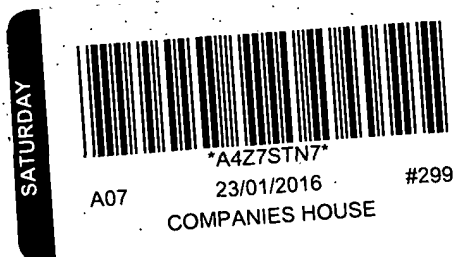


LEEDS ADVANCED MANUFACTURING UTC
LIMITED

FINANCIAL STATEMENTS

31 AUGUST 2015

(A company limited by guarantee)



ArmstrongWatson®
Accountants & Financial Advisers

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1
Trustees' report	2 - 5
Governance statement	6 - 8
Statement on regularity, propriety and compliance	9
Trustees' responsibilities statement	10
Independent auditor's report	11 - 12
Independent reporting accountant's assurance report on regularity	13 - 14
Statement of financial activities	15
Balance sheet	16
Cash flow statement	17
Notes to the financial statements	18 - 26

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS**
FOR THE PERIOD ENDED 31 AUGUST 2015

Trustees

Mr G P Cooper (appointed 9 October 2014)
Mr P D Ball (appointed 9 October 2014)
Mr S P J Nadin (appointed 9 October 2014)

Company registered number

09257096

Principal and registered office

Elizabeth House, 13-19 Queen Street, Leeds, West Yorkshire, LS1 2TW

Independent auditor

Armstrong Watson Audit Limited, Third Floor, 10 South Parade, Leeds, West Yorkshire, LS1 5QS

Bankers

Lloyds Bank, 65-68 Briggate, Leeds, West Yorkshire, LS1 6LH

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2015

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditor's report of Leeds Advanced Manufacturing UTC Limited (the Academy) for the period ended 31 August 2015. The Trustees confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Structure, governance and management

a. CONSTITUTION

The Academy is a charitable company limited by guarantee and was set up by a Memorandum of Association on 9 October 2014.

The principal object of the Academy is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum, which includes provision for technical education.

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

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

Governors are to receive a training plan covering their legal responsibilities, equality and diversity, safeguarding, health and safety and teaching and learning.

e. ORGANISATIONAL STRUCTURE

The Governing Body agreed to establish two sub committees to become operational by 2016. These are for Finance, Resources and Premises; and Curriculum and Standards respectively. A review of the PSG (Project Steering Group) is currently underway in order to transfer to the Shadow Governing Body by March 2016 and a Full Governing Body for September 2016. The trustees are actively seeking individuals with the correct skills and attributes to fully service this Governing Body.

f. RISK MANAGEMENT

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

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

Objectives and Activities

a. OBJECTS AND AIMS

The Academy will develop in all its students those abilities, values and beliefs which equip them to make a valuable lifelong contribution as creative scientists and engineers of the 21st Century.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Our student engineers will be nurtured through a stimulating and relevant curriculum, engaging and empowering learning styles, and exposure to leading edge technologies and contemporary engineering challenges.

Through a learning environment and experience which model the best professional practice in the fields of advanced engineering, manufacturing and design; the student engineers and applied scientists graduating from UTC Leeds will have the academic qualifications, professional characteristics and personal qualities that render them highly valued employees, researchers and future leaders in engineering.

The learner experience at the Academy is designed to nurture independence, initiative and aspiration.

As a consequence, students leaving the Academy will be characterised as young people with strong ambition and sense of purpose, who will drive themselves to learn and achieve, and operate within a secure framework of personal and social values.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

The Academy is currently recruiting students and staff in anticipation of commencing teaching in September 2016. The Academy is being developed to serve the Leeds City Region and provide places for 600 students aged between 14 and 19 years old. Students will follow a broad and balanced curriculum of GCSE and A Level qualification alongside accredited Vocational Qualifications.

d. PUBLIC BENEFIT

The purpose of the Academy is to help address the significant skills gap in the City Region. Leeds has a proud heritage in a diverse range of Engineering disciplines. Our aim is to reflect the need for skilled engineers, scientists and technicians to help the local and regional economy grow.

The Academy will also offer support to all schools in the region around delivery of industry specific technical skills and the development of work-ready young people. We will work with community groups in the area to offer the expertise and facilities needed to develop those young people who have a passion for engineering and manufacturing.

