



**Company Registration Number:
07912940 (England and Wales)**

**Energy Coast UTC
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2021**

Energy Coast UTC

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Energy Coast UTC

Trustees' Report

Reference and Administrative Details

Members

Morgan Sindall Infrastructure
Nuclear Decommissioning Authority
University of Cumbria
McMenon Engineering Services (appointed September 2021)

Trustees

Mr N Bailey
Mr A Bulloch
Dr D Connor (Vice Chair)
Mr R Farrow (resigned 19 July 2021)
Mr M Fox (term expired 4 May 2021)
Mr P Freeman
Mrs E Gooch
Mr A Heron
Mr A Hughes (resigned 2 November 2020)
Mr P Johnston (appointed 26 April 2021)
Mr G Martin (appointed 6 October, resigned 12th November 2021)
Mrs M Mills
Mr P Musk (appointed 18 January 2021)
Ms H Redmond (appointed 5 May 2021) (staff trustee)
Ms B Stephens OBE (Chair)
Mrs L Thornton
Ms C Tingle (principal and accounting officer)

Senior Management Team:

- Principal Ms C Tingle
- Deputy principal Ms K Wilson
- Business Director Mrs K Lee

Company Name Energy Coast UTC
Principal and Registered Office Blackwood Road
Lillyhall, Workington
Cumbria, CA14 4JW

Company Registration Number 07912940

Independent Auditor Saint & Co
The Old Police Station, Church Street
Ambleside, Cumbria
LA22 0BT

Bankers National Westminster
31 Pow Street
Workington, Cumbria
CA14 3AW

Solicitors Burnetts
6 Victoria Place
Carlisle, Cumbria
CA1 1ES

Energy Coast UTC

Trustees' Report (continued)

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The UTC operates an academy specialising in Engineering for pupils aged 14 to 19 serving a catchment area of Allerdale and Copeland in West Cumbria. It has a pupil capacity of 480 and had a roll of 408 in the school census on 7 October 2021

Since the UTC qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, Governance and Management

CONSTITUTION

The academy is constituted under a Memorandum of Association dated 16 January 2012.

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

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

MEMBERS' LIABILITY

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

The Members of the Charitable Company are:

McMenon Engineering Services
Morgan Sindall Infrastructure
Nuclear Decommissioning Authority
University of Cumbria

TRUSTEES' INDEMNITIES

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides unlimited cover. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the UTC is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

New trustees are approached to join the Board due to changes in representation of members, due to constitutional requirements or a skill set missing from the board of trustees

The UTC members' are the only external bodies who are entitled to appoint trustees.

ENERGY COAST UTC

Trustees' Report (continued)

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Trustees receive training covering their legal responsibilities, equality and diversity, safeguarding (including the Prevent Duty), health and safety and teaching and learning.

ORGANISATIONAL STRUCTURE

The Governing Body established three sub committees which are for Finance, Premises, and Personnel (combined with the Audit & Risk committee), Curriculum and Standards and Employer Engagement. The UTC Chair of Trustees is Ms Barbara Stephens OBE and on the executive side the Principal is Cherry Tingle.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

When taking pay decisions, The Energy Coast UTC has regard to the Pay Policy and to the member of staff's particular post within the staffing structure. All procedures for determining pay are consistent with the principles of public life - objectivity, openness and accountability. It is assured that there will be equal treatment for all members of staff in regard to protected characteristics.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The UTC College has a connected party relationship with The University of Cumbria. They are a founding member of the UTC and have representation on the UTC Governing Body. The University of Cumbria provided the services of their Internal Auditor which has been incorporated into the accounts as a donation and expense. The UTC also received funding of £2,300 through the U.O.C. Uni-Connect programme. Morgan Sindall, a member of the academy with representation on the UTC Governing Body, has provided £50,000 sponsorship/funding to the academy in 2020/21.

ENGAGEMENT WITH EMPLOYEES (INCLUDING DISABLED PERSONS)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The UTC carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the trustees.

The UTC has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equality & Diversity Policy
- Health & safety policy

In accordance with the UTC's Equal opportunities policy, the UTC has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the UTC's offices.

