



(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

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REFERENCE AND ADMINISTRATIVE DETAILS

Trustees/Directors	N Ward S Hughes	Chairman of the Board of Directors (Appointed 12 October 2013)
Company Secretary	S Hughes	
Board of Governors	N Ward G Wainwright H Jackson S Edwards	Chairman of the Governors Employer representative Employer representative University representative
Senior Management Team	P Lloyd I Parry D Goddard	Principal Vice Principal Vice Principal
Company Registration Number	07732783	
Principal and Registered Office	120 Heyworth Street Liverpool L5 0SQ	
Auditors	HBD Accountancy Services LLP Gladstone House 2 Church Road Liverpool L15 9EG	
Bankers	HSBC 99-101 Lord Street Liverpool L2 6PG	
Solicitors	DLA LLP India Buildings Water Street Liverpool L2 0NH	

TRUSTEES' REPORT

The trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year ended 31 August 2013.

The financial statements have been prepared in accordance with the accounting policies set out on pages 18 to 19 and comply with the company's memorandum and articles of association and applicable laws.

Structure, Governance and Management

Constitution & Principal Activities

Liverpool Life Sciences UTC was established in 2011 to provide education for pupils of different abilities between the ages of 14 and 19 with an emphasis on life sciences. Liverpool Life Sciences UTC first opened its doors in September 2013.

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

The trustees of Liverpool Life Sciences UTC (UTC) are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

The company's Memorandum and Articles of Association are the primary governing documents of the UTC. Members of the UTC are nominated by either the Secretary of State for Education or the Northern Schools Trust who are the principal sponsor of the UTC. The amended Articles of Association require the members of the company to appoint at least two trustees to be responsible for the affairs of the UTC and the management of the UTC.

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

Trustees' Indemnities

In accordance with normal commercial practice the UTC has purchased insurance to protect trustees, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on UTC business.

Method of Recruitment and Appointment or Election of Trustees

All trustees of the newly created UTC have been appointed this year. The UTC will follow processes for any new recruits that are appropriate and use criteria for recruitment based on a review of the existing board membership.

Policies and Procedures Adopted for the Induction and Training of Trustees

The induction, training and support programme for trustees will differ according to the nature of the post and the varying needs and experience of the individual concerned. There are, however, some general principles outlined below which should be common to all.

- It is expected that the incumbent trustees will provide a good deal of practical help, advice, guidance and encouragement in all aspects of Governance and in enabling new trustees to integrate into a new situation.
- Prior to taking up the appointment the new member will be welcome to visit the UTC as necessary to meet key people as appropriate.
- The UTC's Equality & Diversity and related policies will be applicable to all.

TRUSTEES' REPORT (continued)

- The other trustees will be informed of any new appointments.
- Every trustee should be prepared to offer support to new trustees as appropriate. In some circumstances it may be advisable to appoint a short term mentor to provide individual support.

Organisational Structure

The management structure consists of three levels: the Board of the Company (trustees), the Governors and the Senior Managers of each Academy. The aim of this structure is to devolve responsibility to those best able to make the appropriate decisions. The trustees encourage staff contributions at all levels.

The trustees are there to support the senior management team and the community in the running of the UTC, and have no ambition to run the UTC on a day-to-day basis. Along with this governance role the trustees are there to give support and advice when asked and to be roving ambassadors for both the UTC and what it is trying to achieve.

Risk Management

The trustees confirm that the major risks to which the UTC is exposed have been reviewed and systems or procedures have been established to manage those risks. The internal control systems and the exposure to risks are considered on a regular basis by management, trustees and the governors.

Connected Organisations including Related Party Relationships

The Northern Schools Trust sponsors Liverpool Life Sciences UTC. The Northern Schools Trust has supported Liverpool Life Sciences UTC throughout the year with opening, support services, education advice and guidance. Liverpool Life Sciences UTC is due to become a part of the Northern Schools Trust in the early part of 2014.

Objectives and Activities

Objects and Aims

The main objectives and aims of the UTC are summarised below:

- to raise the standards of educational achievement of all pupils;
- to ensure that every child enjoys the same high quality of education in terms of resourcing, tuition and care;
- to improve the effectiveness of the UTC by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct business in accordance with the highest standards of integrity, probity, and openness.

Objectives, Strategies and Activities

Key activities and targets are identified in the Improvement and Development plan and are informed by the significant challenges and opportunities arising from national developments in education policy and funding.

The current targets include;

- Raising student achievement
- Becoming a UTC as graded outstanding by Ofsted
- Using technology in teaching and learning
- Establishing the use of the new refurbished buildings innovation spaces

TRUSTEES' REPORT (continued)

Improvement and Developments plans are supported by detailed activity targets and success criteria.

Equal opportunities policy

The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The UTC will aim to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people will be fully valued.