Achievements and performance

a. GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy 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.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

b. REVIEW OF ACTIVITIES

Approval by the Secretary of State to fund UTC Leeds was achieved in July 2015 when the Funding Agreement was signed.

The Principal and Chief Executive was appointed in May 2015 and formally took up his position in September 2015.

Development of the project continued throughout the year with the appointment of the Project Management team; GLK Solutions and the Education Consultant. Significant progress was made in the development of the Purposes, Values and Beliefs of the UTC and the subsequent Education Brief. Development of the employer and university engagement strategy continued throughout the year.

Site selection and design development for the new build to house the Leeds Advanced Manufacturing UTC progressed through the year. The preferred site was selected at Braime Metal Pressings Ltd. The west wing of the factory will be developed to house the Academy. Following a rigorous procurement process using the DfE's contractor framework for the North of England, BAM Construction Ltd were selected as preferred bidder.

The UTC is scheduled to become operational on the 1 September 2016 with 105 Year 10 students and 120 Year 12 students. Marketing activities are scheduled to take place during the Autumn term of 2015 with the deadline for applications being 31 January 2016.

c. INVESTMENT POLICY AND PERFORMANCE

Investments will only be made with the prior approval of the Governing Body. The Finance Committee will be responsible for ensuring effective scrutiny of the treasury management strategies and policies.

d. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

The key factors in allowing the UTC to achieve its objectives are as follows:

- High standards of academic and vocational delivery.
- Recruitment of a self selecting cohort of students who understand and aspire to achieve the UTC offer.
- Recruitment of high skilled and motivated teaching and support staff.
- The continued support of the UTC by employers and partners.

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Most of the UTC's income is to be obtained from the Department of Education in capital and recurrent grants; the use of which is restricted to particular purpose. The grants for the year are shown in the Statement of Financial Activities.

b. RESERVES POLICY

Reserves will be held in accordance with the requirements laid down by the Department for Education.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

Plans for future periods

a. FUTURE DEVELOPMENTS

Mark Kennedy, the Principal of the UTC, takes up post in September 2015. The University of Leeds has also agreed to fund a Project Co-ordinator for the project. We are in the process of recruiting this person and will have the post in place during September 2015. A secondeé from Leeds Building Society has also been agreed by the Trustees. The secondeé will also take up post in September 2015. This team will then take over the day to day management of the UTC development. Recruitment of students will be the main priority of the first term. Development of all aspects of the UTC will then continue to the opening in September 2016.

DISCLOSURE OF INFORMATION TO AUDITOR

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 auditor is 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 auditor is aware of that information.

This report was approved by order of the Board of Trustees on 23 December 2015 and signed on the board's behalf by:



Mr G P Cooper
Trustee

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Leeds Advanced Manufacturing UTC Limited and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 8 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr G P Cooper	6	8
Mr P D Ball	7	8
Mr S P J Nadin	5	8

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the 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 Academy Trust has delivered improved value for money during the year by:

- Following a tendering process for key suppliers requiring the involvement and approval of the Project Steering Group.
- Negotiating with key suppliers, prior to acceptance, to ensure that the best cost is obtained.

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 Academy 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 Leeds Advanced Manufacturing UTC Limited for the period 9 October 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy 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 Academy's significant risks, that has been in place for the period 9 October 2014 to 31 August 2015 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 Academy'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 Project Steering Group of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Armstrong Watson Audit Limited, the external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Ensuring that adequate segregation of duties is in place when approving capital expenditure, grant claims and general expenditure; and
- Ensuring compliance with the Academies Financial Handbook.

On an annual basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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:

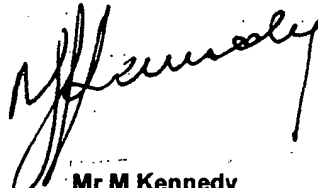
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 23 December 2015 and signed on its behalf, by:



Mr G P Cooper
Trustee



Mr M Kennedy
Accounting Officer

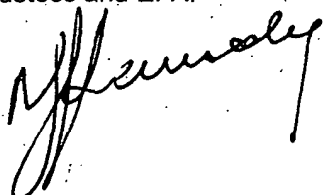
LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Leeds Advanced Manufacturing UTC Limited I have considered my responsibility to notify the Academy 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 Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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.