Objectives and Activities

OBJECTS AND AIMS

The trustees have adopted the following mission statement to encapsulate the aims and objects of Energy Coast UTC: 'Empowering our young people and Britain's Energy Coast through innovative, technically – focused education and training, to achieve high standards and excellence'.

ENERGY COAST UTC

Trustees' Report (continued)

OBJECTIVES, STRATEGIES AND ACTIVITIES

The development of the Energy Coast UTC is to provide a world-class education experience which is specifically designed to ensure young people are prepared for work and university. Providing education for 14-19 year olds in West Cumbria, the curriculum combines academic classroom based learning with practical skills and a strong emphasis on Science, Technology, Engineering and Maths (STEM).

The Energy Coast UTC delivers core academic provision at both GCSE and A Level, with students receiving vocational BTEC and industry standard qualification related training in our temporary workshop facilities in the Gen2 building, delivered by ECUTC staff.

The Energy Coast UTC has developed successful collaborations with employers including initiatives such as 14-week projects with a variety of employers, such as Morgan Sindall Infrastructure, Arup, Iggesund, Shepleys, the Rotary Club, Nuvia, Sellafield Ltd, Balfour Beattie, McMenon and Wood. We are also partnered with Jacobs to deliver our national qualification in Digital Engineering (Design Engineer Construct) at Level 2 to all students in Key Stage 4 and as a level 3 option for 6th form. Additionally, we are now working with a variety of employer partners to source 50-day industrial placements for some of our 6th form students, which give students an invaluable experience of the workplace over a sustained period of time. Finally, we continue to work with Kaefer to provide all of our 6th form students with an accredited IOSH certificate.

PUBLIC BENEFIT

In setting our objectives and planning our activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and performance

The UTC results at GCSE and post 16 have improved dramatically over the last four years. The UTC was inspected by Ofsted in June 2019 and judged to be outstanding in every single area and respect.

Of over 400 secondary schools inspected in 2019/20, only 34 were judged outstanding, and of those judged RI at their last inspection of which we were one, only 4 moved to outstanding.

Since then the ECUTC has won a number of national and local awards. Locally (Cumbria wide) we have won: Best Secondary School, Best Headteacher, Best Industry Engagement and Best Teacher awards. We have secured two silver (second in the country) and one gold (best in country) national awards for Best Secondary School, Best Headteacher and Best Teacher respectively.

We have also secured full DfE commitment to build a workshop block on site - construction of which is now taking place - which will negate the need for the lease and use of the temporary facilities in the Gen2 building. We have also secured DfE commitment for a new sports pitch and changing pavilion - which are also currently being constructed.

ENERGY COAST UTC

Trustees' Report (continued)

Strategic Report (continued)

Student progress from baseline

Performance for the 2021 cohort is in line with the targeted journey of the school. The 2021 results were derived from Teacher Assessed Grades (TAGs) due to the Coronavirus pandemic and exams taking place. Most students make more than expected progress from their starting point across all subjects. Progress in English and Engineering is outstanding and progress in Maths and Science has improved quickly and is now at least good.

Key areas to monitor going forward are:

Disadvantaged Students

Disadvantaged students make slightly less progress than non, however this gap is closing and disadvantaged students make more progress than non pupil premium (PP) students nationally.

High Prior Attainers

High prior attainers (HPA) students now make excellent progress.

Low Prior Attainers

Although this is a small cohort it is important to ensure that none of these students are overlooked and focus is maintained on this group.

Student Destinations

Until 2020 the UTC has had 0 NEETS (not in education, employment or training) and an average of between 85-90% of students going in to apprenticeships. This is against a national figure of 5%. There are a very small number of NEETs in 2021, due to the current pandemic, however all these students have interviews or roles lined up and we are hoping they will be successful in obtaining work, apprenticeships or a university place.

Student behaviour, personal development and welfare

Student behaviour in and around the UTC continues to be outstanding.

Attendance

Attendance is still a concern in some areas, notably year 10 (new year 11) and disadvantaged. However attendance, even for these groups, is still improving and is significantly improved from students previous schools. Our Ofsted report recognised this and our only area for improvement was to continue to work on improving attendance.

ENERGY COAST UTC

Trustees' Report (continued)

Strategic Report (continued)

Teaching and Learning

Teaching and learning is now outstanding. A personalised CPD programme is in place this year, with additional sessions for all new staff.

