finance and Audit Committee. The areas covered was payroll systems, purchase and sales ledger systems, control accounts reconciliation and ESFA returns including budget forecasting.

There were no material control or other issues reported by the Responsible Officer to date.

#### Review of effectiveness

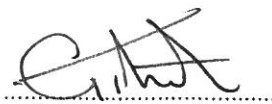
As Accounting Officer, A McCullagh has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the peer reviewer;
- the work of the external auditor;
- the work of the executive managers within the UTC who have responsibility for the development and maintenance of the internal control framework;
- a peer review, conducted by an experienced UTC Finance Manager.

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

Approved by order of the members of the Governing Body on 2 December 2021 and signed on its behalf by:

  
A McCullagh  
Trustee

  
G Thornton  
Trustee




## Engineering UTC Northern Lincolnshire

### Statement of Regularity, Propriety and Compliance

As Accounting Officer of Engineering UTC Northern Lincolnshire I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2020.

I confirm that I and the academy trust Governing Body 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 2020.

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 Governing Body and ESFA.

  
.....  
A McCullagh  
Accounting officer

2 December 2021

## Engineering UTC Northern Lincolnshire

### Statement of Trustees' Responsibilities

The Trustees (who acts as governors of Engineering UTC Northern Lincolnshire and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- 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; and
- 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 ESFA/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 on 2 December 2021 and signed on its behalf by:

  
.....  
G Thornton  
Trustee

## Engineering UTC Northern Lincolnshire

### Independent Auditor's Report on the Financial Statements to the Members of Engineering UTC Northern Lincolnshire

#### Opinion

We have audited the financial statements of Engineering UTC Northern Lincolnshire (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities for the year ended 31 August 2021, Balance Sheet, for the year ended 31 August 2021 Statement of Cash Flows, for the year ended 31 August 2021 and Notes to the Financial Statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021, issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding agency.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statement themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Engineering UTC Northern Lincolnshire**

### **Independent Auditor's Report on the Financial Statements to the Members of Engineering UTC Northern Lincolnshire (continued)**

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the Strategic Report & Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the Trustees (who are also directors of the Academy Trust for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation and the local government pension scheme liability.
- Testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen.
- Identification of key laws and regulations central to the academy's operations and review of compliance with such laws including a review of the Academy Trust Handbook 2020 and correspondence with solicitors to identify any on-going litigation.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

## Engineering UTC Northern Lincolnshire

### Independent Auditor's Report on the Financial Statements to the Members of Engineering UTC Northern Lincolnshire (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the Academy'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 Academy'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 Academy and the Academy Trust's members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Kevin Hopper BFP FCA (Senior Statutory Auditor)  
For and on behalf of Forrester Boyd,

Statutory Auditors  
Chartered Accountants  
66-68 Oswald Road  
Scunthorpe  
North Lincolnshire  
DN15 7PG

2 December 2021

## **Engineering UTC Northern Lincolnshire**

### **Independent Reporting Accountant's Assurance Report on Regularity to Engineering UTC Northern Lincolnshire and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 21 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Engineering UTC Northern Lincolnshire during the period 1 September 2020 to 31 August 2021 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 Engineering UTC Northern Lincolnshire and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Engineering UTC Northern Lincolnshire and the ESFA 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 Engineering UTC Northern Lincolnshire and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Engineering UTC Northern Lincolnshire Academy Trust's**

The Accounting Officer is responsible, under the requirements of the Engineering UTC Northern Lincolnshire's funding agreement with the Secretary of State for Education dated 1 August 2014 and the Academies Financial Handbook extant from 1 September 2020, 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 2020 to 2021. 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 year from 1 September 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. 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.

The work undertaken to draw to our conclusion includes:

- Evaluating the systems and control environment and assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that all activities of the academy trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management Personnel.

