

Registered number: 08351953 (United Kingdom)

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**HUMBER UTC LIMITED**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**HUMBER UTC LIMITED**  
**(A company limited by guarantee)**

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**HUMBER UTC LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE UTC, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Members**

University of Hull, Represented by: Prof. Alan Speight  
Brendan Conlan  
Baroness Elizabeth Redfearn (resigned 9 January 2017)  
Kenneth Cornforth (appointed 9 January 2017)

**Trustees**

University of Hull, Represented by: Prof. Alan Speight, Chair of Trustees (resigned 6 December 2016)  
North Lindsey College, Represented by: Ann Tyrrell, Trustee (resigned 6 December 2016)  
Able UK, Represented by: David Shepherd, Trustee (resigned 6 December 2016)  
Centrica Storage, Represented by: Darren Oliver, Trustee (resigned 6 December 2016)  
British (formerly Tata) Steel, Represented by: Paul Martin, Trustee (resigned 6 December 2016)  
Outwood Grange Academies Trust, Represented by: David Earnshaw, Trustee (resigned 6 December 2016)  
BAE Systems, Represented by: David Talbot, Trustee (resigned 6 December 2016)  
Brendan Patrick Conlan, Trustee  
Elizabeth Marie Redfern, Trustee (resigned 9 January 2017)  
David Talbot, Accounting Officer (appointed 6 December 2016) Accounting officer until 12 July 2017  
Anne Tyrrell, Trustee (appointed 6 December 2016)  
Andrew Downing, Trustee (appointed 6 December 2016 and resigned 31 March 2017)  
Michelle Atkin, Staff Trustee (appointed 6 December 2016 and resigned 21 July 2017)  
Lisa Mallett, Parent Trustee (appointed 6 December 2016 resigned 24 January 2017)  
Cassie Flanagan, Trustee (appointed 6 December 2016)  
Mark O'Reilly, Trustee (appointed 6 December 2016)  
Alan Speight, Chair of Trustees (appointed 6 December 2016)  
Darren Oliver (appointed 6 December 2016)  
Kenneth Cornforth (appointed 9 January 2017)  
Marc Doyle – Principal from 1 June 2017 (appointed as trustee 31 March 2017) Accounting officer from 12 July 2017

**Company registered number**

08351953

**Company name**

Humber UTC Limited

**Principal and registered office**

Carlton Street, Scunthorpe, North Lincolnshire, DN15 6TA

**Accounting Officer**

Marc Doyle

**Senior management team**

Mr Marc Doyle, Principal  
Mr Nigel Bradford, Assistant Principal

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE UTC, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Advisers**

**Independent Auditors**

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

**Bankers**

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

**Solicitors**

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

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## HUMBER UTC LIMITED

(A company limited by guarantee)

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2017

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2016 to 31 August 2017. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

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

##### **a. CONSTITUTION**

The UTC is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Humber UTC Limited are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Humber UTC Limited.

Details of the Trustees who served during the are included in the Reference and administrative details on page 1.

##### **b. MEMBERS' LIABILITY**

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

##### **c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

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. Baroness Redfern has resigned and Kenneth Cornforth has been appointed as a member. The employer Trustees were changed from the company name as a Trustee to individuals on the 6 December to ensure greater accountability. The Members have approved Mark O'Reilly and Cassie Flanagan onto the Board during the year. David Shepherd (ABLE) and Paul Martin (British Steel) have resigned from the Board.

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

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

All Trustees are supported with training programmes provided by North Lincolnshire Council.

##### **e. 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 2016. 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.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**f. ORGANISATIONAL STRUCTURE**

The UTC only opened its doors to students in September 2015. A governance structure has been determined, which includes 4 members, a maximum of 16 members of the board of Trustees, although 1 member vacancy exists at present. There are 2 positions for Parent Trustees and 2 for staff Trustees.

The senior leadership team comprises the Principal, Assistant Principal and Business Manager.

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

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.

Due to the potential conflict of the Principal being employed by the Outwood Grange Academies Trust, the Board appointed David Talbot as the former Accounting Officer until the permanent Principal was appointed as a Principal on 1 June 2017 and subsequently appointed Accounting Officer on 12 July 2017. David is the Vice Chair of the Board of Trustees and Chair of the Finance and Audit Committee.