Student numbers

Current student numbers are 408 as of the October 2021 census, a significant increase from last year. Student applications for year 10 in September 2022 are already oversubscribed with an active waiting list. Focus for next year is year 12 recruitment.

Finance

The financial situation of the UTC remains challenging. Three risks continue to apply: year 12 recruitment, pupil number adjustment (PNA) clawback and recoverable deficit funding repayment.

The UTC set a balanced budget for the 2020-21 and 2021-22 academic and financial years and this trend is forecasted to continue.

The UTC submitted 3 year financial plan to the ESFA in January 2021 which included an initial repayment profile for the outstanding PNA of £213,998 and £510,000 recoverable deficit funding. An updated plan and repayment profile was submitted in June 21 and the payment of £65,582 which the ESFA had planned in August 2021 was officially deferred until January 2022. Another payment from the original payment profile is £183,724 due in August 2022 (both amounts are shown in current liabilities in note 17). The payments due are purely for ESFA internal purposes until they can fully review the plan and profile in the autumn of 2021. The ESFA has given assurance that any repayment schedule agreed will be affordable to the trust. The submitted repayment profile shows repayments over the next 14 years. During 2020/21 £20,000 was paid towards the outstanding PNA.

ENERGY COAST UTC

TRUSTEES' REPORT (continued)

Strategic Report (continued)

CORONAVIRUS PANDEMIC

The impact of the Coronavirus pandemic was considerable and affected every aspect of school life; teaching and learning, attendance, examinations, pastoral care, staff and student mental health, student and family financial circumstances and related issues - as well as the direct financial aspect for the UTC. The school was proactive in its response across the areas listed below, carefully understanding guidance and undertaking thorough risk assessments.

Teaching and Learning

Both staff and students adapted well to remote learning with our school being one of the few in the area to offer a full timetable of live lessons to our students. Engagement in learning was good and the school received excellent feedback from families.

Attendance

Attendance at lessons during lockdown was generally good, averaging mid 90%, although some groups of students (predominantly PP students) found this harder. All students were contacted daily and safeguarding procedures were escalated where necessary.

Examinations

Following decisions taken by the government, Year 11 and Year 13 students did not take their exams and were awarded teacher assessed grades in all GCSEs, A levels and vocational and technical qualifications.

Finance

During 2020/21 the school was closed to pupils from January to March 2021. Like last year this resulted in some cost savings, however we also had additional cleaning and premises costs and we topped up the furloughed salaries of our cleaning and catering staff and paid, in full the transport contract.

GOING CONCERN

The school continues to work closely with the ESFA and the Board of trustees have a reasonable expectation that the UTC has adequate resources to continue in operational existence for the foreseeable future. Student numbers are continuing to increase (2019 - 310, 2020 - 359 and 2021 - 408) and the Trustees approved the 3-year financial plan in January (updated June) 2021 which showed balanced budgets up to the 2023/24 academic year.

The updated 3-year financial plan submitted to the ESFA in June 2021 included a repayment profile for the outstanding PNA of £213,998 and £510,000 recoverable deficit funding. The previous repayment profile included a payment of £65,582 in August 2021. After submission, the ESFA officially deferred this payment until January 2022; another payment from the original payment profile is £183,724 due in August 2022. The updated repayment profile will be reviewed during autumn 2021 and the school is awaiting acceptance along with confirmation that the January 2022 repayment will be removed. The Finance team works closely with the ESFA reporting monthly management accounts and cash-flow statements projected out to the end of 2021/22 academic year

Work started on the new £6m DfE funded extension in July 2021, this will accommodate 6 new state of the art workshops removing the need for the school to rely on external workshops. This is a considerable asset which the school will market throughout 2021/22.

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust 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.

ENERGY COAST UTC

TRUSTEES' REPORT (continued)

FINANCIAL REVIEW

Most of the UTC's income is obtained from the Department of Education (DfE) in the form of a recurrent grant, the use of which is restricted to educational purposes. The grant for the year is shown in the Statement of Financial Activities. The total DfE revenue for 2020-21 was £2.994m, with other income of £401k.