The trustees ensure that professional development opportunities are available to all employees.

Disabled persons

The policy of the UTC is to support recruitment and retention of students and employees with disabilities. The UTC does this by adapting the physical environment, by making support resources available and through training and career development.

Public Benefit

The UTC has given a high priority to providing public benefit to a cross section of the community, but perhaps the greatest benefit that the UTC can offer is the provision of an education that maximises each student's potential to develop principled, informed, open minded and confident citizens who respect the beliefs of others and who are determined to make a positive contribution to society.

The trustees have considered the impact of the public benefit requirement when reviewing the aims and objectives and when planning activities in the future including the guidance issued by the Charity Commission.

Achievements and Performance

The last year has been a year of pleasing progress and as Chairman of the Trustees I would like to thank everyone who works in or has worked on the opening of the UTC.

Much of the work this year has concentrated on simultaneously having the building refurbished ready for opening and planning a curriculum in anticipation of welcoming its initial intake of students and staff.

At the start of every year, we set the senior team a number of targets, which we feel will provide a good indicator of progress:

- To have attendance at a rate higher than the local area average.
- to deliver good GCSE, A level, BTEC and CVA (Value Add) scores.
- to ensure that the UTC is a calm, safe and welcoming environment for all students and their families.
- that staff conduct and performance is of the highest order and that the governing body receives a termly update.
- to offer a full range of after school clubs and enrichment activities to aid the emotional and social development of our students.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the UTC has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

TRUSTEES' REPORT (continued)

Financial Review Key Financial Performance Indicators

Most of the UTC's income is obtained from the Department for Education in the form of grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31 August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The UTC also receives grants for fixed assets from the Department for Education. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charged over the expected useful life of the assets concerned.

During the year ended 31 August 2013, total expenditure of £253,000 was covered by grant funding from the Department for Education together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £21,000.

At 31 August 2013 the net book value of fixed assets was £11,137,000 and movements in tangible fixed assets are shown in note 13 to the accounts. The assets were used exclusively for providing education and the associated support services to the pupils of the UTC.

Financial and Risk Management Objectives and Policies

The trustees, governors and senior management completed a Corporate Risk Map August in 2013 which involved identifying the types of risk the UTC faces and the systems in place or that needed to be implemented to mitigate against the risks the UTC face. The trustees' now considers systems are in place to mitigate any of the risks identified.

Principal Risks and Uncertainties

The Corporate Risk Map Audit in 2013 identified and reviewed the following risk areas:

- Physical Assets;
- Business Continuity;
- Financial;
- Technological;
- Third Party Liability;
- Environmental;
- Legal and Compliance;
- Market and Sector;
- Personnel;
- Political.

Reserves Policy

The UTC currently no unrestricted reserves. In the event of any future unrestricted reserves the trustees have decided that all unrestricted reserves will be utilised in helping the UTC achieve its objectives.

The current level of reserves is considered to be appropriate for the UTC. The reserves policy is reviewed annually.

Investment Policy

The UTC's investments policy is consistent with its Charitable Status. Investments must always be made in accordance with written procedures adopted by the Governing Body and must always ensure that the maximum integrity of such investments. The priority for the UTC on opening and during the period of capital build and student number growth has been to have cash invested in liquid investment products that bear no risk with its bankers HSBC.

TRUSTEES' REPORT (continued)

Plans for Future Periods

The UTC will strive to improve the levels of performance of its students at all levels and make efforts to ensure its students get jobs or a place in higher education once they leave. The UTC will also increase its recruitment up to the new agreed levels.

Auditor

Insofar as the trustees are aware:

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

Approved by order of the board of trustees on 5 December 2013 and signed on its behalf by:



N Ward

Chair of Trustees

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has informally met on a number of occasions during this year of set up and on at least a monthly basis at the steering groups to implement the opening of the UTC

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of UTC policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the UTC for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the UTC is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the UTC's significant risks that has been in place for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

GOVERNANCE STATEMENT (continued)

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees will appoint a governor once opened, as responsible officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the UTC's financial systems. On a quarterly basis, the RO reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The trustees and governors confirm that the RO function will be delivered in line with the EFA's requirements.

Review of Effectiveness

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

- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the UTC steering group for opening who have responsibility for the development and maintenance of the internal control framework.
- The work of the principal sponsors senior management team

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 5 December 2013 and signed on its behalf by:



N Ward

Chair of Trustees



P Lloyd

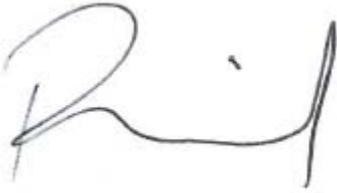
Accounting Officer

STATEMENT REGULARITY, PROPIETY AND COMPLIANCE

As accounting officer of Liverpool Life Sciences UTC I have considered my responsibility to notify the UTC governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the UTC 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 UTC board of trustees are able to identify any material irregular or improper use of funds by the UTC, or material non-compliance with the terms and conditions of funding under the UTC'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.