Mr M Kennedy
Accounting Officer

Date: 23 December 2015

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015**

The Trustees (who act as governors of Leeds Advanced Manufacturing UTC Limited 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 Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

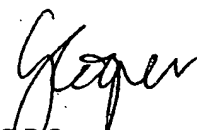
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 23 December 2015 and signed on its behalf by:


Mr G P Cooper
Trustee

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEDS ADVANCED MANUFACTURING UTC LIMITED

We have audited the financial statements of Leeds Advanced Manufacturing UTC Limited for the period ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

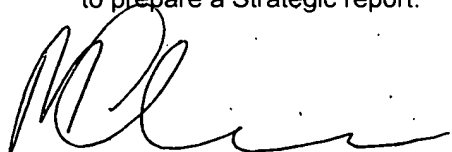
LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEDS ADVANCED MANUFACTURING UTC LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the Academy has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Armstrong Watson Audit Limited

Chartered Accountants
Statutory Auditors

Third Floor
10 South Parade
Leeds
West Yorkshire
LS1 5QS
23 December 2015

Armstrong Watson Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LEEDS
ADVANCED MANUFACTURING UTC LIMITED AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 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 Leeds Advanced Manufacturing UTC Limited during the period 9 October 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF LEEDS ADVANCED MANUFACTURING UTC LIMITED'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Leeds Advanced Manufacturing UTC Limited's funding agreement with the Secretary of State for Education dated July 2015, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 9 October 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LEEDS
ADVANCED MANUFACTURING UTC LIMITED 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 9 October 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Matthew Osbourne
For and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants
Statutory Auditors

Third Floor
10 South Parade
Leeds
West Yorkshire
LS1 5QS

23 December 2015

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
INCOMING RESOURCES				
Incoming resources from generated funds:				
Voluntary income	2	-	398,017	398,017
Investment income	3	35	-	35
Incoming resources from charitable activities	4	-	150,000	150,000
TOTAL INCOMING RESOURCES		35	548,017	548,052
RESOURCES EXPENDED				
Charitable activities		-	151,085	151,085
Governance costs	5	-	5,262	5,262
TOTAL RESOURCES EXPENDED	8	-	156,347	156,347
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME FOR THE PERIOD		35	391,670	391,705
Total funds at 9 October 2014		-	-	-
TOTAL FUNDS AT 31 AUGUST 2015		35	391,670	391,705

All activities relate to continuing operations.

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

The notes on pages 18 to 26 form part of these financial statements.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 09257096

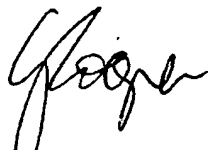
BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £
FIXED ASSETS			
Tangible assets	11		1,066
CURRENT ASSETS			
Debtors	12	725,034	
Cash at bank		47,751	
		<u>772,785</u>	
CREDITORS: amounts falling due within one year	13	<u>(382,146)</u>	
NET CURRENT ASSETS			<u>390,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>391,705</u>
FUNDS OF THE ACADEMY			
Restricted funds	14		391,670
Unrestricted funds	14		35
TOTAL FUNDS			<u>391,705</u>

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

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

The financial statements were approved by the Trustees, and authorised for issue, on 23 December 2015 and are signed on their behalf, by:



Mr G P Cooper
Trustee

The notes on pages 18 to 26 form part of these financial statements.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015**

	Note	period ended 31 August 2015 £
Net cash flow from operating activities	16	48,782
Returns on investments and servicing of finance	17	35
Capital expenditure and financial investment	17	(1,066)
INCREASE IN CASH IN THE PERIOD		47,751

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2015**

	period ended 31 August 2015 £
Increase in cash in the period	47,751
MOVEMENT IN NET FUNDS IN THE PERIOD	47,751
NET FUNDS AT 31 AUGUST 2015	47,751

The notes on pages 18 to 26 form part of these financial statements.

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Incoming resources

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy. 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.