Total expenditure of funds during the year was £3.236m

Net assets at 31 August 2021 amounted to £3.872m being represented by Restricted Fixed Asset fund of £5.063m. In year surplus is £76k with the restricted fund's total deficit being £1.198m

The UTC operates and manages a risk register. Three risks continue to apply: year 12 recruitment, pupil number adjustment (PNA) clawback and recoverable deficit funding repayment.

The UTC was issued with a FNTI on 28 March 2017; this was lifted on 27 April 2021. The key actions which were taken to lift the FNTI were:

Ensure that all service level agreements (SLAs) and contracts are compliant with EU/UK procurement law and AFH requirements

Where any potential related party transaction (RPTs) exists the SLAs are "at cost" and the Trust has sufficient supporting processes and procedures to assure the EFA of this.

Adequate financial management and governance arrangements are in place to assure the financial position of the Trust and avoid: conflicts of interest, novel and contentious payments, accounting irregularities and inappropriate use of capital funds on revenue expenses

A review is undertaken of the use of capital grant funding to ensure that restricted capital funds have been used for the purposes intended.

The Trust has a Board that is sufficiently skilled, experienced and structured to maintain adequate oversight and The EFA receives appropriate assurance that improvements have been ratified and embedded.

The Trust must submit: minutes of each meeting of the Trust and each of its sub committees, The Budget Forecast Return (BFR) by 31 July 2017, 2016/17 Financial Statements by 31 December 2017 without qualification.

RESERVES POLICY

Reserves are held in accordance with the requirements laid down by the Department for Education. There are no free reserves held at present.

INVESTMENT POLICY

The Finance, Premises and Personnel Committee are responsible for ensuring effective summary of the treasury management strategies and policies. The UTC has not needed to implement any investment decisions.

PRINCIPAL RISKS AND UNCERTAINTIES

At the time of the audit, negotiations are still ongoing with the ESFA about the repayment terms of the clawback and the recoverable deficit funding, which is accounted for as liabilities in the current year. Additionally, year 12 recruitment remains a risk.

FUNDRAISING

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

DEFICIT

The restricted fund in deficit partly relates to the local government pension scheme reserve amounting to £696,000 (2020-21) which is calculated annually by the scheme's actuary. The UTC is currently able to meet the liabilities of the pension scheme as they fall due and hence the trustees will monitor this deficit and take appropriate steps, if required by the actuary, to make additional deficit contributions to the scheme.

The General Annual Grant (GAG) is also in deficit to £572,995 (2020: £720,525). This is mainly due to historic high costs for external teaching provision and a large pupil number adjustment in 2016/17.

ENERGY COAST UTC

TRUSTEES' REPORT (continued)

Future Developments

The UTC is committed to ensuring exceptional levels of progression into education, employment or training for its departing students. This will be achieved through maintaining high standards of academic and vocational provision. In addition, the UTC ensures students have work ready skills and knowledge gathered through the exposure to the UTCs employment led projects and range of enrichment activities. From September 2019, the UTC has benefited from having a new leased space at the Gen2 building, funded by the DfE. A new build on the UTC site for engineering workshops started development in July 2021.

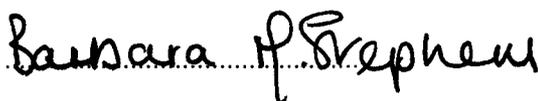
The Trust is being encouraged by the Regional Schools Commissioner (RSC) to set up a Multi Academy Trust (MAT). This would be based around the Outstanding Energy Coast UTC working with some other schools. The Trustees (Board?) and UTC leadership will continue to explore this during 2021/22.

AUDITOR

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ...8... December 2021... and signed on the board's behalf by:



Ms B Stephens OBE
Chair of trustees

DATE

ENERGY COAST UTC

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Energy Coast 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 principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Energy Coast UTC and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

Section 2.3 of the Academies Financial Handbook 2020 requires that if the board met less than six times it must describe how it maintained effective oversight of funds.

oThe full Board met five times during 2020/21.

oThe Board considered the financial position and performance of the UTC at each of these Board meeting, and at the five Finance Committee meetings and, this oversight is supplemented via the monthly meetings between the Principal and the Chair of the Finance Committee which focus on a review of the management accounts; the outcomes of these meetings are reported to the Finance Committee.

oAs required by the AFH Section 2.3, the Board confirm their belief that, while itself meeting formally fewer than six times a year, this approach ensures that it has effective oversight of funds.