**g. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

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

The partners of the UTC are: Cristal, Phillips 66, Singleton Birch, Jacobs., Lincoln University Technical College, University of Hull, ECITB, Catch, North Lincs Council, Centrica Storage, British Steel, Team Humber Marie Alliance.

The University of Hull as the lead academy sponsor, which has membership on the board of trustees. No charges have been made for their support. The University of Hull also gave a donation of £13,120 in the year.

North Lindsey College as a member of the board and advisor regarding post 16 technical Education matters. Charges of £500 have been made in the year for printing services and the College have paid £60,250 for hire of premises and room sponsorship.

Outwood Grange Academies Trust have provided support under an agreed NLE contract. Charges of £234,892 have been made for this support during the year. They also paid Humber UTC £1,197 for training services.

HFC Catch made a donation of £1,229 in the year.

North Lincolnshire Council charged £71,838 during the year for business rates, clerking services, training services and compliance support

Phillips 66, Cristal and Singleton Birch are lead employer sponsors who direct the technical curriculum and give access to facilities and resources within their organisations to support learning for the young people of the academy. They do not give any financial support or donations.

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## HUMBER UTC LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

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#### Objectives and Activities

##### a. OBJECTS AND AIMS

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

##### b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Academy during the period ended 31 August 2017 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.

##### c. ACTIVITIES FOR ACHIEVING OBJECTIVES

- A full time Business Engagement Lead has been recruited to support high quality engagement with the many potential partners and to support student recruitment. Employers and Board members will be invited to support the marketing activity. The Board is engaging a Marketing/PR company, Pace Communications, to support this activity.
- Employer engagement is seen as a critical activity for a UTC. The engagement strategy is led by the Employer Engagement and Curriculum Committee along with support from the wider Board Members.
- Education standards, processes and procedures have been supported by Rodillian Multi-Academy Trust. The Principal, staff and Board will continue to implement and deliver the standards including a new Positive Discipline system. This includes maintaining the learning environment in a positive and supporting manner.
- The subboards, 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 preferred supplier list in place.

##### d. PUBLIC BENEFIT

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**STRATEGIC REPORT**

**Achievements and performance**

**a. REVIEW OF ACTIVITIES**

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.

The ESFA undertook a visit to the UTC in June 2017. The report was very positive, but was clear about the vulnerability of student recruitment.

A new Principal has been appointed. The DFE visit in July 2017 was very clear about the impact of substantial employer engagement since his arrival.

A number of employer projects have been run for the students. The engagement of the employers is critical to the UTC and, through the Employer Engagement and Curriculum group and through the opening up of the building on a more regular basis for events and activities, will continue to increase for the next academic year.

At the end of the academic year there were 108 students at the UTC. Punctuality and behaviour are excellent, which indicate good engagement from the students.

**b. INVESTMENT POLICY AND PERFORMANCE**

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

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

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

**c. FINANCIAL REVIEW**

This has been the second year of operating for the UTC and the yearend accounts for FY2016/17 show a £43k deficit (not including fixed assets and pension adjustment). Pupil numbers have been below plan, which has resulted in a clawback of the GAG funding during the 2017/18 FY. The budget position moving forward shows a £219k deficit for FY17/18 and a £26k deficit for 18/19 based on planned recruitment forecasts. The UTC has relied heavily on the Outwood Grange Academies Trust service provision contract for much of the business support activities during 2016/17. The Trust has withdrawn from the contract at the end of August 2017. Through this difficult period of the planned GAG clawback and the withdrawal of Outwood Grange support, there will be a policy of tight cost control to support the financial position.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**a. GOING CONCERN**

Low student recruitment during the academic year has impacted the budget and created a deficit in-year. 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 control in place, producing a marketing strategy to increase student recruitment and implementation of a contract with North Lindsey College to rent space currently not being utilised.

As identified in the financial review above there is a planned 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 year of operation. There is not a strong track record to attract pupils, but the costs increase in terms of staff capitation. 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.

**b. 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 funds put aside for replacement of fixed assets
- Replacement of key staff following the withdrawal from the OGAT contacts.

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

**c. 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 £7,395,834 of total reserves, made up of fixed asset reserves of £7,152,044, unrestricted reserves of £90,619 and restricted reserves of £153,171. 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 3 months staffing costs for the UTC.