P Lloyd

Accounting Officer

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 5 December 2013 and signed on its behalf by:



N Ward

Chair of Trustees

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES OF LIVERPOOL LIFE SCIENCES UTC

We have audited the accounts of Liverpool Life Sciences UTC for the year ended 31 August 2013 set out on pages 15 to 24, which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 issued by the EFA.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its 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 trustees' responsibilities, the trustees, who are also the directors of Liverpool Life Sciences UTC for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies: Accounts Direction 2013 issued by the EFA Opinion on other matter prescribed by the Companies Act 2006

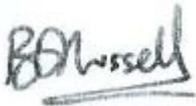
In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD
OF TRUSTEES OF LIVERPOOL LIFE SCIENCES UTC (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:

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



Benjamin Russell BSc ACA (Senior Statutory Auditor)
for and on behalf of HBD Accountancy Services LLP

Chartered Accountants
Statutory Auditor
Gladstone House
2 Church Road
Liverpool
L15 9EG

Dated: 18 December 2013

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO LIVERPOOL LIFE SCIENCES UTC AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Academy during the period 1 September 2012 to 31 August 2013 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 Liverpool Life Sciences UTC and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Liverpool Life Sciences UTC and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the governing body and Liverpool Life Sciences UTC and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Liverpool Life Sciences UTC's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Liverpool Life Sciences UTC's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2012, 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 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2012 to 31 August 2013 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 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

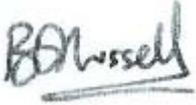
The work undertaken to draw our conclusion includes:

- Review of minutes of committees, management accounts and discussions held with key personnel;
- Evaluation of internal control procedures and reporting lines, and the implementation of such controls as were considered relevant, was checked;
- Review of financial transactions for any unusual transactions which maybe improper;
- Ensure that expenditure does not contravene the funding agreement;
- Ensure that key staff and trustees declared their interest in related parties and followed this up with discussion and testing.

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO LIVERPOOL LIFE SCIENCES 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 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Benjamin Russell BSc ACA (Senior Statutory Auditor)
For and on behalf of HBD Accountancy Services LLP

Gladstone House
2 Church Road
Liverpool
L15 9EG

18 December 2013

LIVERPOOL LIFE SCIENCES UTC

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2013 (INCLUDING INCOME AND EXPENDITURE AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2013 £000	Total 2012 £000
Incoming resources						
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	2	-	261	11,129	11,390	133
Total incoming resources		-	261	11,129	11,390	133
Resources expended						
<i>Charitable activities:</i>						
Academy trust educational operations	4	-	244	-	244	133
Governance costs	5	-	9	-	9	-
Total resources expended	3	-	253	-	253	133
Net incoming/(outgoing) resources before transfers		-	8	11,129	11,137	-
Gross transfers between funds	11	-	(29)	29	-	-
Net income/(expenditure) for the year		-	(21)	11,158	11,137	-
Other recognised gains and losses						
Actuarial (losses) gains on defined benefit pension schemes		-	-	-	-	-
Net movement in funds		-	(21)	11,158	11,137	-
Reconciliation of funds						
Total funds brought forward at 1 September 2012		-	-	-	-	-
Total funds carried forward at 31 August 2013		-	(21)	11,158	11,137	-

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

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

BALANCE SHEET AS AT 31 AUGUST 2013

Company Number 07732783

	Notes	2013 £000	2012 £000
Fixed assets			
Tangible assets	8	11,158	-
Current assets			
Debtors	9	1,652	35
Cash at bank and in hand		6	39
		<u>1,658</u>	<u>74</u>
Creditors: Amounts falling due within one year	10	<u>(1,679)</u>	<u>(74)</u>
Net current assets		<u>(21)</u>	-
Total assets less current liabilities		<u>11,137</u>	-
Pension scheme liability		-	-
Net assets including pension liability		<u>11,137</u>	-
Funds of the academy trust:			
Restricted income funds			
Fixed asset fund	11	11,158	-
General fund	11	(21)	-
Total restricted funds		<u>11,137</u>	-
Unrestricted income funds			
General fund		-	-
Total unrestricted funds		-	-
Total funds		<u>11,137</u>	-

The financial statements on pages 15 to 24 were approved by the trustees, and authorised for issue on 5 December 2013 and are signed on their behalf by:



N Ward

Chair of Trustees

LIVERPOOL LIFE SCIENCES UTC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	2013 £000	2012 £000
Net cash inflow from operating activities	15	11,125	39
Capital expenditure	16	(11,158)	-
(Decrease)/Increase in cash in the year		(33)	39
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2012		39	-
Net funds at 31 August 2013	17	6	39

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

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

The UTC meets its day-to-day working capital requirements with support from its sponsor, the Northern Schools Trust. The trustees are of the opinion that this support will continue into the foreseeable future. As a result the financial statements have been prepared on the going concern basis.

