

South Bank Engineering UTC Trust

Meeting of the South Bank Engineering UTC Trust

5.00 - 5.30 pm on Thursday, 8 December 2016
in South Bank Engineering UTC, 56 Brixton Hill SW2 1QS

Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
1.	Welcome and apologies		RF
2.	Declarations of Interest		RF
3.	Minutes of the previous meeting	3 - 6	RF
4.	Matters arising	7 - 8	RF
	Financial reporting		
5.	Audit Findings	9 - 34	SK
6.	Letter of Representation (for approval)	35 - 40	DS
7.	Final Annual Report & Accounts (for approval)	41 - 74	DS
	Striking Off and Dissolution		
8.	Striking Off and Dissolution report	75 - 76	MB
9.	DS01 form (for signing)	77 - 80	PS

Directors: Richard Flatman (Chair), Rao Bhamidimarri and James Stevenson

In attendance: Shivani Kothari (Auditor), Michael Broadway and Dan Smith and Pervena Singh (Clerk)

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Minutes of a Meeting of the Board of Directors of the
South Bank Engineering UTC (09280002)
held at 3.30pm on Thursday, 4 February 2016
in room 1B27, Technopark, London, SE1

Directors Present

Rao Bhamidimarri	LSBU Vice President Development
Richard Flatman	LSBU Chief Financial Officer
James Stevenson	LSBU University Secretary and Clerk to the Board of Governors

Apologies

Anil Puri	Independent Director
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In attendance

Michael Broadway	Secretary
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Chair's Introduction

1. Apologies had been received from Anil Puri.
2. The Board elected Rao Bhamidimarri as Chair of the meeting.
3. The Secretary explained that the purpose of the Board meeting was to approve in principle the proposed transfer agreement to transfer all of the undertaking of the company to South Bank Academies (09280002).

Minutes of the last meeting

4. The Board approved the minutes of the last meeting (paper UTC.01(16)).

Declarations of interest

5. It was noted that each director had an interest in the proposed transfer agreement as they were also directors of South Bank Academies.
6. The directors agreed that the transfer agreement was in the best interests of the company for the following reasons:
 - a. by completing the transfer the directors would be maintaining the sustainability of the future educational institution, South Bank Engineering UTC;

- b. the beneficiaries of this charitable company, the future students from time to time of the UTC and the local community, would remain the same and would not be disadvantaged by the transfer; and
 - c. the transfer would enhance the educational and community benefit to the beneficiaries through efficiencies gained by running two schools through one company.
7. The directors agreed that by approving the transfer of undertaking they were discharging their duties as directors and charity trustees.

Membership of the company and of the Board

8. The Board noted the current members of the company (paper UTC.02(16)).
9. The Board noted that, as the original appointer, LSBU intended to remove Anil Puri as a director under article 66.
10. The Board noted that the company intended to remove Anil Puri as a member of the company. Richard Flatman agreed to be appointed as a member in his place.
11. The Secretary would produce the necessary resolutions for signature.

Transfer of Undertaking

12. The Board discussed the proposed transfer by the company of its undertaking (paper UTC.03(16)) to South Bank Academies, which would operate both the University Academy of Engineering South Bank and the South Bank Engineering UTC. The DfE had agreed in principle to fund South Bank Academies for this purpose.
13. The Board noted that at its meeting of 7 January 2016, South Bank Academies had agreed to accept the transfer of the company's undertaking, in principle.
14. The Board considered that it was in the best interests of the company to approve the proposed transfer of undertaking for the reasons set out in minute 6 above.
15. The Board:
 - a. approved the proposed transfer of undertaking in principle as being in the best interests of the company and in furtherance of its charitable objects;

- b. authorised the execution of the final form transfer of undertaking agreement with South Bank Academies by any director;
- c. approved changing bank mandates in favour of South Bank Academies and to transfer funds to South Bank Academies for their existing purposes; and
- d. authorised the secretary to take any necessary steps to effect legal completion of the transfer of undertaking, including novation of contracts.

16. The Board agreed that the transfer of undertaking should be legally completed after legal completion of the master funding agreement and supplemental funding agreements by South Bank Academies.

17. The Board noted that as part of the transfer of undertaking two employment contracts and all other contracts would be transferred to South Bank Academies. The parties to these contracts would be notified of the transfer prior to completion.

18. The Board noted that following the completion of the transfer agreement the company would be rendered dormant. All funding, activity and contractual obligations for the UTC college would be delivered through South Bank Academies.

Any other business

19. The Board noted that a Clerk to the Academies was being appointed to service the Board of Trustee meetings of South Bank Academies and the local governing bodies of South Bank Engineering UTC and University Academy of Engineering South Bank. A calendar of Board meetings for South Bank Academies would be prepared.

Date of next meeting

20. The date of the next meeting is to be confirmed.

The Chair closed the meeting.

Confirmed as a true record:

..... (Chair)

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South Bank Engineering UTC Trust

ACTION

Item	Action details	Who	Status
15.	The Company to execute the transfer of undertaking agreement with South Bank Academies	Company Secretary	Transfer of undertaken completed on 1 July 2016.
15.	Changing bank mandates in favour of South Bank Academies and to transfer funds to South Bank Academies	Business manager	Complete.
18.	Following the completion of the transfer agreement the Company would be rendered dormant.	Company Secretary	The Company has been dormant for 3 months and will begin preparation for dissolution.

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South Bank Engineering UTC Trust

	CONFIDENTIAL
Paper title:	External Audit Findings
Board/Committee:	South Bank Engineering UTC Trust Board Meeting
Date of meeting:	8 December 2016
Sponsor:	CEO
Author:	Shivani Kothari (Senior Statutory Auditor)
Purpose:	Review
Recommendation:	To review the findings of the external auditor during their annual audit

Executive Summary

The purpose of this report is to provide information and feedback to the South Bank Engineering UTC Trust Board from the external auditors Kingston Smith LLP after their annual audit of the South Bank Academies and South Bank Engineering UTC Trust accounts.

The report includes the following;

- Audit Approach
- Significant Findings
- Accounting and Internal Control Systems
- Sector Update
- Corrected Material Misstatements and Reclassifications
- Other matters

The work on the audit was completed on-site during the w/c 17th October by two members of Kingston Smith LLP audit team.

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South Bank Academies

Post Audit Management Report

Year Ended 31 August 2016

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Post Audit Management Report – South Bank Academies

We have completed the audit of the South Bank Academies Trust and the South Bank Engineering UTC Trust for the year ended 31 August 2016 and we expect to issue an unqualified audit opinion.

This report covers the findings from our audit, the scope of which was communicated to you prior to commencing the work. It includes some recommendations for improving the accounting and internal control systems as well as highlighting some future developments that may be of interest to the board.

We hope that the recommendations are practical and are able to be implemented. We would be grateful if you could discuss the points as a board and will welcome a written response. Please extend our thanks to Daniel Smith for all of his help with the audit.

If you have any concerns or questions arising from this report, please contact Anjali Kothari.