Tangible fixed assets are stated at cost less depreciation. 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:

Computer equipment	-	3 years straight line
--------------------	---	-----------------------

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.7 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy 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.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Donations	-	35,500	35,500
Grants	-	362,517	362,517
	<hr/>	<hr/>	<hr/>
Voluntary income	-	398,017	398,017
	<hr/>	<hr/>	<hr/>

3. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Bank interest received	35	-	35
	<hr/>	<hr/>	<hr/>

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Educational operations	-	150,000	150,000
	<u> </u>	<u> </u>	<u> </u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
EFA/DfE Project development grant	-	150,000	150,000
	<u> </u>	<u> </u>	<u> </u>
	-	150,000	150,000
	<u> </u>	<u> </u>	<u> </u>

5. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Auditors' remuneration	-	1,500	1,500
Legal and professional fees	-	644	644
Website development and sundry	-	3,118	3,118
	<u> </u>	<u> </u>	<u> </u>
	-	5,262	5,262
	<u> </u>	<u> </u>	<u> </u>

6. DIRECT COSTS

	Educational operations £	Total 2015 £
Project management	112,374	112,374
Travel and subsistence	4,762	4,762
HR and staff recruitment	9,000	9,000
	<u> </u>	<u> </u>
	126,136	126,136
	<u> </u>	<u> </u>

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

7. SUPPORT COSTS

	Educational operations £	Total 2015 £
Office costs	2,244	2,244
Marketing and advertising	22,705	22,705
	<u>24,949</u>	<u>24,949</u>

8. RESOURCES EXPENDED

	Non Pay Expenditure Other costs 2015 £
Educational operations	126,136
Support costs - Educational operations	24,949
	<u>151,085</u>
Charitable activities	<u>151,085</u>
Governance	<u>5,262</u>
	<u>156,347</u>

9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Support costs 2015 £	Total 2015 £
Educational operations	<u>126,136</u>	<u>24,949</u>	<u>151,085</u>

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

10. NET INCOMING RESOURCES

This is stated after charging:

	period ended 31 August 2015 £
Auditor's remuneration	1,500
	<u>1,500</u>

11. TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 9 October 2014	-
Additions	1,066
At 31 August 2015	<u>1,066</u>
Depreciation	
At 9 October 2014 and 31 August 2015	-
Net book value	
At 31 August 2015	<u>1,066</u>

12. DEBTORS

	2015 £
Prepayments and accrued income	362,517
Grants receivable	362,517
	<u>725,034</u>

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

13. CREDITORS:
Amounts falling due within one year

	2015 £
Trade creditors	374,726
Accruals and deferred income	7,420
	<u>382,146</u>

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
Other General funds	-	35	-	35
	<u>-</u>	<u>35</u>	<u>-</u>	<u>35</u>
Restricted funds				
Other Restricted funds	-	548,017	(156,347)	391,670
	<u>-</u>	<u>548,017</u>	<u>(156,347)</u>	<u>391,670</u>
Total of funds	<u>-</u>	<u>548,052</u>	<u>(156,347)</u>	<u>391,705</u>

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

RESTRICTED FUNDS

To establish the infrastructure, policies, procedures and curriculum in advance of the Academy opening in September 2016.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	-	35	-	35
Restricted funds	-	548,017	(156,347)	391,670
	<u>-</u>	<u>548,052</u>	<u>(156,347)</u>	<u>391,705</u>

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Tangible fixed assets	-	1,066	1,066
Current assets	35	772,749	772,784
Creditors due within one year	-	(382,145)	(382,145)
	<u>35</u>	<u>391,670</u>	<u>391,705</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	Continuing £	Discontinued £	period ended 31 August 2015 Total £
Net incoming resources before revaluations	391,705	-	391,705
Returns on investments and servicing of finance	(35)	-	(35)
Increase in debtors	(725,034)	-	(725,034)
Increase in creditors	382,146	-	382,146
Net cash inflow from operations			<u><u>48,782</u></u>

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	period ended 31 August 2015 £
Returns on investments and servicing of finance	
Interest received	<u>35</u>
	<u> </u>
	period ended 31 August 2015 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	<u><u>(1,066)</u></u>

LEEDS ADVANCED MANUFACTURING UTC LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015**

18. ANALYSIS OF CHANGES IN NET FUNDS

	9 October 2014	Cash flow	Other non-cash changes	31 August 2015
	£	£	£	£
Cash at bank and in hand:	-	47,751	-	47,751
Net funds	-	47,751	-	47,751

19. RELATED PARTY TRANSACTIONS

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