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

1.4 Resources expended

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

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 (continued)

1 Accounting policies (continued)**1.5 Tangible fixed assets**

Assets costing £500 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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:

Long leasehold buildings	Over 50 years
Fixtures, fittings and equipment	20% on cost
ICT equipment	25% on cost
Motor Vehicles	25% on cost

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

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

1.6 Taxation

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

1.7 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 the Education Funding Agency where the asset acquired or created is held for a specific purpose.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 (continued)

2 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
DfE/EFA grants				
- Insurance	-	21	21	-
- Lead in Grant	-	126	126	5
- Project Management Grant	-	114	114	128
- Capital Refurbishment Grant	-	4,295	4,295	-
- Capital ICT Grant	-	397	397	-
- Capital Specialist Equipment Grant	-	437	437	-
- Capital Grant	-	6,000	6,000	-
	-	11,390	11,390	133

3 Resources Expended

	Staff costs	Non pay expenditure		Total 2013 £000	Total 2012 £000
	£000	Premises £000	Other Costs £000		
Academy's educational operations					
- Direct costs	67	-	-	67	-
- Allocated support costs	36	-	141	177	133
	103	-	141	244	133
Governance costs	-	-	9	9	-
	103	-	150	253	133

Net Incoming/outgoing resources for the year include:

	2013 £000	2012 £000
Fees payable to auditor - audit	1	-

4 Charitable activities - Academy's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
Direct costs				
Teaching and educational support staff costs	-	67	67	-
	-	67	67	-
Allocated support costs				
Support staff costs	-	36	36	-
Project Management	-	107	107	133
Insurance	-	21	21	-
Recruitment	-	13	13	-
	-	177	177	-
	-	244	244	133

LIVERPOOL LIFE SCIENCES UTC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 (continued)

8 Tangible fixed assets

	Leasehold property	Computer equipment	Furniture and equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000
Cost					
At 1 September 2012	-	-	-	-	-
Additions	10,317	451	365	25	11,158
At 31 August 2013	10,317	451	365	25	11,158
Depreciation					
At 1 September 2012	-	-	-	-	-
Charge for the year	-	-	-	-	-
At 31 August 2013	-	-	-	-	-
Net book values					
At 31 August 2013	10,317	451	365	25	11,158
At 31 August 2012	-	-	-	-	-

9 Debtors

	2013 £000	2012 £000
VAT recoverable	1,029	-
Other debtors	-	3
Prepayments and accrued income	623	32
	1,652	35

10 Creditors

	2013 £000	2012 £000
Trade creditors	463	32
Other creditors	1,119	39
Accruals	97	3
	1,679	74

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 (continued)

11 Funds

	Balance at 1 September 2012 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2013 £000
Restricted general funds					
DfE grants	-	261	(253)	(29)	(21)
	-	261	(253)	(29)	(21)
Restricted fixed asset fund					
Capital grant	-	11,129	-	29	11,158
	-	11,129	-	29	11,158
Total restricted funds / Total funds	-	11,390	(253)	-	11,137

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

The other DfE/EFA grants is made up of amounts received for lead in and project management.

The capital grant has been used to fund the costs to date of the new school building and certain computer equipment.

12 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	11,158	11,158
Current assets	-	1,658	-	1,658
Current liabilities	-	(1,679)	-	(1,679)
Total net assets	-	(21)	11,158	11,137

13 Capital commitments

There are no capital commitments contracted for but not provided in the financial statements.

14 Financial commitments

The academy trust has no annual commitments under non-cancellable operating leases.

15 Reconciliation of consolidated operating (deficit)/surplus to net cash inflow from operating activities

	2013 £000	2012 £000
Net income	11,137	-
(Increase)/decrease in debtors	(1,617)	(35)
Increase/(decrease) in creditors	1,605	74
Net cash inflow from operating activities	11,125	39

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 (continued)

16 Capital expenditure and financial investment

	2013 £000	2012 £000
Purchase of tangible fixed assets	(11,158)	-
Net cash outflow from capital expenditure and financial investment	(11,158)	-

17 Analysis to changes in net funds

	At 1 September 2012 £000	Cashflows £000	At 31 August 2013 £000
Cash in hand and at bank	39	(33)	6
	<u>39</u>	<u>(33)</u>	<u>6</u>

18 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any assets for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay the EFA the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value, at the time, of the Academy's site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

19 Members' liability

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

20 Related party transactions

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

During the year, the Northern Schools Trust, the company's sponsor recharged wages totalling £103,166 and made payments on behalf of the company totalling £132,954. £132,954 was due to be repaid at the balance sheet date.