Yours faithfully

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Appendix 2	Other matters

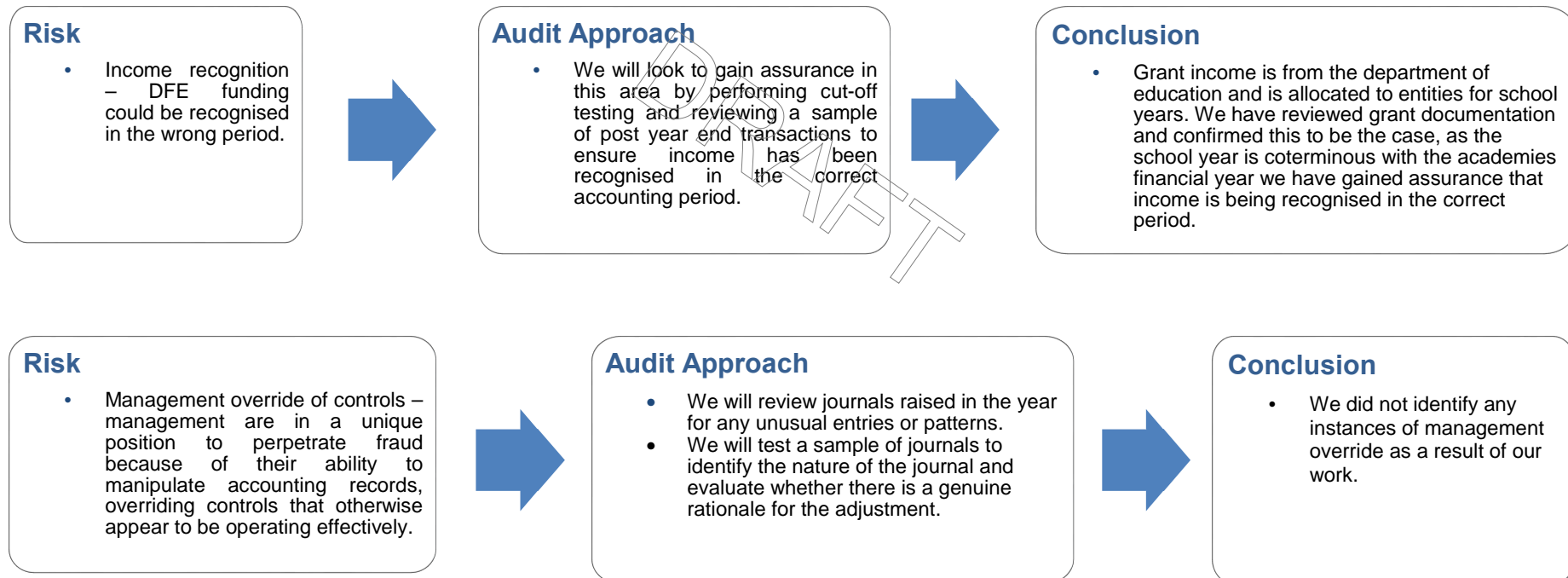
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Section 1: Audit Approach

As outlined in our pre-audit letter dated 5 September 2016 our audit approach is based on an assessment of the audit risk relevant to the individual financial statement areas. Areas of risk are categorised according to their susceptibility to material misstatement, whether through complexity of transactions or accounting treatment. For each area we calculated a level of testing and review sufficient to give comfort that the financial statements are free from material misstatement.

The following table lists any risks identified at the planning stage and during the course of the audit, our approach to mitigate the risk and our conclusions from completing this work

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Section 2: Significant Findings From The Audit

We are required under International Standards on Auditing to request you to correct all misstatements identified during our audit, with the exception of those that are clearly trivial.

Corrected material misstatements and reclassifications

Included as Appendix 1 are the corrected, material misstatements identified during the course of our audit work which have been discussed and agreed with you.

Observations concerning the operation of the accounting and control systems

We detail in section 3 other matters concerning the operation of the accounting and control systems that we consider should be brought to your attention. The observations have been ranked in order of potential risk to the business. Significant internal control issues; which we believe need immediate attention; are denoted using a red flag. We have also included an assessment of the extent to which our previous recommendations have been implemented.

We look forward to receiving your responses on the points raised. Due to the nature of an audit we may not have identified all weaknesses within the accounting and internal control systems which may exist and the contents of this section of our letter and any items disclosed in this report should not therefore be taken as a comprehensive list of such weaknesses.

Management Representation Letter

A draft of our proposed management representation letter has been sent to you under separate cover. All of the matters included in this letter on which we seek the Trustee's formal confirmation are in respect of routine matters.

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Section 3: Operation of the Accounting and Internal Control Systems

South Bank Academies Trust – Current year

	<u>MATTER ARISING</u>		<u>IMPLICATION</u>	<u>RECOMMENDATION</u>	<u>RESPONSE</u>
	<p>Accruals We note an accrual for £34k has been made for Southwark heating and an accrual of £44k for IT services from RM. We have noted the calculations to support these, but understand 3rd party evidence (an invoice, for example) is not available.</p>	MED	Accruals may be overstated.	To ensure that all accruals are supported by evidence of invoices where possible.	The Academy is aware that there are costs involved with the heating supplied by Southwark Heating and also the IT services supplied by RM Education. Despite requests we have not received any invoices. It is however prudent to accrue for these costs.
	<p>Bank reconciliations Bank reconciliations are not being signed off as reviewed.</p>	LOW	There is a risk that reconciliations are not being performed adequately and/or in good time.	Sign off bank reconciliations once reviewed; consider the possibility of a dual review or a separate reviewer to the person posting income and expenditure.	Bank Reconciliations will now be prepared by the Finance Officer in each school and signed by the Trust Business Manager.

Section 3: Operation of the Accounting and Internal Control Systems

South Bank Academies Trust – Prior Year

	<u>MATTER ARISING</u>		<u>RECOMMENDATION</u>	<u>IMPLEMENTATION PROGRESS</u>
	Salary Overpayment We noted that there was an employee who was over paid in September and October 2014 and this balance remained outstanding at the year end.	MED	To review the payroll controls to ensure that staff are not paid in error. Monies may not be recoverable if staff leave.	There were no salary creditors at the year end.
	Debtors We note that there is an outstanding debtor balance of £18,250 from Southwark Council. This debt is over 5 months old. We understand that efforts are being made to recover this debt.	MED	To ensure that this debt is recovered, or to consider making a provision against this debt.	This balance has since been recovered.
	Accruals We note an accrual for £34k has been made for Southwark heating. We have noted the calculations to support this, but understand 3 rd party evidence (an invoice, for example) is not available.	MED	To ensure that all accruals are supported by evidence of invoices where possible.	This issue is still outstanding and has been included in the letter of representation again.
	Supplier set up No dual authorisation is required to set up suppliers or amend their details on the accounting system.	LOW	The system should be altered to prevent suppliers being set up or amended without dual authorisation.	New Supplier Form introduced that requires two signatures including that of the Principal and requests reasons for opening a new account and bank details on the suppliers headed paper. Existing supplier list readily available for all staff.

Section 3: Operation of the Accounting and Internal Control Systems

	<u>MATTER ARISING</u>		<u>RECOMMENDATION</u>	<u>IMPLEMENTATION PROGRESS</u>
	Bank reconciliations Bank reconciliations are not being signed off as reviewed.	LOW	Sign off bank reconciliations once reviewed, consider the possibility of a dual review or a separate reviewer to the person posting income and expenditure.	Bank reconciliations are now being performed but are not signed off.
	Professional Fees We noted that there are some teaching costs being included in professional fees.	LOW	Ensure that any teaching costs are included within supply teaching costs and not professional fees.	This miscoding error has now been rectified.
	Tenancy Agreement We note the tenancy agreement is still not signed.	LOW	To ensure that this is signed.	This issue is still outstanding.
	Register of Interests We note that there is a register of interest, but we could not view this.	LOW	To ensure that this is readily available and updated on an annual basis and as and when required.	The school now holds a register of interests.
	Aged Creditor Listing We note from our review that there are a number of balances which have not been cleared off accounts. This can lead to supplier payment confusion and errors. This can also suggest the purchase supplier payment process is not robust enough.	LOW	We recommend that all supplier balances are reviewed and cleared down. Where items are in dispute there should be attempt to resolve these.	This issue has been resolved.

Section 3: Operation of the Accounting and Internal Control Systems

South Bank Engineering UTC Trust – Prior Year

	<u>MATTER ARISING</u>		<u>IMPLICATION</u>	<u>RECOMMENDATION</u>	<u>RESPONSE</u>
1.	Insurance The Trustees do not have any insurance in place	HIGH	The trustees may be liable if any accidents happens during the course of academy business	Take out trustee insurance at the earliest opportunity.	This is under review.
2.	Register of interest Trustees have not signed declarations as part of their register of interests.	HIGH	Related parties transactions could go unnoticed and not carried out on a not-for-profit basis.	Related party interests should be kept up to date to ensure the good practice is captured regularly.	The process is on-going. Declarations have been circulated to the trustees for their signature.

Section 3: Operation of the Accounting and Internal Control Systems

We have given each of our observations a risk rating as explained in the key below:-

RISK RATING FOR MANAGEMENT REPORT POINTS		
	Risk rating	Explanation
	Low	Issues that would, if corrected, improve the internal controls or accounting practices in general but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.
	Medium	Issues that have an important effect on internal controls but do not need immediate action. You may still meet a system objective in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.
	High	Issues that are fundamental and material to your system of internal control. We believe that these issues might mean that you do not meet a system objective or reduce (mitigate) a risk.