The Trust held £90,619 of unrestricted reserves and £153,171 of restricted reserves at 31 August 2017 and £7,152,044 of fixed asset reserves. Total income for this reporting period is £8,341k. 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 majority of the capital income has already been spent on capital items, mainly IT equipment and other equipment for the UTC.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**a. FUTURE DEVELOPMENTS**

The UTC will continue to improve employer engagement at Board level and within the curriculum. The newly formed Board and staff will work to continue to raise the profile of the UTC to support the recruitment process and the Board will be 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. The relationship with North Lindsey College will be reviewed following the withdrawal of Outwood Grange, including the leasing of the building. There will also be discussions with the Hull, Scunthorpe and possibly Lincoln UTCs about closer relationships and the possibility of sharing of resources.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

Saffery Champness LLP have expressed their willingness to continue in office as auditors to the company.

This report, incorporating a strategic report, was approved by order of the board of trustees as the company directors, on 5 December 2017 and signed on its behalf by:



.....  
**University of Hull, Represented by: Prof.  
Alan Speight, Chair of Trustees**

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**HUMBER UTC LIMITED**  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

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

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows (including attendance of sub-committees):

Trustee	Meetings attended	Out of a possible
Darren Oliver, Trustee	1	6
Brendan Patrick Conlan, Trustee	1	6
Elizabeth Marie Redfern, Trustee	-	3
David Talbot, Accounting Officer	4	5
Anne Tyrrell, Trustee	5	6
Andrew Downing, Trustee	4	6
Michelle Atkin, Staff Trustee	6	6
Lisa Mallett, Parent Trustee	2	2
Marc Doyle, Principal Trustee	2	2
Cassie Flanagan, Trustee	6	6
Mark O'Reilly, Trustee	6	6
Kenneth Cornforth	3	4
Alan Speight, Chair of Trustees	5	6

Sub-committee attendance

Trustee	Meetings attended	Out of a possible
Finance & Audit Committee		
A Speight	1	4
A Downing	2	2
D Talbot	3	4
D Oliver	3	4
S Bennett	4	4
M Doyle	3	3
R Cornock	4	4



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**GOVERNANCE STATEMENT**

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A review of the governance of the UTC has 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 review has confirmed the size and structure of the Board and has updated discrepancies on the Companies House submission. The task and finish group of Trustees will take forward the changes to governance including those required as a result of the withdrawal of Outwood Grange Academies Trust.

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, Marc Doyle has responsibility for ensuring that the UTC 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'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 appropriate. The Accounting Officer for the UTC has delivered improved value for money during the year by:

- arranging to lease part of the building that is currently unused to North Lindsay College for HE provision
- maintaining tight cost control measures in place while turnover is low due to low student recruitment engaging new partners, including Rodillian Multi-Academy Trust for a number of back office services.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of UTC policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Humber UTC Limited for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the UTC is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

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**GOVERNANCE STATEMENT**

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The board of trustees has considered the need for a specific internal audit function and has enlisted an auditor. All policies were signed off by the Board prior to opening and processes and procedures have been reviewed by the Principal, Business Manager and the Audit committee. This work has been on hold due to the reorganisation of the governance structure that included the formation of a combined Finance and Audit Committee. The results of checks are reported to the main Board through the Finance and Audit Committee.

**REVIEW OF EFFECTIVENESS**

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

- the work of the external auditors;
- financial review group
- the work of the executive managers within the UTC who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members on 5 December 2017 and signed on their behalf, by:



.....  
University of Hull, Represented by: Prof.  
Alan Speight, Chair of Trustees



.....  
Marc Doyle, Accounting Officer  
Accounting Officer



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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of the Humber UTC I have considered my responsibility to notify academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and noncompliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material noncompliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

I took over as accounting officer for the Humber UTC on 12th July 2017 having taken over from Brendan Conlan, who had been appointed as a Member of the Humber UTC company, and had therefore relinquished his accounting officer responsibilities.

I confirm that the following instances of material irregularity, impropriety or funding noncompliance have been identified in the Auditor's report to the Trustees and have been highlighted to the ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA .

- A system of internal audit or independent checking was not in place during the academic year
- There was no designated chief financial officer during the year
- Edubase was not updated within 14 days of appointment/vacation of trustees
- In one instance the UTC's procurement processes had not been followed in full and three quotes had not been obtained for consultancy services in excess of £10,000.

  
.....  
**Marc Doyle**  
**Accounting Officer**

Date: 5/12/17 .

