

Company Registration No. 08293553 (England and Wales)

UTC CREWE

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE PERIOD ENDED 31 AUGUST 2015

UTC CREWE

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UTC CREWE

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

M J Conway
G C Dowding
G D Harris
M E Jones (Resigned 20 July 2015)
P Edwards (Resigned 20 July 2015)

Members

Senior management team

- Principal (appointed 1 September 2015) D Terry

Company registration number

08293553 (England and Wales)

Registered office

Westfields
Middlewich Road
Sandbach
Cheshire
CW11 1HZ

Independent auditor

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

Bankers

Lloyds Bank plc
Ariel House
2138 Coventry Road
Sheldon
Birmingham
B26 3JW

UTC CREWE

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2015

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

The UTC trust is developing an academy for pupils aged 14 - 19 serving a catchment area in Crewe and Cheshire East. It is anticipated that the UTC will open in September 2016.

Structure, governance and management

Constitution

The UTC 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 UTC trust.

The trustees of UTC Crewe are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the period are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The liability of the members (who are the directors) of the UTC is limited. The UTC has appropriate insurance.

Method of recruitment and appointment or election of trustees

The members may appoint up to 8 Governors, a minimum of 2 Parent Governors and a maximum of 3 co-opted Governors.

Governors appointments are made with due regard to the skills they will bring to the governing body.

Policies and procedures adopted for the induction and training of trustees

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

Organisational structure

During the period under review the governors delegate the day to day management of the build project to the project management team. All key decisions regarding the project are made at relevant stakeholder meetings including review of the financial performance and budgets.

Arrangements for setting pay and remuneration of key management personnel

During the period under review, the UTC trust did not have any employees.

Related parties and other connected charities and organisations

All related parties are disclosed within the financial statements. All transactions with UTC's parties are conducted on an arm's length basis and in accordance with the UTC trust's financial regulations.

Objectives and activities

Objects and aims

The objects in the period under review are the progress and the construction of academy buildings with the aim of opening the academy to students in September 2016.

UTC CREWE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Objectives, strategies and activities

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

Public benefit

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

Strategic report

Achievements and performance

The project, in the period to 31 August 2015 is in the pre-opening preparation stage. The major performance objective focused on procurement and design of the new UTC building.

Going concern

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

Financial review

During the period the UTC trust commenced with its planned build project. This has progressed during the period.

Reserves policy

As the UTC trust is in the process of receiving funds (Project Development Grant) and building of the academy, its policy for reserves is to ensure that the project development continues within budget.

Investment policy and powers

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

Principal risks and uncertainties

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

Plans for future periods

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

UTC CREWE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

Auditor

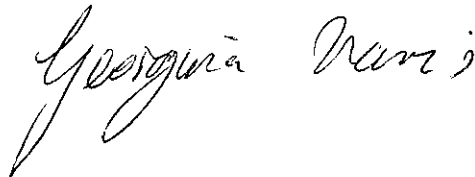
In so far as the trustees are aware:

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

Jackson Stephen LLP was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 16 December 2015 and signed on its behalf by:

G D Harris

A handwritten signature in cursive script, appearing to read "Georgia Harris".

UTC CREWE

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2015

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
M J Conway	4	4
G C Dowding	3	4
G D Harris	3	4
M E Jones (Resigned 20 July 2015)	2	4
P Edwards (Resigned 20 July 2015)	1	4

Review of value for money

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

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

The purpose of the system of internal control

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

Capacity to handle risk

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

UTC CREWE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

The risk and control framework

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

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

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

- not to appoint an internal audit until the academy opens.

Review of effectiveness

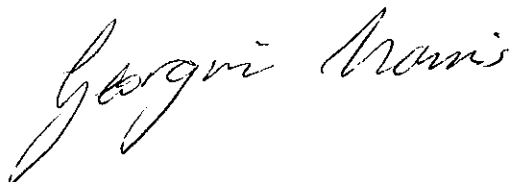
As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

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

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

Approved by order of the board of trustees on 16 December 2015 and signed on its behalf by:

G D Harris



UTC CREWE

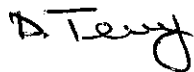
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE PERIOD ENDED 31 AUGUST 2015

As accounting officer of UTC Crewe I have considered my responsibility to notify the UTC trust 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 trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on 16 December 2015 and signed by:



D Terry
Accounting Officer

UTC CREWE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these accounts, the trustees are required to:

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

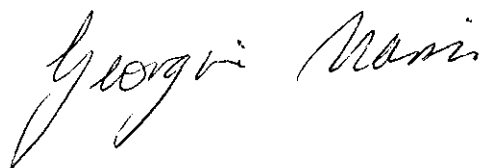
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with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

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

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

Approved by order of the board of trustees on 16 December 2015 and signed on its behalf by:

G D Harris



UTC CREWE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UTC CREWE

We have audited the accounts of UTC Crewe for the period ended 31 August 2015 set out on pages 13 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 (SORP 2015) issued by the EFA.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees, who are also the directors of UTC Crewe for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 (SORP 2015) issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

UTC CREWE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF UTC CREWE

Matters on which we are required to report by exception

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

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

Jackson Kepler LLP

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

Chartered Accountants
Statutory Auditor
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Dated: *17 December 2015*

UTC CREWE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UTC CREWE AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 09 December 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by UTC Crewe during the period 1 April 2015 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of UTC Crewe's accounting officer and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 April 2015 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

UTC CREWE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UTC CREWE AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

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

Jackson Stepler LLP

Mr Peter Atkinson F.C.A.

Reporting Accountant

Jackson Stephen LLP

Dated: *17 December 2015*

UTC CREWE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset funds £	Total 2015 £	Total 31 March 2015 £
Income and endowments from:						
Donations and capital grants	2	-	-	59,292	59,292	-
Charitable activities:						
- Funding for educational operations	4	-	150,000	-	150,000	-
Investments	3	22	-	-	22	-
Total income and endowments		<u>22</u>	<u>150,000</u>	<u>59,292</u>	<u>209,314</u>	<u>-</u>
Expenditure on:						
Charitable activities:						
- Educational operations	6	-	33,700	-	33,700	-
Total expenditure	5	<u>-</u>	<u>33,700</u>	<u>-</u>	<u>33,700</u>	<u>-</u>
Net income/(expenditure)		22	116,300	59,292	175,614	-
Fund balances at 1 April 2015		-	-	-	-	-
Fund balances at 31 August 2015		<u>22</u>	<u>116,300</u>	<u>59,292</u>	<u>175,614</u>	<u>-</u>

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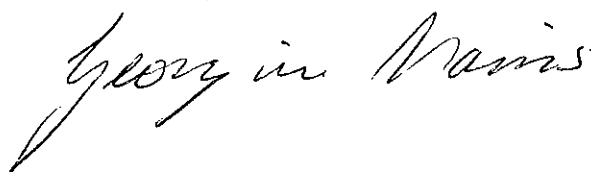
BALANCE SHEET

AS AT 31 AUGUST 2015

		2015		31 March 2015	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		59,292		-
Current assets					
Debtors	10	28,070		-	
Cash at bank and in hand		117,444		-	
		<u>145,514</u>		<u>-</u>	
Current liabilities					
Creditors: amounts falling due within one year	11	(29,192)		-	
		<u></u>		<u></u>	
Net current assets			116,322		-
Net assets			<u>175,614</u>		<u>-</u>
Funds of the UTC trust:					
Restricted funds	12				
- Fixed asset funds			59,292		-
- General funds			116,300		-
			<u>175,592</u>		<u>-</u>
Total restricted funds			175,592		-
Unrestricted income funds	12		22		-
			<u>22</u>		<u>-</u>
Total funds			<u>175,614</u>		<u>-</u>

The accounts were approved by order of the board of trustees and authorised for issue on 16 December 2015.

G D Harris



Company Number 08293553

UTC CREWE

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2015

	Notes	2015 £	£	2015 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	14		117,422		-
Cash flows from investing activities					
Dividends, interest and rents from investments		22		-	
Capital grants from DfE and EFA		59,292		-	
Payments to acquire tangible fixed assets		(59,292)		-	
			22		-
Increase/(decrease) in cash and cash equivalents in the reporting period			117,444		-
Cash and cash equivalents at 1 April 2015			-		-
Cash and cash equivalents at 31 August 2015			117,444		-

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the UTC 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 2014 to 2015 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

These accounts have been prepared for the period 1 April 2015 to 31 August 2015 which is a period of less than twelve months. Academy trusts are required by the EFA to report annually to 31 August and the UTC trust is not permitted under the Companies Act 2006 to extend its accounting reference date to more than eighteen months but it may shorten it.

1.2 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 accounts and have concluded that the UTC trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the UTC trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants receivable

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

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

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

Sponsorship income

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

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated services and gifts in kind

Donated facilities and services provided to the UTC trust are recognised at their value to the UTC trust in the period when it is probable that the economic benefits associated with the donated items will flow to the UTC trust, provided they can be measured reliably. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities.