Section 4: Sector Update

Academies Useful Links

There are a number of links which the Governors and senior leadership might find useful and these are listed below:

Gov.uk:

<https://www.gov.uk/government/collections/schools-financial-health-and-efficiency>

<https://www.gov.uk/guidance/schools-financial-efficiency-top-10-planning-checks-for-governors>

<https://www.gov.uk/academies-fianncial-assurance>

<https://www.gov.uk/academies-severance-payments>

<https://www.gov.uk/government/collections/academies-investigation-reports>

NABSM good practice Library:

<http://nasbm.co.uk/Home/Efa-Academies-Library.aspx>

FD Forum:

www.thefdforum.co.uk

ICAEW:

www.icaewvolunteers.com

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Section 4: Sector Update

1. Apprenticeship Levy

Starting on 1 April 2017, the apprenticeship levy will force all charities with payrolls of £3m and over to pay a levy of 0.5 per cent to the government. Each charity employer will receive £15,000 to offset the cost of implementing this. However, it remains the case that charities that have a high proportion of volunteers in relation to paid staff often have very few roles that could be filled by apprentices, even though they might well breach the £3m payroll threshold – in which case, they might find themselves obliged to pay the levy and receive little in return. We have called upon government to consider whether volunteers could be deemed to be “employees” for the purpose of deciding who can qualify for an apprenticeship. The Department for Education has published the Government’s initial Proposals for apprenticeship funding in England from May 2017, along with an Apprenticeship funding bands tool and a spreadsheet of Apprenticeships approved for delivery.

In brief:

- Charity employers that are too small to contribute to the apprenticeship levy would have 90% of the cost of their apprenticeship training paid by the Government as a “co-investment”.
- The Government will pay an additional £2,000 in respect of 16- to 18-year-olds, young care leavers and young people with an education, health and care (EHC) plan, with £1,000 going to the employer and an additional £1,000 to the training providers.
- Waive the “co-investment requirement” for small employers (i.e. those with fewer than 50 employees) where they are training a 16- to 18-year-old apprentice, young care leaver or young person with an EHC plan – which means that they would not have to pay anything towards the training;

- Charities will be able to use levy funds to retrain workers in a new skill where they have prior qualifications – so long as the new skill is significantly different from their previous qualifications.
- Pay training providers £471 for training to gain the minimum standard of Level 2 in English and maths, payable directly from the Government instead of being deducted from the employer’s digital account.
- From 2018 allow levy-paying employers to be able to transfer up to 10% of the annual value of funds entering their digital accounts to other employers on the digital system.

The levy will be paid to HMRC through the PAYE process currently in place. The amount payable will be 0.5 per cent of the total amount of earnings subject to Class 1 secondary National Insurance Contributions. This includes earnings below the secondary threshold, which are usually excluded for the calculation of employers NICs.

A £1,250pm (£15,000 annually) levy allowance will be provided by the government to offset against this. The allowance can be carried forward if unused and can be used as a credit against PAYE liabilities.

For example, if Employer A’s pay bill is £3.2m, the cost of the levy will be £16,000. Employer A will receive £15,000 to offset this cost and so the net payable is £1,000.

This net amount payable will be put into a digital account and made available for employers to buy training, from an approved trainer, for apprenticeship schemes. HMRC have confirmed that all digital account payments made to an approved Apprenticeship Levy provider will be exempt from VAT.

Apprenticeships will not be limited to young people, but the levy will be restricted to training apprenticeships, excluding additional costs such as recruitment and salaries.

Section 4: Sector Update

No special considerations are expected to be granted to charities and we understand that any unspent levy money could be used by private business.

Further details on how the apprenticeship levy will work can be found via this link: <https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

If you have any queries on this matter, in the meantime, please ask Anjali Kothari.

2. Current HR and Employment Related Issues

A number of changes and updates to employment legislation have been introduced in recent months, as follows:

- The National Minimum Wage rates have increased from 1 October 2016 for all age groups. For workers aged 21 years to 24, the rate is now £6.95 per hour, a rise of 25p from the previous year. The National Living Wage was also introduced in April for workers aged 25 and over and is currently £7.20 per hour.
- The Apprenticeship Levy will be introduced in April 2017; all employers with a wage bill of more than £3 million will have to contribute 0.5% of the bill to the levy. All employers will be able to access funding for apprenticeships through the digital apprenticeship portal.
- There have been further rulings on the inclusion of commission and overtime in holiday pay. The Court of Appeal has upheld the decision to include commission in holiday pay and it is widely accepted that regular overtime should also be included. There are still questions to be clarified on the reference period to use and no definitive answer on annual bonuses.
- The Employment Tribunal has granted permission for shop workers at ASDA to compare themselves to warehouse staff in an

equal pay claim that could result in claims for £100 million. The final outcome of the case could have far reaching consequences across the retail sector.

- The outcome of the Uber Employment Tribunal claim to determine if its drivers are self employed or employees is awaited. If it is decided that they are in fact employees this will impact on the rise of the 'gig' economy and infer employment rights such as sick pay, holiday pay, entitlement to minimum wage and protection from unfair dismissal.
- The Government is currently consulting on the use of non-compete clauses and if these should be banned, the view being that they can stifle potential entrepreneurs and fair competition.
- Immigration rules for non-EU migrants have changed from April 2016. Non-EU nationals must also earn a minimum of £35,000 per annum in addition to meeting the residency requirements of 5 years to apply to permanently remain in the UK.
- Tougher sanctions have been introduced for employers who knowingly employ illegal workers. Individuals can be held criminally responsible and receive a fine of £20,000 and the company can be closed while investigation take place.

Please speak to Anjali Kothari for further information.

3. Fundraising & Trustee Duties

Following the copious amounts written in the Press in regard to fundraising since May 2015, the Charity Commission issued its revised guidance 'CC20 Charity fundraising: a guide to trustee duties' on 7 June 2016.

The revision emphasises that trustees are responsible for public fundraising undertaken by their charity. They should involve themselves in the planning and monitoring of their charity's fundraising systems and processes, without taking on an overly operational approach. As always, proportionality is key and planning and monitoring will depend on the charity's size, structure and complexity. It will also depend on whether

Section 4: Sector Update

fundraising is undertaken by trustees, paid staff, outsourced organisations or volunteers.

The consultation highlights six principles to consider:

- fundraising strategy and planning
- supervising fundraisers (including third parties)
- protecting the charity's reputation and assets
- complying with laws and regulations
- living up to relevant standards
- being open and accountable.

The guidance states that the Charity's plan should not be lengthy or complex but should include issues such as:

- The fundraising methods that are to be used
- The resources that will be used and the costs that will be incurred, and their proportionality with income raised
- The financial / reputation and other risks that the Charity will face and how these will be mitigated
- How the fundraising will reflect upon the Charity's values
- Regularly monitoring progress against fundraising plans, looking carefully and critically at the areas of highest risk.

The guidance does not aim to describe all legal requirements for fundraising, as these aren't regulated by the Commission, instead it signposts readers to other bodies that provide that guidance, such as the Fundraising Regulator, Information Commissioner's Office, Gambling Commission, etc.

The Commission aims to work closely with the new Fundraising Regulator (due to take over from the Fundraising Standards Board (FRSB) and Public Fundraising Regulatory Authority (PFRA) on 5 July) and the

Information Commissioners Office (ICO). The guidance highlights where the Commission has jurisdiction over fundraising matters.

Trustees and charity executives need to balance risk aversion and compliance to regulations with the need to integrate their charity's values into its fundraising practice, and to innovate in order to find funding to meet beneficiary needs.

Should you have any queries about your fundraising, either about the current processes and procedures or additional requirements, please email James Newell at jnewell@ks.co.uk – Director of Fundraising and Management.

4. Register of People with Significant Control

From 6 April 2016 the majority of UK companies will be required to keep (and make available for public inspection) a new statutory Register of People with Significant Control (also known as the PSC Register).

All charitable companies limited by guarantee and all wholly-owned trading subsidiaries of charities will be subject to the regime.

From 30 June 2016 you will also need to include the information contained in this Register in a Confirmation Statement, to be filed with Companies House. This statement replaces the Annual Return. The new rules are among a number of changes to the Companies Act 2006 brought in as part of the Government's drive to increase transparency in ownership and control of UK corporations, help combat tax evasion and money laundering, and increase trust in UK businesses.

What is a 'Person with Significant Control'? A Person of Significant Control is an individual who:

- holds, directly or indirectly, more than 25% of a company's shares; or

Section 4: Sector Update

- ii. holds, directly or indirectly, more than 25% of the voting rights in a company; or
- iii. holds the right, directly or indirectly, to appoint or remove a majority of a company's directors; or
- iv. has the right to exercise, or actually exercises, significant influence or control over a company; or
- v. exercises, or has the right to exercise, significant influence or control over a trust or firm which meets any of the above conditions.