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The Trustees (who act as governors of Humber UTC Ltd and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued 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 then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 of trustees on 5 December 2017 and signed on its behalf by:



.....  
**University of Hull, Represented by: Prof. Alan Speight**  
**Chair of Trustees**



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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HUMBER UTC LIMITED**

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**OPINION**

We have audited the financial statements of Humber UTC for the year ended 31 August 2017 which comprise Statement of Financial Activities, Balance Sheet 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, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 August 2017 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.
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**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 charitable company 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 GONG CONCERN**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or  
the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HUMBER UTC LIMITED**

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**OTHER INFORMATION**

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**OPINIONS 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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic 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 trustees' 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 Trustees' Responsibilities Statement set out on page 13, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative to do so

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**HUMBER UTC LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HUMBER UTC LIMITED**

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**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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.

A further description of our responsibilities for the audit of the financial statements is located 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.



Jonathan Davis  
Senior Statutory Auditor  
For and on behalf of:

**Saffery Champness LLP**  
Chartered Accountants  
Statutory Auditors

Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

Date: 20/12/17.

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



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**HUMBER UTC LIMITED**  
**(A company limited by guarantee)**

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

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In accordance with the terms of our engagement letter dated 14 August 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Humber UTC Limited during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Humber UTC Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Humber UTC Limited 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 Humber UTC Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Humber UTC Limited's funding agreement with the Secretary of State for Education dated 1 August 2014, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by the 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 UTC's income and expenditure.

The work undertaken to draw to our conclusions includes:

- Risk based sample testing on income and expenditure.
- Review of the systems and internal controls in place.
- Making appropriate enquiries of the Accounting Officer.

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**HUMBER UTC LIMITED**  
(A company limited by guarantee)

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

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**CONCLUSION**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- A system of internal audit or independent checking was not in place during the academic year
- There was no chief financial officer during the year
- Edubase was not updated within 14 days of appointment/vacation of trustees
- In one instance the UTC's procurement processes had not been followed in full and three quotes had not been obtained for consultancy services in excess of £10,000.



Jonathan Davis (Senior statutory auditor)

for and on behalf of

**Saffery Champness LLP**

Mitre House  
North Park Road  
Harrogate  
North Yorkshire  
HG1 5RX

20/12/17 .

**HUMBER UTC LIMITED**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2017**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Note					
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and capital grants	3	4,945	-	5,890	10,835
Assets transferred from local authority	3	-	-	6,910,268	6,910,268
Charitable activities: Funding for the Academy's educational operations	4	4,433	1,354,198	-	1,358,631
Other trading	5	61,197	-	-	61,197
<b>TOTAL INCOME</b>		<u>70,575</u>	<u>1,354,198</u>	<u>6,916,158</u>	<u>8,340,931</u>
<b>EXPENDITURE ON:</b>					
Charitable activities: Academy Trust educational operations	6	23,226	1,359,721	238,087	1,621,034
<b>TOTAL EXPENDITURE</b>		<u>23,226</u>	<u>1,359,721</u>	<u>238,087</u>	<u>1,621,034</u>
<b>NET INCOME/(EXPENDITURE)</b>		47,349	(5,523)	6,678,071	6,719,897
Actuarial gain/ (loss) on defined benefit pension schemes	19	-	7,000	-	7,000
<b>NET MOVEMENT IN FUNDS</b>		47,349	1,477	6,678,071	6,726,897
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		43,270	151,694	473,973	668,937
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>90,619</u>	<u>153,171</u>	<u>7,152,044</u>	<u>7,395,834</u>

The notes on pages 23 to 41 form part of these financial statements.

**HUMBER UTC LIMITED**  
(A company limited by guarantee)

**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Intangible assets	10		119,329		178,966
Tangible assets	11		<u>6,953,506</u>		<u>217,453</u>
			<b>7,072,835</b>		<b>396,419</b>
<b>CURRENT ASSETS</b>					
Debtors	12	134,975		82,742	
Cash at bank and in hand			<u>712,604</u>	<u>449,767</u>	
			<b>847,579</b>	<b>532,509</b>	
<b>CREDITORS:</b> amounts falling due within one year	13		<u>(478,580)</u>	<u>(237,991)</u>	
<b>NET CURRENT ASSETS</b>			<u>368,999</u>		<u>294,518</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>7,441,834</b>		<b>690,937</b>
Defined benefit pension scheme liability	19		<u>(46,000)</u>		<u>(22,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u>7,395,834</u>		<u>668,937</u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
Restricted income funds	14	199,171		173,694	
Restricted fixed asset funds	14		<u>7,152,044</u>	<u>473,973</u>	
Restricted income funds excluding pension liability		7,351,215		647,667	
Pension reserve			<u>(46,000)</u>	<u>(22,000)</u>	
Total restricted income funds			<b>7,305,215</b>		<b>625,667</b>
Unrestricted income funds	14		<u>90,619</u>		<u>43,270</u>
<b>TOTAL FUNDS</b>			<u>7,395,834</u>		<u>668,937</u>