#### **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 year from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Engineering UTC Northern Lincolnshire**

**Independent Reporting Accountant's Assurance Report on Regularity to Engineering UTC  
Northern Lincolnshire and the Education and Skills Funding Agency (continued)**

*Forrester Boyd*

.....  
Kevin Hopper BFP FCA, Reporting Accountant  
For and on behalf of Forrester Boyd, Chartered Accountants

Statutory Auditors  
Chartered Accountants  
66-68 Oswald Road  
Scunthorpe  
North Lincolnshire  
DN15 7PG

2 December 2021



# Engineering UTC Northern Lincolnshire

## Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £	2019/20 Total £
<b>Income and endowments from:</b>						
Donations and capital grants	2	4,441	-	217,995	222,436	8,380
Other trading activities	4	29,425	-	-	29,425	61,412
Investments	5	10	-	-	10	30
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	1,753,208	-	1,753,208	1,687,857
Total		33,876	1,753,208	217,995	2,005,079	1,757,679
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust educational operations	7	10,677	1,592,768	222,749	1,826,194	2,079,151
Net income/(expenditure)		23,199	160,440	(4,754)	178,885	(321,472)
Transfers between funds		-	(23,738)	23,738	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains on defined benefit pension schemes	25	-	(170,000)	-	(170,000)	(93,000)
Net movement in funds/(deficit)		23,199	(33,298)	18,984	8,885	(414,472)
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2020		11,935	(535,112)	6,219,764	5,696,587	6,111,059
Total funds/(deficit) carried forward at 31 August 2021		35,134	(568,410)	6,238,748	5,705,472	5,696,587

Comparative figures are stated on page 19.



# Engineering UTC Northern Lincolnshire

## Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	1,995	-	6,385	8,380
Other trading activities	4	61,412	-	-	61,412
Investments	5	30	-	-	30
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,687,857	-	1,687,857
Total		63,437	1,687,857	6,385	1,757,679
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	48,042	1,812,847	218,262	2,079,151
Net income/(expenditure)		15,395	(124,990)	(211,877)	(321,472)
Transfers between funds		(3,460)	-	3,460	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	25	-	(93,000)	-	(93,000)
Net movement in funds/(deficit)		11,935	(217,990)	(208,417)	(414,472)
<b>Reconciliation of funds</b>					
Total (deficit)/funds brought forward at 1 September 2019		-	(317,122)	6,428,181	6,111,059
Total funds/(deficit) carried forward at 31 August 2020		11,935	(535,112)	6,219,764	5,696,587

# Engineering UTC Northern Lincolnshire

(Registration number: 08351953)  
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	6,238,749	6,219,765
<b>Current assets</b>			
Debtors	13	48,330	83,568
Cash at bank and in hand		<u>111,752</u>	<u>33,068</u>
		160,082	116,636
Creditors: Amounts falling due within one year	14	<u>(69,359)</u>	<u>(252,814)</u>
Net current assets/(liabilities)		<u>90,723</u>	<u>(136,178)</u>
Total assets less current liabilities		6,329,472	6,083,587
Creditors: Amounts falling due after more than one year	15	<u>-</u>	<u>(2,000)</u>
Net assets excluding pension liability		6,329,472	6,081,587
Pension scheme liability	25	<u>(624,000)</u>	<u>(385,000)</u>
Net assets including pension liability		<u><u>5,705,472</u></u>	<u><u>5,696,587</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		55,590	(150,112)
Restricted fixed asset fund		6,238,748	6,219,764
Restricted pension fund		<u>(624,000)</u>	<u>(385,000)</u>
		5,670,338	5,684,652
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>35,134</u>	<u>11,935</u>
Total funds		<u><u>5,705,472</u></u>	<u><u>5,696,587</u></u>

The financial statements on pages 19 to 40 were approved by the Trustees, and authorised for issue on 2 December 2021 and signed on their behalf by:



G Thornton  
Trustee

## Engineering UTC Northern Lincolnshire

### Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	19	460,130	(87,509)
Cash flows from investing activities	21	(234,446)	(18,728)
Cash flows from financing activities	20	<u>(147,000)</u>	<u>102,000</u>
Change in cash and cash equivalents in the year		78,684	(4,237)
Cash and cash equivalents at 1 September		<u>33,068</u>	<u>37,305</u>
Cash and cash equivalents at 31 August	22	<u><u>111,752</u></u>	<u><u>33,068</u></u>

# **Engineering UTC Northern Lincolnshire**

## **Notes to the Financial Statements for the Year Ended 31 August 2021**

### **1 Accounting policies**

#### **General information**

The academy trust is a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:  
Engineering UTC Northern Lincolnshire  
Carlton Street  
Scunthorpe  
DN15 6TA

These financial statements were authorised for issue by the Board on 24 November 2021.

#### **Statement of accounting policies**

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

#### **Basis of preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

Engineering UTC Northern Lincolnshire meets the definition of a public benefit entity under FRS 102.

The financial statements cover the individual entity, Engineering UTC Northern Lincolnshire.

#### **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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Income**

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

# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### *Grants*

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

#### *Donations*

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

#### *Other income*

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

#### *Donated fixed assets*

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

#### *Expenditure*

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### *Charitable activities*

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

#### *Intangible fixed assets*

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

#### **Asset class**

Software

#### **Amortisation method and rate**

4 years straight line basis

# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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

#### Asset class

Long leasehold land  
Long leasehold buildings  
Fixtures and fittings  
Office equipment  
Specialist equipment  
Computer equipment

#### Depreciation method and rate

125 years straight line basis  
50 years straight line basis  
10 years straight line basis  
10 years straight line basis  
10 years straight line basis  
4 years straight line basis

#### Liabilities

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

#### Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

#### 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.

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

**1 Accounting policies (continued)**

**Pension benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**Fund accounting**

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

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

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

**Critical accounting estimates and areas of judgement**

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

**Critical accounting estimates and assumptions**

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31/08/2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

### 2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants	-	7,504	7,504	6,385
Sponsorship	1,200	-	1,200	-
Other donations	3,241	-	3,241	1,995
Donated fixed assets	-	210,491	210,491	-
	<u>4,441</u>	<u>217,995</u>	<u>222,436</u>	<u>8,380</u>

### 3 Funding for the Academy Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	1,373,017	1,373,017	1,283,107
Other DfE/ESFA Grants	156,849	156,849	266,323
Start-up Grants	1,000	1,000	25,000
Pupil Premium	74,402	74,402	48,852
Teachers Pay and Pension grant	70,210	70,210	57,805
	<u>1,675,478</u>	<u>1,675,478</u>	<u>1,681,087</u>
<b>Other government grants</b>			
Local Authority Grants	1,766	1,766	-
Other government grants	9,487	9,487	-
	<u>11,253</u>	<u>11,253</u>	<u>-</u>
<b>Non-government grants and other income</b>			
Other non-government grants	9,167	9,167	-
<b>Covid-19 additional funding (DfE/ESFA)</b>			
Covid-19 Catch up premium	57,310	57,310	6,770
<b>Total grants</b>	<u>1,753,208</u>	<u>1,753,208</u>	<u>1,687,857</u>



# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 3 Funding for the Academy Trust's educational operations (continued)

The academy received £57,310 (2020:£6,770) of funding for catch-up premium and mass testing. Costs incurred in respect of this funding totalled £57,310 (2020: £6,770).

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, and the academy trust's funding for Teachers Pay and Pension Grants is no longer reported under the Other DfE Group grants heading, but as separate lines under the DfE/ESFA grants heading. The prior year numbers have been reclassified.