Charitable Companies are, for the most part, unlikely to be caught by the first two points. However consideration should be given to the remaining points. Where a company's shares are owned by another legal entity, this other entity is a Relevant Legal Entity (RLE) and, generally, if it would meet any of the above conditions if it were an individual, it also needs to be listed on the PSC Register. For the majority of cases, this is likely to apply to those charitable companies that have wholly owned trading subsidiaries.

One of the criteria under this legislation is holding, either directly or indirectly, more than 25% of the voting rights. For a charitable company limited by guarantee this will apply to the guarantee members. What information will need to be shown in the PSC Register? An entry in the PSC Register will need to contain the same information as a company is currently required to keep relating to its directors, as well as:

- the date of becoming a PSC;
- details of the PSC conditions which apply (points 'i' to 'v', above); and
- a note of any restrictions on disclosing the PSC's information which may be in place.

The PSC Register must be updated whenever the position changes.

What information will need to be sent to Companies House, and when? All the information in the PSC Register will need to be sent to Companies House annually, in the Confirmation Statement, except that, as with directors/trustees, the residential address and day element of the date of birth will be redacted.

Any charitable company will need to list its guarantee members as PSCs if the number of members is three or less. If there are four or more members, which will usually be the case, each individual will control no more than 25%, and hence there will be no PSC. However, the PSC register must never be blank, and so where there is no PSC, charities will need to keep a PSC register containing specific wording stating that there is no registrable person. Typical wording could be: "The company knows or has reasonable cause to believe that there is no registrable relevant legal entity or PSC in relation to the company".

What are the penalties for non-compliance? The legislation imposes obligations on the company and its trustees/directors to discover and disclose the required information and to give notice to any person they consider may be a PSC. The directors/trustees may be liable to fines and imprisonment, and the charitable company may be fined, for failing to comply. There are similar obligations on PSCs to comply with requests for information.

If you would like any further information, please get in touch with Anjali Kothari.

Appendix 1: Corrected Material Misstatements and Reclassifications

No other matters have come to our attention during the audit which we are required to communicate to you and the safeguards adopted were as described in our pre-audit letter.

South Bank Academies Trust

	Balance Sheet		SOFA		Effect on Net Surplus
	Dr	Cr	Dr	Cr	Dr/(Cr)
Draft Net Income					(71,615)
Post Trial Balance journals provided by the Client and processed by Kingston Smith:					
Fixed assets at cost	6,223				
Fixed assets accumulated depreciation		9,525			
Depreciation expense			3,302		3,302
Being the opening balance adjustment for fixed assets					
Pension contributions				1,500	(1,500)
Pension contributions				1,500	(1,500)
Pension asset	3,000				
Being the opening balance adjustment to pension liabilities					

Appendix 1: Corrected Material Misstatements and Reclassifications

	Balance Sheet		SOFA		Effect on Net Surplus
	Dr	Cr	Dr	Cr	Dr/(Cr)
Repairs & Maintenance			5,098		5,098
Repairs & Maintenance				7,504	(7,504)
Repairs & Maintenance				1,010	(1,010)
Rates				372	(372)
Educational Supplies				1,479	(1,479)
Stationary			911		911
IT Consumables – Non-Educational				320	(320)
Professional Services			11,235		11,235
CRB Checks				5,553	(5,553)
IT Licensing				1,442	(1,442)
Uniforms Expenditure			1,311		1,311
Prepayments		875			
Being the reversal of last years prepayments and the inclusion of this year's prepayments					
Accruals		50,112			
Agency Supply Cover - Teaching				5,500	(5,500)
Agency Supply Cover - Support				1,710	(1,710)

Appendix 1: Corrected Material Misstatements and Reclassifications

	Balance Sheet	SOFA	Effect on Net Surplus
Course Fees		1,500	(1,500)
Repairs & maintenance		14,095	14,095
Equipment (Not IT)		81	(81)
Catering Food/Drink		4,628	(4,628)
Electricity		5,000	(5,000)
Security Alarm		773	(773)
Computer support		22,000	22,000
Recruitment expenses		32,493	32,493
Accountancy		300	300
Southwark district heating		414	414
GAG Clawback Expense		402,511	(402,511)
GAG Clawback Accrual	402,511		
Being the reversal of last years accruals and the inclusion of this years			
Teachers - Salaries/Allowances		84,300	84,300
Accruals	84,300		
Being compensation payment accrual			
Updated net income before audit adjustments			(338,537)

Appendix 1: Corrected Material Misstatements and Reclassifications

	Balance Sheet	SOFA	Effect on Net Surplus
Adjustment journals proposed by Kingston Smith:			
Fixed assets accumulated depreciation	4,224		
Depreciation expense		4,224	4,224
Being the current year depreciation charge			
PAYE/NI Creditor	3,000		
Employers NI		3,000	(3,000)
Being the annual employment allowance not yet recognised			
Rates Relief		34,210	34,210
Accruals and deferred income	34,210		
Being deferred income			
Pension Liability	31,000		
Pension contributions		5,000	(5,000)
Actuarial losses		36,000	
Being the current year movement on pensions			

Appendix 1: Corrected Material Misstatements and Reclassifications

	Balance Sheet	SOFA	Effect on Net Surplus
Reanalysis journals proposed by Kingston Smith:			
Intercompany debtors	5,040		
Trade debtors		5,040	
Being the reclassification of intercompany debtors			
Trade debtors	1,898		
Trade creditors		1,898	
Being credit balances in trade debtors			
Final net (income)/expenditure for South Bank Academy			(308,103)

Appendix 1: Corrected Material Misstatements and Reclassifications

South Bank Engineering UTC Trust

	Balance Sheet		SOFA		Effect on Net Surplus
	Dr	Cr	Dr	Cr	Dr/(Cr)
Draft Net Income					44,081
Fixed asset additions	98,027				
Repairs and maintenance				98,027	(98,027)
Depreciation charge			4,799		4,799
Accumulated depreciation		4,799			
<i>Being the reclassification of fixed assets charged to P&L</i>					
Equipment			14,729		14,729
Marketing				360	(360)
IT consultancy				4,550	(4,550)
Audit			750		750
Printing, postage and stationary			2,208		2,208
Teaching supplies			9,279		9,279
Accruals		22,056			
<i>Being movement in accruals</i>					

Appendix 1: Corrected Material Misstatements and Reclassifications

	Balance Sheet		SOFA		Effect on Net Surplus
	Dr	Cr	Dr	Cr	Dr/(Cr)
UAESB funding income			61,000		61,000
Staff salaries			20,421		20,421
Other support costs			10,854		10,854
Related party creditors		92,275			
Being movement in creditors					
Equipment				11,127	(11,127)
Marketing				470	(470)
Other support costs				24	(24)
VAT debtor	11,621				
Being adjustment to VAT					
Final net (income)/expenditure for South Bank Engineering UTC Trust before transfer to South Bank Academies					53,563
Transfer of opening reserves of South Bank Engineering UTC Trust					(51,135)
Final net income for the Multi Academy Trust					(305,675)

Appendix 2: Other Matters

Engagement & Independence

Our engagement objective was the audit of the South Bank Academies.

We have implemented policies and procedures to meet the requirements of the Financial Reporting Council's (FRC) Ethical Standards. To this end we considered our independence and objectivity in respect of the audit for the period under review before commencing planning our audit and communicated with you on these matters in our pre-audit letter dated 5 September 2016.

No other matters have come to our attention during the audit which we are required to communicate to you and the safeguards adopted were as described in our pre-audit letter.

Qualitative aspects of accounting practices, accounting policies and financial reporting

Based on our audit work performed, we believe that the Strategic Report, Trustee's Report and financial statements for the period under review comply with United Kingdom Accounting Standards and the Companies Act 2006.

During the course of our audit of the financial statements for the period under review we did not identify any inappropriate accounting policies or practices.

Matters specifically required by other Auditing Standards to be communicated to those charged with governance

Other than as already explained in our Engagement Letter, Pre-Audit Letter and this Post-Audit Management Report, there are no other specific matters to communicate as a result of our audit of the financial statements under review.

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South Bank Engineering UTC Trust

	CONFIDENTIAL
Paper title:	External audit Letter of Representation
Board/Committee:	South Bank Engineering UTC Trust Board Meeting
Date of meeting:	8 December 2016
Sponsor:	CEO
Author:	Dan Smith
Purpose:	For approval
Recommendation:	The board are asked to approval the Letter of Representation for South Bank Engineering UTC Trust Board.