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**HUMBER UTC LIMITED**  
**(A company limited by guarantee)**

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**BALANCE SHEET (continued)**  
**AS AT 31 AUGUST 2017**

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The financial statements were approved by the Trustees, and authorised for issue, on 5 December 2017 and are signed on their behalf, by:



.....  
**University of Hull, Represented by: Prof.**  
**Alan Speight, Chair of Trustees**  
**Chair of Trustees**

The notes on pages 23 to 41 form part of these financial statements.



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**HUMBER UTC LIMITED**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	17	<u>261,182</u>	<u>161,772</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(4,235)	(160,874)
Capital grants from DfE/ESFA		<u>5,890</u>	<u>-</u>
<b>Net cash provided by/ (used in) investing activities</b>		<u>262,837</u>	<u>(160,874)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>262,837</b>	<b>898</b>
Cash and cash equivalents brought forward		<u>449,767</u>	<u>448,869</u>
<b>Cash and cash equivalents carried forward</b>	18	<u><u>712,604</u></u>	<u><u>449,767</u></u>

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**HUMBER UTC LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 of financial statements**

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Humber UTC Limited meets the definition of a public benefit entity as defined by FRS 102.

**1.2 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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 and include grants from the Department for Education.

**1.3 Income**

All income is recognised once the UTC has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

**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. 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 when there is unconditional 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.

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**HUMBER UTC LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

**Sponsorship Income**

Sponsorship income provided to the UTC which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

**Donations**

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

**Other Income**

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

**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 allocated on the portion of the asset's use.

**Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

Low student recruitment during the academic year has impacted the budget and created a deficit in-year. 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 control in place, producing a marketing strategy to increase student recruitment and implementation of a contract with North Lindsey College to rent space currently not being utilised.

As identified in the financial review above there is a planned 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 year of operation. There is not a strong track record to attract pupils, but the costs increase in terms of staff capitation. 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



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**HUMBER UTC LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

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.

**1.6 Intangible fixed assets and amortisation**

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 at the following rates:

Computer Software	-	25% - over 4 years
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**1.7 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Assets that are bought in bulk, particularly computers, tablets and their accessories, where individually they cost less than £1,000, are also capitalised.

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 incorporating income and expenditure account 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 incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 incorporating income and expenditure account.

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

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## HUMBER UTC LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1. ACCOUNTING POLICIES (continued)

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold land	-	125 years – over life of the lease
Long leasehold buildings	-	2% - over 50 years
Fixtures and fittings	-	10% - over 10 years
Office equipment	-	10% - over 10 years
Specialist equipment	-	10% - over 10 years
Computer equipment	-	25% - over 4 years

#### 1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the UTC; this is normally upon notification of the interest paid or payable by the Bank.

#### 1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### 1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.11 Liabilities and provisions

Liabilities and provisions 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 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### 1.12 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial



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## HUMBER UTC LIMITED

(A company limited by guarantee)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1. ACCOUNTING POLICIES (continued)

liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

##### 1.13 Taxation

The UTC is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the UTC is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### 1.14 Pensions

Retirement benefits to employees of the UTC 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 so as to spread the cost of pensions over employees' working lives with the UTC 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 on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 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 operating surplus 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 incorporating income and expenditure account 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

##### 1.15 Agency arrangements

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 but this is not recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 23.

**HUMBER UTC LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES (continued)**

**1.16 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 UTC 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 19, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

**2. GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State, the academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	4,945	-	-	4,945	31,770
Assets transferred from local authority			6,910,268	6,910,268	
Capital Grants	-	-	5,890	5,890	-
Total donations and capital grants	<u>4,945</u>	<u>-</u>	<u>6,916,158</u>	<u>6,921,103</u>	<u>31,770</u>

In 2016, of the total income from donations and capital grants, £31,770 was to unrestricted funds.