### 4 Other trading activities

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Hire of staff	-	-	24,860
Lettings income	19,921	19,921	33,834
Other sales	9,504	9,504	2,718
	<u>29,425</u>	<u>29,425</u>	<u>61,412</u>

### 5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Interest Receivable	<u>10</u>	<u>10</u>	<u>30</u>

### 6 Expenditure

#### Non Pay Expenditure

	Staff costs £	Premises £	Other costs £	2020/21 Total £	2019/20 Total £
<b>Academy's educational operations</b>					
Direct costs	910,096	-	99,238	1,009,334	1,256,582
Allocated support costs	<u>249,457</u>	<u>411,099</u>	<u>156,304</u>	<u>816,860</u>	<u>822,569</u>
	<u>1,159,553</u>	<u>411,099</u>	<u>255,542</u>	<u>1,826,194</u>	<u>2,079,151</u>

# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Operating lease rentals	6,366	446
Depreciation	222,749	218,207
Fees payable to auditor - audit	6,750	6,750
Fees payable to auditor - other audit services	1,250	1,515
Computer software amortisation	-	55
	<u>-</u>	<u>55</u>

### 7 Charitable activities

	2020/21 £	2019/20 £
Direct costs - educational operations	1,009,334	1,256,582
Support costs - educational operations	<u>816,860</u>	<u>822,569</u>
	<u>1,826,194</u>	<u>2,079,151</u>

	Educational operations £	2020/21 Total £	2019/20 Total £
<b>Analysis of support costs</b>			
Support staff costs	249,457	249,457	293,790
Depreciation	222,749	222,749	218,262
Technology costs	47,768	47,768	45,038
Premises costs	188,350	188,350	192,035
Legal costs - other	9,640	9,640	11,372
Other support costs	88,991	88,991	52,435
Governance costs	<u>9,905</u>	<u>9,905</u>	<u>9,637</u>
Total support costs	<u>816,860</u>	<u>816,860</u>	<u>822,569</u>

# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 8 Staff

#### Staff costs

	2020/21 £	2019/20 £
<b>Staff costs during the year were:</b>		
Wages and salaries	775,906	830,549
Social security costs	76,794	78,590
Operating costs of defined benefit pension schemes	224,450	289,457
	<u>1,077,150</u>	<u>1,198,596</u>
Supply staff costs	82,403	206,164
Staff restructuring costs	-	7,571
	<u>1,159,553</u>	<u>1,412,331</u>
		<b>2020 £</b>
<b>Staff restructuring costs comprise:</b>		
Severance payments		<u>7,571</u>

#### Staff numbers

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

	2020/21 No	2019/20 No
Teachers	7	8
Administration and support	14	12
Management	7	6
	<u>28</u>	<u>26</u>

#### Higher paid staff

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

	2021 No	2020 No
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £481,695 (2020: £350,081).

## Engineering UTC Northern Lincolnshire

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 9 Related party transactions - trustees' remuneration and expenses

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

A McCullagh (Headteacher, Accounting Officer and Governor):

Remuneration: £70,000 - £75,000 (2020 - £35,000 - £40,000)

Employer's pension contributions: £15,000 - £20,000 (2020 - £5,000 - £10,000)

M Doyle (Headteacher, Accounting Officer and Governor):

Remuneration: (2020 - £30,000 - £35,000)

Employer's pension contributions: (2020 - £Nil)

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020 - £1,395) were reimbursed or paid directly to 0 trustees (2020 - 1).

Other related party transactions involving the trustees are set out in note 26.

#### 10 Trustees' and officers' insurance

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

#### 11 Intangible fixed assets

	Software £	Total £
<b>Cost</b>		
At 1 September 2020	238,549	238,549
At 31 August 2021	238,549	238,549
<b>Amortisation</b>		
At 1 September 2020	238,549	238,549
At 31 August 2021	238,549	238,549
<b>Net book value</b>		
At 31 August 2021	-	-
At 31 August 2020	-	-

# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2020	5,939,333	970,853	240,189	7,150,375
Additions	-	241,960	-	241,960
Disposals	-	(271)	-	(271)
At 31 August 2021	<u>5,939,333</u>	<u>1,212,542</u>	<u>240,189</u>	<u>7,392,064</u>
<b>Depreciation</b>				
At 1 September 2020	412,495	307,929	210,186	930,610
Charge for the year	117,887	99,075	5,787	222,749
Eliminated on disposals	-	(44)	-	(44)
At 31 August 2021	<u>530,382</u>	<u>406,960</u>	<u>215,973</u>	<u>1,153,315</u>
<b>Net book value</b>				
At 31 August 2021	<u>5,408,951</u>	<u>805,582</u>	<u>24,216</u>	<u>6,238,749</u>
At 31 August 2020	<u>5,526,838</u>	<u>662,924</u>	<u>30,003</u>	<u>6,219,765</u>

### 13 Debtors

	2021 £	2020 £
Trade debtors	866	9,142
VAT recoverable	12,900	11,524
Other debtors	-	85
Prepayments	<u>34,564</u>	<u>62,817</u>
	<u>48,330</u>	<u>83,568</u>

### 14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,716	18,315
Other taxation and social security	36,431	33,056
Loans	-	145,000
Other creditors	2,247	-
Accruals	28,965	53,693
Deferred income	<u>-</u>	<u>2,750</u>
	<u>69,359</u>	<u>252,814</u>

# Engineering UTC Northern Lincolnshire

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 14 Creditors: amounts falling due within one year (continued)

	2021 £	2020 £
<b>Deferred income</b>		
Deferred income at 1 September 2020	2,750	19,250
Resources deferred in the period	-	2,750
Amounts released from previous periods	(2,750)	(19,250)
Deferred income at 31 August 2021	-	2,750

At 31 August 2020 the academy was holding funds received in advance for lettings income from North Lincolnshire LDC.

### 15 Creditors: amounts falling due after one year

	2021 £	2020 £
Loans	-	2,000

### 16 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant	(150,112)	1,373,017	(1,143,577)	(23,738)	55,590
Start Up Grant	-	1,000	(1,000)	-	-
Pupil Premium	-	74,402	(74,402)	-	-
Other grants	-	304,789	(304,789)	-	-
	(150,112)	1,753,208	(1,523,768)	(23,738)	55,590
<b>Restricted fixed asset funds</b>					
Restricted fixed asset fund	6,219,764	217,995	(222,749)	23,738	6,238,748
<b>Restricted pension funds</b>					
Pension reserve	(385,000)	-	(69,000)	(170,000)	(624,000)
Total restricted funds	5,684,652	1,971,203	(1,815,517)	(170,000)	5,670,338
<b>Unrestricted funds</b>					
Unrestricted general funds	11,935	33,876	(10,677)	-	35,134
Total funds	5,696,587	2,005,079	(1,826,194)	(170,000)	5,705,472

## Engineering UTC Northern Lincolnshire

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 16 Funds (continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant	(110,122)	1,283,107	(1,323,097)	-	(150,112)
Start Up Grant	-	25,000	(25,000)	-	-
Pupil Premium	-	48,852	(48,852)	-	-
Other grants	-	330,898	(330,898)	-	-
	<u>(110,122)</u>	<u>1,687,857</u>	<u>(1,727,847)</u>	<u>-</u>	<u>(150,112)</u>
<b>Restricted fixed asset funds</b>					
Restricted fixed asset fund	6,428,181	6,385	(218,262)	3,460	6,219,764
<b>Restricted pension funds</b>					
Pension reserve	<u>(207,000)</u>	<u>-</u>	<u>(85,000)</u>	<u>(93,000)</u>	<u>(385,000)</u>
Total restricted funds	6,111,059	1,694,242	(2,031,109)	(89,540)	5,684,652
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>-</u>	<u>63,437</u>	<u>(48,042)</u>	<u>(3,460)</u>	<u>11,935</u>
Total funds	<u><u>6,111,059</u></u>	<u><u>1,757,679</u></u>	<u><u>(2,079,151)</u></u>	<u><u>(93,000)</u></u>	<u><u>5,696,587</u></u>

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

Restricted funds are comprised of income from the DfE/ESFA and from the Local Authority. These funds are used for the normal running costs of the UTC.