Executive Summary

The letter of representation requires the South Bank Engineering UTC Trust to give specific assurances to the auditors over matters regarding the financial statements and the year- end audit. It should be signed by the Chair at the time of signing the accounts. The attached letter contains standard representations only; there are no items that have been inserted specific to South Bank Engineering UTC Trust.

Attachments

- Letter of representation

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LETTER OF REPRESENTATION

South Bank Academies including South Bank Engineering UTC Trust
103 Borough Road
London
SE1 0AA

Kingston Smith LLP
Chartered Accountants
Devonshire House
60 Goswell Road
London
EC1M 7AD

Dear Sirs,

We confirm to the best of our knowledge and belief the following representations given to you in connection with your audit of the companies' financial statements for the year ended 31 August 2016. We confirm that they are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you.

General

- 1) We acknowledge our responsibility for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable us to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011.
- 2) We acknowledge our responsibility for preparing financial statements in accordance with the Companies Act 2006, the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Charities SORP (FRS 102), the Academies Accounts Direction 2015 to 2016 issued by the EFA, the Charities Act 2011 and are satisfied that the financial statements give a true and fair view.
- 3) We acknowledge and agree it is our responsibility to design and implement internal control systems to prevent and detect fraud and error in safeguarding the assets of the charitable company.
- 4) We confirm that the accounting policies selected are suitable to the charitable company's circumstances and that they have been applied consistently; that any judgements and estimates made are reasonable and prudent; and that it is appropriate to prepare the financial statements on a going concern basis.

Information Provided

- 5) We have provided you with:
 - a) access to all information which we are aware is relevant to the preparation of the financial statements such as records, documentation and other matters; and
 - b) additional information that you have requested from us for the purpose of the audit; and

- c) unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 6) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 7) We have disclosed to you the identity of all of both entity's related parties, related party relationships and transactions of which we are aware.

Assets and Liabilities

- 8) All known assets and liabilities as at the balance sheet date have been included in the financial statements to include Schedule 21 expenditure against the Capital Grant income.
- 9) We confirm the charitable companies have satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets.
- 10) We confirm that the financial statements disclose appropriately all liabilities, actual and contingent and have disclosed all guarantees given to third parties.
- 11) We confirm the figure accrued in the South Bank Academies Trust accounts of £34,415 for further light and heat costs from Southwark Council to be a reasonable estimate.
- 12) We confirm the figure accrued in the South Bank Academies Trust accounts of £44,000 for IT Services from RM to be a reasonable estimate.

Transactions Involving Trustees/Directors and Connected Persons

- 13) We confirm that there are no transactions with, or on behalf of, the trustees/directors or their associates, or contracts in which the trustees/directors or their associates have an interest which are required to be disclosed in the financial statements under the provisions of the Companies Act 2006 other than those detailed in the notes to the financial statements.

Fraud

- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have disclosed to you all information in relation to fraud or suspected fraud that affects the entity and involves management, employees who have significant roles in internal control and others, where the fraud could have a material effect on the financial statements.
- 16) We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Contingent Liabilities

- 17) Provision has been made where a material loss is expected to result from any litigation or claim against the charitable companies. Other contingent liabilities at the balance sheet date, none of which are expected to result in a material loss to the charitable companies or in commitments

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South Bank Engineering UTC Trust

	CONFIDENTIAL
Paper title:	Annual Report and Accounts
Board/Committee:	South Bank Engineering UTC Trust Board Meeting
Date of meeting:	8 December 2016
Sponsor:	CEO
Author:	Dan Smith
Purpose:	Approve
Recommendation:	To approve the Annual Audit and Report 2015/16 for the striking off and dissolution

Executive Summary

The Annual Report shows the financials of the Trust during the past year and shows that no further transactions have occurred since the Transfer agreement date of 1 July 2016. This date represents when the entire operations, assets and undertaking of South Bank Engineering UTC were transferred to South Bank Academies.

The Board of directors are asked to satisfy itself that all items on the accounts are a true and fair representation of the Company.

The Annual report needs to be submitted to the Department for Education by 31 December 2016. Further submissions to Companies House are required.

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South Bank Engineering UTC Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements
For the year ended 31 August 2016

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Company Registration Number: 09280002 (England and Wales)

South Bank Engineering UTC Trust

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South Bank Engineering UTC Trust

Reference and Administrative Details

Members	Anil Puri (resigned 28/07/2016) Rao Srinivasa Mallikharjuna Bhamidimarri (appointed 24/10/2014) London South Bank University (appointed 24/10/2014) Richard Flatman (appointed 28/07/2016)
Directors	Anil Puri (resigned 29/07/2016) Rao Srinivasa Mallikharjuna Bhamidimarri (appointed 24/10/2014) Richard Flatman (appointed 21/12/2015) James Stevenson (appointed 24/10/2014) Steve McGuire (resigned 11/12/2015)
Key Management Chief Executive Officer	Rao Srinivasa Mallikharjuna Bhamidimarri
Registered Office	103 Borough Road London SE1 0AA
Company Registration Number	09280002 (England and Wales)
Independent Auditor	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	Lloyds Bank Plc Threadneedle Street London EC2R 8AU

South Bank Engineering UTC Trust

Trustees' Report

The trustees present their annual report together with the financial statements and auditors' report of the South Bank Engineering UTC for the period ended 31 August 2016. The annual report serves the purpose of both a trustee's report and a director's report under company law.

The South Bank Engineering UTC became part of the South Bank Academies during the year and opened in September 2016.

Structure, Governance and Management

Constitution

South Bank Engineering UTC is a company limited by guarantee and an exempt charity. The Company's memorandum and articles of association are the primary governing documents of the South Bank Engineering UTC. The trustees act as the governors for the charitable activities South Bank Engineering UTC and are also the directors of the Company for the purposes of company law.

Details of the governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Company undertakes to contribute to the assets of the 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.

Governors' Indemnities

The Academy joined the Department for Education's Risk Protection Scheme which gives unlimited cover for Governor's Liability insurance, this cover has been renewed and is ongoing.

Method of Recruitment and appointment or Election of Directors

Under the Articles of Association the members of the company appoint the majority of the directors. The directors represent the University sponsors and the Industry sponsors.

Policies and Procedures Adopted for the Induction and Training of Directors

The directors were chosen for their skills and experience in either the education sector and/or relevant industries. All trustees undertook training which was facilitated by Lambeth council. All directors were provided with copies of documentation that enable them to fulfil their roles as directors.

Arrangements for setting pay and remuneration of key management personnel

The South Bank Engineering UTC follows its Pay Policy.

South Bank Engineering UTC Trust

Trustees' Report (Continued)

Following performance management meetings pay recommendations are made to the Remunerations Committee and agreed within agreed pay scale limits along with evidence of personal and UTC targets achieved.

Organisational Structure

The employees were transferred with the activities to the South Bank Academies during the year.

Connected Organisations, including Related Party Relationships

The London South Bank University sponsors the South Bank Engineering UTC and offered assistance with expertise and resources. The industry sponsors, Skanska, Guys and St Thomas' NHS Foundation, Kings College NHS Foundation Trust and Purico Group provided support in curriculum development.

Objects and Aims

There is a growing gap in engineering skills in the UK. According to the Royal Academy of Engineering, over one million science and engineering technicians and professional engineers are required by 2020.

South Bank Engineering UTC with a specialism in engineering is sponsored by London South Bank University, Skanska, Guy's & St Thomas' and King's College NHS Foundation Trusts has a particular focus on engineering for building and health sectors to bridge the current skills gap identified by the employers as well as to prepare young people to drive forward innovations in engineering industry generally.

Objectives, Strategies and Activities

The UTC's main objectives during the period under review were to successfully manage the set-up of the UTC during the pre-opening period and transfer the business activities to South Bank Academies.

- Recruitment of high quality and experienced Vice Principal
- Ongoing marketing and recruitment plans for students
- Contribution to the development of the UTC building on Brixton Hill site through the engagement EFA advisor
- Transfer of activities to South Bank Academies

Vision and Values

The South Bank Engineering UTC aspires to provide employment focused educational opportunities for young people in South London in partnership with employer sponsors and London South Bank University within the broad STEM framework. The education will be based on a broadly-based curriculum designed in partnership with business and industry. The students will graduate with strong transferrable skills that not only enhance employability opportunities but also subsequent career success. The curriculum will be rigorous and will prepare the students to ensure that they are well qualified to enter good universities for higher education.