**HUMBER UTC LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
<b>DfE/ESFA grants</b>				
General Annual Grant	-	902,932	902,932	726,357
Start up Grants	-	219,186	219,186	312,954
Other DfE/ESFA Grants	-	232,080	232,080	102,426
	<u>-</u>	<u>1,354,198</u>	<u>1,354,198</u>	<u>1,141,737</u>
<b>Other funding</b>				
Other Income	4,433	-	4,433	7,795
	<u>4,433</u>	<u>-</u>	<u>4,433</u>	<u>7,795</u>
	<u>4,433</u>	<u>1,354,198</u>	<u>1,358,631</u>	<u>1,149,532</u>

In 2016, of the total income from educational operations, £7,795 was to unrestricted funds and £1,141,737 was to restricted funds.

**5. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
Lettings income	61,197	-	-	61,197	-
	<u>61,197</u>	<u>-</u>	<u>-</u>	<u>61,197</u>	<u>-</u>



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**6. EXPENDITURE**

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Educational Operations:					
Direct costs	717,713	238,087	88,903	1,044,703	682,102
Support costs	<u>154,866</u>	<u>156,682</u>	<u>264,783</u>	<u>576,331</u>	<u>556,266</u>
	<u><u>872,579</u></u>	<u><u>394,769</u></u>	<u><u>353,686</u></u>	<u><u>1,621,034</u></u>	<u><u>1,238,368</u></u>

In 2017, of the total expenditure, £23,226 (2016 - £4,505) was to unrestricted funds, £1,359,721 (2016 - £1,113,246) was to restricted funds and £238,087 (2016 - £120,617) was to restricted fixed asset funds.

Net expenditure for the period includes:

	2017 £	2016 £
Depreciation and amortisation of fixed assets:		
- owned by the charity	238,087	120,617
Auditors' remuneration - audit	<u>8,800</u>	<u>7,000</u>

**7. SUPPORT COSTS**

	Total 2017 £	Total 2016 £
Support staff costs	154,866	188,870
Technology costs	20,882	2,560
Premises costs	156,682	152,606
Other support costs	218,278	208,130
Governance costs	25,623	4,100
	<u><u>576,331</u></u>	<u><u>556,266</u></u>

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**8. STAFF COSTS**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	701,263	519,985
Social security costs	56,481	42,218
Operating costs of defined benefit pension schemes	114,835	90,322
	<b>872,579</b>	<b>652,525</b>

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

	2017 No.	2016 No.
Teachers	8	9
Administration and support	8	9
Management	3	-
	<b>19</b>	<b>18</b>

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

	2017 No.	2016 No.
In the band £80,001 - £90,000	-	1

**Key Management Personnel**

One or more trustees has been paid remuneration or has received other benefits from an 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.

In the 2016/17 financial year only the principal was remunerated whilst serving as a trustee and being considered as a key manager (the principal changed part way through the year). The total amount of employee benefits (including employer pension contributions) received by key management personnel for their service to the UTC was £105,879 (2016: £93,666)

**Other Trustees**

Other than the Principal no trustees of the UTC were remunerated or paid expenses during the financial year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. 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 or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**10. INTANGIBLE FIXED ASSETS**

	<b>Computer Software £</b>
<b>Cost</b>	
At 1 September 2016 & 31 August 2017	<b>238,549</b>
<b>Amortisation</b>	
At 1 September 2016	<b>59,583</b>
Charge for the year	<u><b>59,637</b></u>
At 31 August 2017	<u><b>119,220</b></u>
<b>Carrying amount</b>	
At 31 August 2017	<u><u><b>119,329</b></u></u>
At 31 August 2016	<u><u><b>178,966</b></u></u>



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**11. TANGIBLE FIXED ASSETS**

	Leasehold Land and Buildings £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2016	-	49,606	228,881	278,487
Transfers from local authority	5,935,000	975,268	-	6,910,268
Additions	-	4,235	-	4,235
At 31 August 2017	<u>5,935,000</u>	<u>1,029,109</u>	<u>228,881</u>	<u>7,192,990</u>
<b>Depreciation</b>				
At 1 September 2016	-	4,778	56,256	61,034
Charge for the year	58,900	62,330	57,220	178,450
At 31 August 2017	<u>58,900</u>	<u>67,108</u>	<u>113,476</u>	<u>239,484</u>
<b>Net book value</b>				
At 31 August 2017	<u>5,876,100</u>	<u>962,001</u>	<u>115,405</u>	<u>6,953,506</u>
At 31 August 2016	<u>-</u>	<u>44,828</u>	<u>172,625</u>	<u>217,453</u>

The trust's transactions relating to land and buildings include the taking up of leasehold land and buildings for the school building valued at £5,935,000 over a term of 125 years.