Unrestricted funds are comprised of donations from private companies, lettings income and hire of staff. These are also used for the normal running costs of the UTC.

Restricted fixed asset funds are comprised of income from the DfE/ESFA and are used to purchase fixed assets for the continued operations and use of the UTC.

#### 17 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,238,749	6,238,749
Current assets	35,134	124,949	(1)	160,082
Current liabilities	-	(69,359)	-	(69,359)
Pension scheme liability	<u>-</u>	<u>(624,000)</u>	<u>-</u>	<u>(624,000)</u>
Total net assets	<u><u>35,134</u></u>	<u><u>(568,410)</u></u>	<u><u>6,238,748</u></u>	<u><u>5,705,472</u></u>

## Engineering UTC Northern Lincolnshire

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 17 Analysis of net assets between funds (continued)

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,219,765	6,219,765
Current assets	11,935	104,702	(1)	116,636
Current liabilities	-	(252,814)	-	(252,814)
Creditors over 1 year	-	(2,000)	-	(2,000)
Pension scheme liability	-	(385,000)	-	(385,000)
Total net assets	<u>11,935</u>	<u>(535,112)</u>	<u>6,219,764</u>	<u>5,696,587</u>

#### 18 Long-term commitments, including operating leases

##### *Operating leases*

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	5,920	6,366
Amounts due between one and five years	27,599	31,324
Amounts due after five years	-	1,825
	<u>33,519</u>	<u>39,515</u>

The total amount of lease payments recognised as an expense during the year was £5,920 (2020: £6,366).

#### 19 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	2020/21 £	2019/20 £
Net income/(expenditure)	178,885	(321,472)
Depreciation	222,749	218,207
Capital grants from DfE and other capital income	(7,504)	(6,385)
Interest receivable	(10)	(30)
Defined benefit pension scheme obligation inherited	62,000	81,000
Decrease in debtors	35,238	22,314
Decrease in creditors	(38,455)	(85,198)
Interest on defined scheme finance cost	7,000	4,000
Loss on disposal	227	-
Net cash provided by/(used in) Operating Activities	<u>460,130</u>	<u>(87,564)</u>



## Engineering UTC Northern Lincolnshire

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 20 Cash flows from financing activities

	2020/21 £	2019/20 £
Repayments of borrowing	(147,000)	-
Cash inflows from new borrowing	-	102,000
Net cash (used in)/provided by financing activities	<u>(147,000)</u>	<u>102,000</u>

#### 21 Cash flows from investing activities

	2020/21 £	2019/20 £
Dividends, interest and rents from investments	10	30
Purchase of tangible fixed assets	(241,960)	(25,143)
Capital funding received from sponsors and others	7,504	6,385
Net cash used in investing activities	<u>(234,446)</u>	<u>(18,728)</u>

#### 22 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	111,752	33,068
Total cash and cash equivalents	<u>111,752</u>	<u>33,068</u>

#### 23 Analysis of changes in net debt

	At 1 September 2020 £	Acquisition / disposal of subsidiaries £	At 31 August 2021 £
Cash	33,068	78,684	111,752
Loans falling due within one year	(145,000)	145,000	-
Loans falling due after more than one year	(2,000)	2,000	-
	<u>(147,000)</u>	<u>147,000</u>	<u>-</u>
Total	<u>(113,932)</u>	<u>225,684</u>	<u>111,752</u>

#### 24 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.

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

**25 Pension and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by East Riding Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

Contributions amounting to £15,992 were payable to the schemes at 31 August 2021 (2020: £14,473) and are included within creditors. There were no prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £120,448 (2020: £126,757).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

**Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £92,000 (2020 - £55,000), of which employer's contributions totalled £76,000 (2020 - £40,000) and employees' contributions totalled £16,000 (2020 - £15,000). The agreed contribution rates for future years are 15.8% per cent for employers and 5.5% - 6.8% per cent for employees.