South Bank Engineering UTC Trust

Trustees' Report (Continued)

The UTC places students at the centre of everything it does, with a focus on creating a culture of success, achievement, happiness, hope, confidence, respect and responsibility, reflection and service to others. The UTC will create positive climate for innovative learning, and increased student attainment, achievement and effective social and emotional development.

Public Benefit

South Bank Engineering UTC receives the majority of its income from the Department for Education to provide educational services to children and to ensure a broad and balanced curriculum across its schools. The Governors of the South Bank Academies Trust are satisfied that they meet the public benefit criteria as required by the section 17 of the Charities Act 2011.

Strategic Report

Achievements and Performance

The main objective during the period was to continue to set up the new UTC in Brixton. This was achieved with both sufficient numbers to make an exciting curriculum available and to be financially viable. The UTC was transferred during the year to South Bank Academies and commenced its activities on 1st September 2016.

Key Performance Indicators

The South Bank Engineering UTC had a list of key performance indicators both financial and non-financial. The main KPI's that was set in 2015/16 were;

- Infrastructure – All compliance documentation was 100% complete

The stated target was met.

The UTC's activities transferred during the year to South Bank Academies who will now set operational KPI's.

Going Concern

Net liabilities of the trust were transferred to South Bank Academies and the company is expected to be wound up.

Financial Review

During the period under review the main source of income was from Education Funding Agency in the form of project lead-in costs. This funding is recognised as restricted due to its specific purpose. Any funding received for capital or fixed asset expenditure is shown as restricted income in the fixed asset fund.

South Bank Engineering UTC Trust

Trustees' Report (Continued)

In the year to 31st August 2016 all activities and balances were transferred to South Bank Academies.

Reserves Policy

South Bank Engineering UTC aims to carry forward some resources from the central services charge against each school's General Annual Grant (restricted fund).

The UTC also expects to carry forward some resources from the General Annual Grant (restricted fund) and the School fund (unrestricted fund) to cover the medium and long term needs for renewal and replacement of major capital projects and unforeseen contingencies.

The balances of all reserves have been transferred to the South Bank Academies and are all nil as at the 31st August 2016.

Investment Policy

Directors' of the South Bank Engineering UTC are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds.

Directors' management of cash flow should ensure that there are always sufficient funds in the main bank account to cover operational costs. Banks must be selected from the FSA Approved List included in the Financial Services Compensation Scheme (FSCS).

Principal Risks and Uncertainties

The major risks to which the UTC was exposed were identified by the governing body and reviewed, systems and procedures were established to manage those risks, the major risks were predominantly seen as:

Risk and Impact

Failure to gain agreement to open from the Department of Education during their pre-opening visit, leading to delay or

Mitigation Strategy

- Comprehensive curriculum plan including employer projects
- A set of financial plans covering both maximum recruitment and a minimum viable number of students
- High quality temporary accommodation for one year whilst permanent building is constructed

South Bank Engineering UTC Trust

Trustees' Report (Continued)

Risk and Impact

Failure to recruit sufficient student numbers in UTC leading to a decrease in pupil led income and cash flow than forecasted.

Mitigation Strategy

- Designated position for marketing and admissions at UTC.
- Monthly reports on current and prospective student numbers.
- Student number led sensitivity analysis on forecasts to allow for reasonable reduction in numbers.

Plans for Future Periods

Activities and funds have been transferred to South Bank Academies and in 2016/17 the South Bank Engineering UTC company will apply for dissolution.

Auditor

In so far as the Trustees are aware:

There is no relevant audit information of which the company's auditor is unaware; and

The directors have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

South Bank Academies Trust has appointed Kingston Smith LLP as auditors.

Approved by order of the members of the Trust on 8th December 2016 and signed on its behalf by:

Signed

.....

Chief Executive Officer

South Bank Engineering UTC Trust

Governance Statement

Scope of Responsibility

As directors, we acknowledge we have overall responsibility for ensuring South Bank Engineering UTC has effective and appropriate systems 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 directors have delegated the day-to-day responsibility to the Chief Executive Officer and Principal, for ensuring financial controls conform to 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 South Bank Engineering UTC and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report.

The Board of Directors has formally met two times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Directors	Meeting Attended	Out of a Possible
Anil Puri	0	2
James Stevenson	2	2
Rao Bhamidimarri	2	2
Richard Flatman	2	2

Review of Value for Money

As accounting officer the Chief Executive Officer has responsibility for ensuring that 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.

South Bank Engineering UTC Trust

Governance Statement (Continued)

South Bank Engineering UTC has joined South Bank Academies and will take advantage of the increased economies of scale and sharing of resources.

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. It is 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.

Capacity to Handle Risk

The Trustees have reviewed the key risks to which South Bank Engineering UTC is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing South Bank Engineering UTC's significant risks that has been in place for the period ending 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.

The Risk and Control Framework

South Bank Engineering 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 local governing board;
- Regular reviews 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.

Review of Effectiveness -

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

- The financial management and governance self-assessment process;

South Bank Engineering UTC Trust

Governance Statement (Continued)

- The work of the executive managers within South Bank Engineering UTC who have responsibility for the development and maintenance of the internal control framework;
- The work of the external auditor

The accounting officer has been advised of the system of internal control in place during the period and a plan to address any weakness and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on and signed on its behalf by:

Signed

.....

Chair

Signed

.....

Accounting Officer

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South Bank Engineering UTC Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of South Bank Engineering UTC Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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 non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

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

.....
Accounting Officer

Date:

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South Bank Engineering UTC Trust

Statement of Trustees' Responsibilities

The trustees (who act as governors of South Bank Engineering UTC Trust 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 published 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

.....
Trustee

South Bank Engineering UTC Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustees of South Bank Engineering UTC Trust

We have audited the financial statements of South Bank Engineering UTC Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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 and trustees those matters which 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 any party other than the charitable company and charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Directors' Responsibilities, the Governors (who are also the 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.

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

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

South Bank Engineering UTC Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustee South Bank Engineering UTC Trust (continued)

Matters on which we are required to report by exception

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

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

Date:

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

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South Bank Engineering UTC Trust

Independent Reporting Accountant's Assurance Report on Regularity to South Bank Engineering UTC Trust 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 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South Bank Engineering UTC Trust 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 South Bank Engineering UTC Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to South Bank Engineering UTC Trust 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 South Bank Engineering UTC Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of South Bank Engineering UTC Trust accounting officer and the reporting accountant

The accounting officer is responsible, based on the assumption that the requirements of South Bank Engineering UTC Trust funding agreement with the Secretary of State for Education is finalised, Southbank Engineering UTC Trust 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 2015 to 2016. 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 01 September 2015 to 31 August 2016 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 2015 to 2016 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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry
- Inspection and review
- Observation and reperformance

South Bank Engineering UTC Trust

Independent Reporting Accountant's Assurance Report on Regularity to South Bank Engineering UTC and the Education Funding Agency (continued)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Date:

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

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South Bank Engineering UTC Trust

Statement of Financial Activities for the year ended 31 August 2016
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds	Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	-	-	47,160	47,160	77,309
Charitable activities:						
Funding for the academy trust's educational operations	3	-	150,000	-	150,000	150,000
Investments	4	116	-	-	116	60
Total		116	150,000	47,160	197,276	227,369
Expenditure on:						
Charitable activities:						
Academy trust educational operations	5	20	242,571	8,248	250,839	176,234
Total		20	242,571	8,248	250,839	176,234
Net income / (expenditure)		96	(92,571)	38,912	(53,563)	51,135
Transfer between funds	13		23,695	(23,695)	-	-
Transfer to South Bank Academies Trust	13, 20	(156)	17,801	(15,217)	2,428	-
Net movement in funds		(60)	(51,075)	-	(51,135)	51,135
Reconciliation of funds						
Total funds brought forward	13	60	51,075	-	51,135	-
Total funds carried forward	13	-	-	-	-	51,135

All of the academy's activities derive from continuing operations during the above two financial periods.