**12. DEBTORS**

	2017 £	2016 £
Trade debtors	56,000	14,200
VAT recoverable	29,699	17,733
Prepayments and accrued income	49,276	50,809
	<u>134,975</u>	<u>82,742</u>

**13. CREDITORS: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	21,748	78,315
Accruals and deferred income	54,361	25,057
GAG abatement	394,656	120,176
Other creditors	7,815	14,443
	<u>478,580</u>	<u>237,991</u>

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<b>Deferred income</b>	<b>2017</b>	<b>2016</b>
	£	£
Deferred income at 1 September 2016	-	-
Released from previous year	-	-
Resources deferred in the year	<b>22,471</b>	-
Deferred income at 31 August 2017	<u><b>22,471</b></u>	<u>-</u>

**14. STATEMENT OF FUNDS**

	<b>Brought Forward</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Carried Forward</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
Unrestricted Reserve	<u>43,270</u>	<u>70,575</u>	<u>(23,226)</u>	-	<u>90,619</u>
<b>Restricted funds</b>					
General Annual Grant (GAG)	33,491	902,932	(737,252)	-	199,171
Start Up Grant	140,203	219,186	(359,389)	-	-
Pupil Premium	-	32,080	(32,080)	-	-
Other grants	-	200,000	(200,000)	-	-
Pension reserve	(22,000)	-	(31,000)	7,000	(46,000)
	<u>151,694</u>	<u>1,354,198</u>	<u>(1,359,721)</u>	<u>7,000</u>	<u>153,171</u>
<b>Restricted fixed asset funds</b>					
Capital funding/donated assets	<u>473,973</u>	<u>6,916,158</u>	<u>(238,087)</u>	-	<u>7,152,044</u>
Total restricted funds	<u>625,667</u>	<u>8,270,356</u>	<u>(1,597,808)</u>	<u>7,000</u>	<u>7,305,215</u>
Total of funds	<u><b>668,937</b></u>	<u><b>8,340,931</b></u>	<u><b>(1,621,034)</b></u>	<u><b>7,000</b></u>	<u><b>7,935,834</b></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 and 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Intangible fixed assets	-	-	119,329	119,329	178,966
Tangible fixed assets	-	-	6,953,506	6,953,506	217,453
Current assets	90,619	677,751	79,209	847,579	532,510
Creditors due within one year	-	(478,580)	-	(478,580)	(237,992)
Provisions for liabilities and Charges	-	(46,000)	-	(46,000)	(22,000)
	<u>90,619</u>	<u>153,171</u>	<u>7,152,044</u>	<u>7,395,834</u>	<u>668,937</u>

**16. COMMITMENTS UNDER OPERATING LEASES**

	2017 £	2016 £
Amounts due within one year	446	446
Amounts due between one and five years	1,337	1,783
	<u>1,783</u>	<u>2,229</u>

**17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW  
FROM OPERATING ACTIVITIES**

	2017 £	2016 £
Net income/(expenditure) for the year (as per statement of Financial activities)	6,719,897	(57,066)
<b>Adjustment for:</b>		
Depreciation charges	178,450	61,034
Fixed assets transferred on conversion	(6,910,268)	
(Increase)/decrease in debtors	(52,233)	70,056
Increase in creditors	240,589	23,165
Capital grants from DfE and other capital income	(5,890)	-
Defined benefit pension scheme cost less contributions payable	31,000	5,000
Amortisation Charges	<u>59,637</u>	<u>59,583</u>
<b>Net cash provided by operating activities</b>	<u>261,182</u>	<u>161,772</u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017 £	2016 £
Cash in hand	<u>712,604</u>	<u>449,767</u>
Total	<u><u>712,604</u></u>	<u><u>449,767</u></u>

**19. PENSION COMMITMENTS AND SIMILAR OBLIGATIONS**

The UTC's employees belong to two principal pension schemes: the Teacher's Pension Scheme for 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 pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

Not less than every four years 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 19. PENSION COMMITMENTS AND SIMILAR OBLIGATIONS (continued)

- past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £52,826 (2016 - £56,767).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £40,000 (2016 - £35,000), of which employer's contributions totalled £31,000 (2016 - £28,000) and employees' contributions totalled £9,000 (2016 - £7,000). The agreed contribution rates for future years are 21.3% for employers and 6.5% for employees.