Donated goods are recognised at fair value unless it is impractical to measure this reliably, in which case a derived value, being the cost of the item to the donor (for example sponsor services), is used. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities except where the donated good is a fixed asset, in which case 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 UTC trust's accounting policies.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Raising funds

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

Charitable activities

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

Governance costs

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

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies (Continued)

1.5 Tangible fixed assets and depreciation

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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Buildings	2% per annum
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Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

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

1.8 Taxation

The UTC 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 UTC 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.

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

1 Accounting policies (Continued)

1.9 Fund accounting

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

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

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

1.10 Critical accounting estimates and areas of judgement

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

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2015 £
Capital grants	-	59,292	59,292	-

3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2015 £
Short term deposits	22	-	22	-

4 Funding for the UTC trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2015 £
DfE / EFA grants				
Other DfE / EFA grants	-	150,000	150,000	-
Total funding	-	150,000	150,000	-

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

5 Expenditure	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2015 £
Academy's educational operations					
- Direct costs	-	-	-	-	-
- Allocated support costs	595	3,420	29,685	33,700	-
	<u>595</u>	<u>3,420</u>	<u>29,685</u>	<u>33,700</u>	<u>-</u>
Total expenditure	<u>595</u>	<u>3,420</u>	<u>29,685</u>	<u>33,700</u>	<u>-</u>

Net income/(expenditure) for the period includes:

	2015 £	2015 £
Fees payable to auditor		
- Audit	1,500	-
	<u>1,500</u>	<u>-</u>

6 Charitable activities	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2015 £
Direct costs				
	-	-	-	-
Allocated support costs				
Support staff costs	-	595	595	-
Maintenance of premises and equipment	-	3,420	3,420	-
Security and transport	-	185	185	-
Other support costs	-	15,700	15,700	-
Governance costs	-	13,800	13,800	-
	<u>-</u>	<u>33,700</u>	<u>33,700</u>	<u>-</u>
Total costs	<u>-</u>	<u>33,700</u>	<u>33,700</u>	<u>-</u>

7 Staff costs

There were no employees during the period.

8 Trustees' remuneration and expenses

None of the trustees are remunerated through the Academy.

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

9	Tangible fixed assets		Assets in the course of construction
			£
	Cost		
	At 1 April 2015		-
	Additions		59,292
			<u>59,292</u>
	At 31 August 2015		<u>59,292</u>
	Depreciation		
	At 1 April 2015 and 31 August 2015		-
			<u>-</u>
	Net book value		
	At 31 August 2015		<u>59,292</u>
			<u><u>59,292</u></u>
10	Debtors	2015	2015
		£	£
	Other debtors	11,859	-
	Prepayments and accrued income	16,211	-
		<u>28,070</u>	<u>-</u>
		<u><u>28,070</u></u>	<u><u>-</u></u>
11	Creditors: amounts falling due within one year	2015	2015
		£	£
	Trade creditors	14,033	-
	EFA creditors	11,859	-
	Accruals	3,300	-
		<u>29,192</u>	<u>-</u>
		<u><u>29,192</u></u>	<u><u>-</u></u>

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

12 Funds	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
Other DfE / EFA grants	-	150,000	(33,700)	-	116,300
Restricted fixed asset funds					
DfE / EFA capital grants	-	59,292	-	-	59,292
Total restricted funds	-	209,292	(33,700)	-	175,592
Unrestricted funds					
General funds	-	22	-	-	22
Total funds	-	209,314	(33,700)	-	175,614

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

Other DfE/EFA grants were received to assist with establishing the organisational structure for the new academy. DfE/EFA capital grants are for the build costs of the new academy buildings.

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	59,292	59,292
Current assets	29,214	116,300	-	145,514
Creditors falling due within one year	(29,192)	-	-	(29,192)
	22	116,300	59,292	175,614

UTC CREWE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2015

14 Reconciliation of net income to net cash flows from operating activities	2015	2015
	£	£
Net income for the reporting period	175,614	-
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(59,292)	-
Investment income	(22)	-
(Increase)/decrease in debtors	(28,070)	-
Increase/(decrease) in creditors	29,192	-
Net cash provided by/(used in) operating activities	<u>117,422</u>	<u>-</u>

15 Related parties

Owing to the nature of the UTC trust'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 the UTC trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the UTC trust's financial regulations and normal procurement procedures. No transactions with related parties took place during the period.

16 Members' liability

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