South Bank Engineering UTC Trust

Balance Sheet
as at 31 August 2016

	Notes	2016	2016	2015	2015
Fixed assets					
Tangible assets	10		93,228		-
Current assets					
Debtors	11	27,242		13,129	
Cash at bank and in hand		<u>31,665</u>		<u>69,916</u>	
		58,907		83,045	
Liabilities					
Creditors : Amounts falling due within c	12	(154,563)		<u>(31,910)</u>	
Net current assets/(liabilities)			<u>(95,656)</u>		<u>51,135</u>
Total assets less current liabilities					
Transfer to South Bank Academies Trust			(2,428)		51,135
			<u>2,428</u>		-
Total net assets			<u>-</u>		<u>51,135</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	13	-		-	
General fund	13	-		<u>150,000</u>	
Total restricted funds			-		150,000
Unrestricted income funds	13		-		116
Total funds			<u>-</u>		<u>150,116</u>

The financial statements on pages 16 to 29 were approved by the trustees, and authorised for issue on2016 and are signed on their behalf by:

.....
Signed

.....
Name

Trustee

South Bank Engineering UTC Trust

Cash Flow Statement for the year ended 31 August 2016

	Notes	2016	2015
Cash flows from operating activities			
Net cash provided by (used in) operating activities	15	12,500	69,856
Cash flows from investing activities	16	(50,751)	60
Change in cash and cash equivalents in the reporting period		<u>(38,251)</u>	<u>69,916</u>
Cash and cash equivalents at 1 September 2015		69,916	-
Transfer to South Bank Academies		(31,665)	-
Cash and cash equivalents at 31 August 2016	17	<u>-</u>	<u>69,916</u>

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South Bank Engineering UTC Trust

Notes to the Financial Statements for the year ended 31 August 2016

1 Statement of Accounting Policies

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

Company information

South Bank Engineering UTC Trust is a limited company domiciled and incorporated in England and Wales. The registered office is 103 Borough Road, London, England, SE1 0AA.

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS102, 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 2015 to 2016 issued by the EFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary

First time adoption of FRS 102

These financial statements are the first financial statements of South Bank Engineering UTC prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

No adjustments were required on the adoption of FRS 102.

Going concern

On the 1st July 2016, the assets and liabilities of South Bank Engineering UTC Trust were transferred to South Bank Academies and as a result the south Bank Engineering UTC Trust is not a going concern. The activities of the school are expected to continue under the new structure.

Income

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

Grants

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

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued) for the year ended 31 August 2016

1 Statement of Accounting Policies (continued)

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 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 sheet in the restricted fixed asset fund.

Sponsorship Income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions)

Other Income

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

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 a 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 the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with 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 academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

Expenditure on Raising Funds

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

All resources expended are inclusive of irrecoverable VAT.

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued) for the year ended 31 August 2016

1 Statement of Accounting Policies (continued)

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

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

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

Liabilities

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

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2016

1 Statement of Accounting Policies (continue

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2016

1 Statement of Accounting Policies (continued)

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Capital Grants	-	47,160	47,160	-
Other donations	-	-	-	77,309
	-	47,160	47,160	77,309

Donations and capital grants totalled £47,160 (2015: £77,309) of which £47,160 (2015: £nil) was restricted fixed assets and £nil (2015: £77,309) restricted.

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2016

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
DfE / EFA revenue grants				
Start Up Grants	-	150,000	150,000	150,000
	-	150,000	150,000	150,000

Funding for the Academy Trust's Educational Operations totalled £150,000 (2015: £150,000) of which £150,000 (2015: £150,000) was restricted.

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Short term deposits	116	-	116	60
	116	-	116	60

Investment income totalled £116 (2015: £60) of which £116 (2015: £60) was unrestricted.

5 Expenditure

	Non Pay Expenditure			Total 2016 £	Total 2015 £
	Staff Costs £	Premises £	Other £		
Academy's educational operations:					
Direct costs	148,496	3,450	9,279	161,225	60,371
Allocated support costs	-	4,799	84,815	89,614	115,863
	148,496	8,249	94,094	250,839	176,234

Expenditure totalled £250,839 (2015: £176,234) of which £20 (2015: £nil) was unrestricted, £242,571 (2015: £176,234) was restricted and £8,248 (2015: £nil) restricted fixed assets.

Net income / (expenditure) for the period includes:

	2016 £	2015 £
Fees payable to auditor for:		
Audit	2,750	2,000

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2016

6 Charitable Activities

	Total 2016 £	Total 2015 £
Direct costs - educational operations	161,225	60,371
Support costs - educational operations	89,614	115,863
	<u>250,839</u>	<u>176,234</u>
Support costs - educational operations	Educational operations 2016 £	Educational operations 2015 £
Support staff costs	-	87,309
Depreciation	4,799	-
Technology costs	35,783	-
Other support costs	45,782	26,554
Governance costs	3,250	2,000
Total direct and support costs	<u>89,614</u>	<u>115,863</u>

Direct costs totalled £161,225 (2015: £60,371) of which £3,450 (2015: £nil) was restricted fixed asset and £157,775 (2015: £60,371) was restricted.

Support costs totalled £89,614 (2015: £115,863) of which £20 (2015: £nil) was unrestricted, £4,799 (2015: £nil) restricted fixed asset and £84,795 (2015: £115,863) restricted.

7 Staff

During the year the Trust paid the University £128,075 in respect of salaries of individuals involved in the Trust's activities. In addition, £20,421 of costs were accrued at the year end.

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £nil (2015: £nil).

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued) for the year ended 31 August 2016

8 Related Party Transactions - Trustees' Remuneration and Expenses

No trustees have been paid remuneration or have 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.

During the year ended 31 August 2016, travel and subsistence expenses totalling £nil (2015: £43) were reimbursed or paid directly to trustees (2015: 1 trustee).

9 Trustees and officers insurance

The academy trust has opted into the Department of 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 unlimited cover. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

10 Tangible fixed assets

	Computer Equipment £	Total £
Cost		
At 1 September 2015	-	-
Additions	98,027	98,027
Disposals	-	-
At 31 August 2016	<u>98,027</u>	<u>98,027</u>
Depreciation		
At 1 September 2015	-	-
Charged in year	4,799	4,799
Disposals	-	-
At 31 August 2016	<u>4,799</u>	<u>4,799</u>
Net book values		
Before transfer to South Bank Academies	<u>93,228</u>	<u>93,228</u>
Transfer to South Bank Academies	<u>(93,228)</u>	
At 31 August 2016	<u>-</u>	
At 31 August 2015	<u>-</u>	<u>-</u>

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2016

11 Debtors

	2016 £	2015 £
VAT recoverable	27,242	13,129
Transfer to South Bank Academies	<u>(27,242)</u>	<u>-</u>
	<u>-</u>	<u>13,129</u>

12 Creditors: Amounts falling due within one year

	2016 £	2015 £
Other creditors	100,597	-
Accruals	53,966	31,910
Transfer to South Bank Academies	<u>(154,563)</u>	<u>-</u>
	<u>-</u>	<u>31,910</u>

13 Funds

	Balance at		Gains,			Balance at
	1 September	Incoming	Resources	Losses and	Transfer to	31 August
	2015	Resources	Expended	Transfers	Academies	2016
	£	£	£	£		£
Restricted general funds						
Start Up Grant	51,075	150,000	(242,571)	23,695	17,801	-
	<u>51,075</u>	<u>150,000</u>	<u>(242,571)</u>	<u>23,695</u>	<u>17,801</u>	<u>-</u>
Restricted fixed asset funds						
DfE/EFA capital grants	-	47,160	(8,248)	(23,695)	(15,217)	-
	<u>-</u>	<u>47,160</u>	<u>(8,248)</u>	<u>(23,695)</u>	<u>(15,217)</u>	<u>-</u>
Total restricted funds	<u>51,075</u>	<u>197,160</u>	<u>(250,819)</u>	<u>-</u>	<u>2,584</u>	<u>-</u>
Total unrestricted funds	<u>60</u>	<u>116</u>	<u>(20)</u>	<u>-</u>	<u>(156)</u>	<u>-</u>
Total funds	<u>51,135</u>	<u>197,276</u>	<u>(250,839)</u>	<u>-</u>	<u>2,428</u>	<u>-</u>

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

Restricted general funds

All restricted funds are grants received from the Department for Education for the purpose of running the academy.

Restricted fixed asset funds

All capital grants received from the Department for Education are to be used on capital expenditure.