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

#### East Ridings Pension Fund

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50%	2.10%
Expected return on scheme assets at 31 August	12.20%	20.10%
Rate of increase in salaries	2.60%	2.30%
Rate of increase for pensions in payment / inflation	2.40%	2.10%
Inflation assumption (CPI)	2.40%	2.10%
Commutation of pensions to lump sums	80.00%	65.00%

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**19. PENSION COMMITMENTS AND SIMILAR OBLIGATIONS (continued)**

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

	2017	2016
Retiring today		
Males	21.7	21.9
Females	24.2	24.1
Retiring in 20 years		
Males	23.7	24.2
Females	26.4	26.7

Sensitivity analysis:

	2017 £'000	2016 £'000
Discount rate -0.5%	32	(12)
CPI rate +0.5%	-	(2)

The UTC's share of the assets in the scheme was:

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	67,450	27,000
Bonds	12,350	3,960
Property	10,450	3,960
Cash	4,750	1,080
	95,000	36,000
Total market value of assets	95,000	36,000

The actual return on scheme assets was £2,000 (2016 - £3,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost (net of employee contributions)	(61,000)	(31,000)
Actual return on scheme assets	2,000	3,000



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**19. PENSION COMMITMENTS AND SIMILAR OBLIGATIONS (continued)**

Movements in the present value of the defined benefit obligation were as follows:

	2017 £	2016 £
Opening defined benefit obligation	58,000	-
Current service cost	61,000	31,000
Interest cost	2,000	1,000
Contributions by employees	9,000	7,000
Actuarial losses	11,000	19,000
	<u>141,000</u>	<u>58,000</u>
Closing defined benefit obligation		

Movements in the fair value of the UTC's share of scheme assets:

	2017 £	2016 £
Opening fair value of scheme assets	36,000	-
Return on plan assets (excluding net interest on the net defined Pension liability)	1,000	1,000
Actuarial gains	18,000	2,000
Contributions by employer	31,000	26,000
Contributions by employees	9,000	7,000
	<u>95,000</u>	<u>36,000</u>
Closing fair value of scheme assets		

**20. 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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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**21. RELATED PARTY TRANSACTIONS**

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

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

North Lindsey College as a member of the board and advisor regarding post 16 technical Education matters. Charges of £60,000 have been made in the year.

Outwood Grange Academies Trust have provided support under an agreed NLE contract. Charges of £234,892 have been made for this support during the year. Income of £1,197 was received during the year.

Donations of £1,229 and £13,120 were also received from HFC Catch Limited and the University of Hull respectively.

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

£60,250 has been received from North Lindsey College for room hire and sponsorship. £500 paid to North Lindsey College for printing services.

Payments totalling £71,838 were made to North Lincolnshire Council for business rates and other services.

£200 donation from Online Design and Engineering Limited and HCF Catch Limited.

A table summarising related party transactions from the last two years appears below.

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**21. RELATED PARTY TRANSACTIONS (continued)**

	2017 £	2016 £
University of Hull - donations	(13,120)	(11,470)
North Lindsey College - educational support costs	500	12,071
North Lindsey College – hire of premises and donations	(60,250)	-
British Steel - charge	-	696
British Steel - donations	-	(5,200)
Outwood Grange Academies Trust - various support costs	234,892	254,144
Outwood Grange Academies Trust – training income	(1,197)	-
Principal, A Downing - salary & pension	65,095	93,965
Clugston - donation	(5,000)	(5,000)
DONG Energy Wind Power - donation	(5,000)	(5,000)
Jotun Paints - donation	(3,000)	(3,000)
Online Design & Engineering Ltd	(200)	-
HCF Catch - donation	(1,229)	-

**22. POST BALANCE SHEET EVENTS**

No post balance sheet events to report.

**23. AGENCY ARRANGEMENTS**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the trust received £5,686 and disbursed £3,337 from the fund. An amount of £7,606 is included in other creditors relating to undistributed funds that are repayable to ESFA.