## Engineering UTC Northern Lincolnshire

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 25 Pension and similar obligations (continued)

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

#### Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.80	3.10
Discount rate for scheme liabilities	1.70	1.70
Inflation assumptions (CPI)	<u>2.90</u>	<u>2.20</u>

The current mortality assumptions include sufficient allowance for future improvements in the mortality rates. The assumed life expectations on retirement age 65 are:

	2021	2020
<b>Retiring today</b>		
Males retiring today	21.00	20.90
Females retiring today	23.70	23.30
<b>Retiring in 20 years</b>		
Males retiring in 20 years	22.20	21.80
Females retiring in 20 years	<u>25.50</u>	<u>24.80</u>

#### Sensitivity analysis

	2021 £	2020 £
Discount rate -0.1%	39,000.00	28,000.00
Mortality assumption – 1 year increase	52,000.00	34,000.00
CPI rate +0.1%	38,000.00	27,000.00
Salary growth -0.1%	<u>1,000.00</u>	<u>1,000.00</u>

The academy trust's share of the assets in the scheme were:

	2021 £	2020 £
Equities	459,540	317,460
Other bonds	119,880	76,960
Property	73,260	57,720
Cash and other liquid assets	<u>13,320</u>	<u>28,860</u>
Total market value of assets	<u>666,000</u>	<u>481,000</u>

The actual return on scheme assets was £93,000 (2020 - £212,000).

## Engineering UTC Northern Lincolnshire

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 25 Pension and similar obligations (continued)

##### Amounts recognised in the statement of financial activities

	2020/21 £	2019/20 £
Current service cost	138,000	121,000
Interest income	(9,000)	(5,000)
Interest cost	16,000	9,000
Total amount recognised in the SOFA	<u>145,000</u>	<u>125,000</u>

##### Changes in the present value of defined benefit obligations were as follows:

	2020/21 £	2019/20 £
At start of period	866,000	421,000
Current service cost	123,000	121,000
Interest cost	16,000	9,000
Employee contributions	16,000	15,000
Actuarial (gain)/loss	254,000	300,000
Past service cost	15,000	-
At 31 August	<u>1,290,000</u>	<u>866,000</u>

##### Changes in the fair value of academy's share of scheme assets:

	2020/21 £	2019/20 £
At start of period	481,000	214,000
Interest income	9,000	5,000
Actuarial gain/(loss)	84,000	207,000
Employer contributions	76,000	40,000
Employee contributions	16,000	15,000
At 31 August	<u>666,000</u>	<u>481,000</u>

#### 26 Related party transactions

Owing to the nature of the academy trust 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 the trustees have an interest. The following related party transactions took place in the financial period.

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

**26 Related party transactions (continued)**

**Expenditure related party transactions**

During the year the academy made the following related party transactions:

**Ron Dearing UTC**

(A trustee is also a trustee at The Ron Dearing UTC.)

During the period the academy trust paid expenditure of £2,100 (2020:£Nil). There were no amounts outstanding at 31 August 2021. (2020: £Nil).

This was made up of the following:

SLA - £2,100 (2020: £Nil).

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due to Ron Dearing UTC was £Nil (2020 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

**Income related party transactions**

During the year the academy made the following related party transactions:

**University of Hull**

(A trustee is also an Officer in the University of Hull.)

During the period the academy trust received income of £9,777.42 (2020:£Nil). There were no amounts outstanding at 31 August 2021. (2020: £Nil).

This was made up of the following:

Hop Grant - £9,777.42 (2020: £Nil).

**27 Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £5,175 and disbursed £5,175 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2020 are £4,291 received, £4,291 disbursed and £Nil included in other creditors.