ENERGY COAST UTC

GOVERNANCE STATEMENT (continued)

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year (one being an extraordinary meeting). Attendance during the year at meetings of the board of trustees was as follows:

Neil Bailey 80%
Alistair Bulloch 60%
Donna Connor (Vice Chair) 100%
Rick Farrow (resigned 18/07/2021) 60%
Mike Fox (term ended 04/05/2021) 60%
Patrick Freeman 100%
Emma-Jayne Gooch 60%
Andrew Heron 100%
Andrew Hughes (resigned 02/11/2021) 0%
Paul Johnston (appointed 26/04/2021) 60%
Marie Mills 80%
Peter Musk (appointed 18/01/2021) 80%
Hope Redmond (term started 05/04/2021) 20%
Barbara Stephens (Chair) 100%
Lynne Thornton 60%
Cherry Tingle (ex officio) 100%

The Finance, Premises and Personnel Committee (combined with the Audit & Risk Committee)

Terms of Reference (Advisory)

- 1 To consider and advise the Governing Body on financial matters (including investment and borrowing), risk management, land, buildings and estates and human resources.
- 2 To recommend the annual estimates of income and expenditure to the Governing Body for approval.
- 3 To consider at each meeting a monitoring report on income and expenditure and to make recommendations and observations to the Governing Body.
- 4 To monitor the deployment of non-financial resources, including personnel and property, to advise the Board on the effectiveness of the use of such resources.
- 5 To consider proposals for major capital expenditure and to make recommendations to the Board.
- 6 To monitor progress towards the timely achievement of capital build projects to cost and advising the Board.
- 7 To make recommendations for the Treasury Management Policy.

The Finance, Premises and Personnel committee have met 5 times during the academic year 2020/21. Attendance during the year at meetings was as follows:

Neil Bailey 100%
Andrew Heron 100%
Andrew Hughes (resigned 02/11/2021) 0%
Barbara Stephens 100%
Lynne Thornton (Chair) 100%
Cherry Tingle 100%

ENERGY COAST UTC

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As accounting officer, the principal has responsibility for ensuring that the UTC delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the UTC's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate.

The accounting officer for the UTC has delivered improved value for money during the year by:

Regular budget and risk monitoring by the Finance team, Chair of Finance Committee and Principal. Any necessary remedial action is taken to address any significant variances that may impact on budget outturn.

Where appropriate tender exercises are undertaken to ensure that high value contracts are assessed against the marketplace to ensure that long term contracts attain value for money. An exercise for the provision of gas was carried out in 2020, even though, due to the volatile nature of pricing, savings were not made, the best value deal was taken. When purchasing tables for the students to use in an outside area, the school went through a framework to ensure the best price was received.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of UTC policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Energy Coast UTC for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the UTC is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the UTC's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

ENERGY COAST UTC

GOVERNANCE STATEMENT (continued)

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, Premises and Personnel 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.

The board of trustees, via the audit committee, has considered the Academies Financial Handbook requirements for internal scrutiny and has decided to appoint a team of internal auditors used by the member organisation, the University of Cumbria, to carry out this work.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the UTC's financial and other systems. In particular the checks carried out in the current period included a review of how the school prepares budgets and cashflows including assumptions used.

On an annual basis, the reviewer reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

In each of the Assurance Reports the auditors have stated that the UTC gives either substantial or reasonable assurance over the controls in place; but have also identified a series of improvements to be made. These improvements have been added to the UTC's audit log for implementation and regular review by the audit committee.

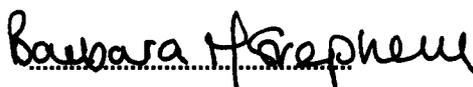
REVIEW OF EFFECTIVENESS

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

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

Approved by order of the members of the board of trustees on8.12.21.....and signed on their behalf, by:



Ms B Stephens OBE
Chair of Trustees



Ms C Tingle
Accounting Officer

ENERGY COAST UTC

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Energy Coast UTC, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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 2020.

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 ESFA.



8/12/21

**Ms C Tingle, Principal
Accounting Officer**