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2016

14 Analysis of net assets between Funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	93,228	93,228
Current assets	-	58,907	-	58,907
Current liabilities	-	(154,563)	-	(154,563)
Transfer to South Bank Academies Trust	-	95,656	(93,228)	2,428
Total net assets	-	-	-	-

15 Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities

	2016 £	2015 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(53,563)	51,135
Adjusted for:		
Depreciation [note 10]	4,799	-
Capital Grants from DfE and other capital income	(47,160)	-
Interest receivable [note 4]	(116)	(60)
(Increase)/decrease in debtors	(14,113)	(13,129)
Increase/(decrease) in creditors	122,653	31,910
Net Cash provided by / (used in) Operating Activities	12,500	69,856

16 Cash flows from investing activities

	2016 £	2015 £
Dividends, interest and rents from investments	116	60
Purchase of tangible fixed assets	(98,027)	-
Capital grants from DfE/EFA	47,160	-
Net Cash provided by / (used in) investing Activities	(50,751)	60

17 Analysis of cash and cash equivalents

	At 31 August 2016 £	At 31 August 2015 £
Cash in hand and at bank	31,665	69,916
Transfer to South Bank Academies	(31,665)	-
Total cash and cash equivalents	-	69,916

South Bank Engineering UTC Trust

Notes to the Financial Statements (continued)
for the year ended 31 August 2016

18 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 £1 for the debts and liabilities contracted before he/she ceases to be a member.

19 Related Party Transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

20 Transfer to South Bank Academies

On 1 July 2016 net liabilities of South Bank Engineering UTC Trust were transferred to South Bank Academies, a multi academy trust.

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South Bank Engineering UTC Trust

	CONFIDENTIAL
Paper title:	Striking Off and Dissolution
Board/Committee:	South Bank Engineering UTC Trust
Date of meeting:	29 November 2016
Sponsor:	CEO
Author:	Michael Broadway
Purpose:	To approve
Recommendation:	The board are asked to approve the dissolution of the Company and for directors to sign the DS01 form.

Executive Summary

The purpose of this report is for directors to approve the voluntary strike off and dissolution of South Bank Engineering UTC Trust (the Company). This will involve removing the Company from the register of companies.

In order to apply to strike off a company, the directors need to satisfy themselves that the following criteria have been met:

Criteria	Satisfied
Must not have traded or otherwise carried on business in the previous 3 months	Yes
Must not have changed its name in the previous 3 months	Yes
Must not have provided services or sold goods in the previous 3 months	Yes
Must not have engaged in any other activity in the previous 3 months	Yes

The evidence of these criteria has been completed and is shown within the Company's annual report and financial statements (included within pack) and management accounts for 20/06/2017, appendix 1 of report (to follow).

The Company's annual report and financial statements show that all assets and liabilities have been transferred out of the Company. 2016/2017 management accounts show no transactions have taken place between 01/09/2016 and the date of this meeting.

The Company Secretary confirms that the Company has not changed its name in the previous 3 months.

South Bank Engineering UTC Trust

Preparing for strike off

The following matters need to be satisfied by the Company before dissolution.

All records at Companies House have been updated and any mandatory documents have been filed.	Complete. The latest year end accounts will be filed with Companies House at the same time as submitting the DS01 form.
The Directors should identify the assets and liabilities of the Company to determine how best to deal with them.	All assets & liabilities of the Company were transferred to South Bank Academies on 1 July 2016. The year end and management accounts confirm that there are no remaining assets or liabilities.
All contracts and other agreements should be assigned, novated or terminated.	All contracts were transferred to South Bank Academies on 1 July 2016.

Under section 1006 of the Companies Act 2006, the Company has an obligation to notify the following persons:

Members	Will be notified by email
Any creditors	Not applicable
Employees	Not applicable. The Company's two employees have been transferred to South Bank Academies on completion of the transfer of undertaking on 1 July 2016.
Manager or trustees or any employee pension fund	Not applicable
Any trustees who have not signed the form	Not applicable
A VAT registered company must, in all cases, notify the relevant VAT office	Not applicable. The Company is not VAT registered

Objections

Directors need to be aware that any interested party may object to the dissolution of the Company. Any objection to the dissolution of South Bank Engineering UTC Trust is unlikely.

Striking off register

The Registrar of Companies will publish a notice in the London Gazette advising of the proposed striking off and inviting any objections. Should there be no objections the Registrar will strike the Company off the Register in not less than three months after the date of the London Gazette.

Offences and Penalties

Please note that it is an offence to:

- apply when the Company is ineligible
- provide false or misleading information in, or in support of, an application
- not to copy the application to all relevant parties within seven days

The board is asked to approve the dissolution of the Company and for the directors to sign the DS01 form.

DS01

Striking off application by a company



A fee is payable with this form

Please see 'How to pay' on the last page.

✓ What this form is for

You may use this form to strike off a company from the Register.

✗ What this form is NOT for

You cannot use this form to strike off a Limited Liability Partnership (LLP). To strike off an LLP please use form LL DS01 'Striking off application by a Limited Liability Partnership (LLP)'.

For further information, please refer to our guidance at www.gov.uk/companieshouse

Warning to all interested parties

This is an important notice and should not be ignored. The company named has applied to the Registrar to be struck off the Register and dissolved. Please note that on dissolution any remaining assets will be passed to the Crown. The Registrar will strike the company off the register unless there is reasonable cause not to do so. Guidance is available on grounds for objection. If in doubt, seek professional advice.

1

Company details

Company number

Company name in full

→ Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2

The application

Warning to all applicants

It is an offence to knowingly or recklessly provide false or misleading information on this application.

It is an offence to apply for strike-off under this section if the company has bearer shares in issue. ❶

You are advised to read Section 4 and to consult the guidance available from Companies House before completing this form. If in doubt, seek professional advice.

I/We as director(s) / the majority of directors apply for this company to be struck off the Register and declare that none of the circumstances described in section 1004 or 1005 of the Companies Act 2006 (being circumstances in which the directors would otherwise be prohibited under those sections from making an application) exists in relation to the company. ❷

This form must be signed by the sole director if only 1, by both if there are 2, or by the majority if there are more than 2.

→ **Go to Section 3** 'Name(s) and Signature(s) of the directors'

❶ Bearer shares are shares represented by a warrant and which have no registered holder.

❷ Please read the guidance on our website or see section 1003 or 1004 of the Companies Act 2006 for circumstances under which an application may not be made.

Please note that on dissolution all property and rights etc will be passed to the Crown.

Further guidance

Guidance on striking off is available from our website.

DS01
Striking off application by a company

3 Name(s) and signature(s) of the director(s)

Name (Print clearly)								
Signature	Signature		X				X	
Signature date	d	d	m	m	y	y	y	y
Name (Print clearly)								
Signature	Signature		X				X	
Signature date	d	d	m	m	y	y	y	y
Name (Print clearly)								
Signature	Signature		X				X	
Signature date	d	d	m	m	y	y	y	y
Name (Print clearly)								
Signature	Signature		X				X	
Signature date	d	d	m	m	y	y	y	y

Warning to all applicants
It is an offence to knowingly or recklessly provide false or misleading information on this application.

It is an offence to apply for strike-off under this section if the company has bearer shares in issue.

Please note that on dissolution all property and rights etc will be passed to the Crown.

You are advised to read Section 4 and to consult the guidance notes available from Companies House before completing this form. If in doubt, seek professional advice.

Name and date
Please ensure that you complete the name and signature date

Signatures
This form must be signed by the sole director if only 1, by both if there are 2, or by the majority if there are more than 2.

Further signatures
Please use a continuation page if you need to enter further signatures.

4 What to do next

Notify all parties
Please ensure that you send copies of this application to all notifiable parties e.g. creditors, employees, shareholders, pension managers or trustees and other directors of the company within 7 days from the day on which the application is made.

Please also send copies to anyone who later becomes a notifiable party within 7 days of this taking place. This applies from the day of application and before the day on which the application is finally dealt with or withdrawn. Please check the guidance notes which contain a full list of those who must be notified. Failure to notify interested parties is an offence. It is advisable to obtain and retain some proof of delivery or posting of copies to notifiable parties.

Withdrawal of striking off application by a company
If the company ceases to be eligible for striking off at any time after the application is made, and before the application is finally dealt with, as specified in section 1009 of the Companies Act 2006, then the application must be withdrawn using form DS02 'Withdrawal of striking off application by a company' available from our website: www.gov.uk/companieshouse

DS01

Striking off application by a company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



Checklist

We may return the forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- The correct number of current directors have signed and dated the form – 1 director if there is only 1 director, both if there are 2, and the majority if there are more than 2 e.g. Out of 6 directors, 4 must sign.
- You have included a printed name and date for the signature(s)
- You have included a continuation sheet (available from www.gov.uk/companieshouse) if applicable.
- You have enclosed the correct fee.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £10 is payable to Companies House in respect of a striking off application.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

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