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CORBY CITY TECHNOLOGY COLLEGE TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2000



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COMPANIES HOUSE 19/12/00

SMITH, HODGE & BAXTER

Chartered Accountants

CORBY CITY TECHNOLOGY COLLEGE TRUST

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CORBY CITY TECHNOLOGY COLLEGE TRUST**LEGAL AND ADMINISTRATIVE INFORMATION**

Governors: Mr George Weston - Chairman

Cllr. E Brace
 Mr H W G de Capell Brooke
 Cllr. G Crawley
 Mr W Davis (appointed 09/99)
 Mr S Hanson
 Mr P Hedges (appointed 02/00)
 Mrs P Hogan (resigned 09/00)
 Mrs A Jack
 Prof. T Kerry (appointed 09/99)
 Mr N Killip (resigned 09/00)
 Mr G Leach (resigned 09/00)
 Cllr. J McKeller
 Mrs C O'Rourke
 Dr P Wilczynski (resigned 09/00)

Department for Education and
 Employment representative: Mr S Quazi

Secretary: Miss D Goodridge

Registered Office: Coomb Road
 Great Oakley
 Corby
 Northants
 NN18 8LA

Company Registration Number: 2400784 England and Wales

Charity Registration Number: 802025

Auditors: Smith, Hodge & Baxter
 Rowan House
 Medlicott Close
 Oakley Hay
 Corby
 Northants
 NN18 9NF

Bankers: HSBC
 12 Spencer Court
 Corby
 Northants
 NN17 1NY

Subsidiary Undertaking: Corby CTC Trading Limited

CORBY CITY TECHNOLOGY COLLEGE TRUST**REPORT OF THE GOVERNORS**

The governors' present their report and the audited financial statements for the year ended 31st August 2000.

CONSTITUTION AND PRINCIPAL ACTIVITIES

The Trust is constituted as a company, limited by guarantee and not having a share capital. It was incorporated at Companies Registration Office on 4th July 1989, number 2400784. The Trust has also been granted charitable status, registration number 802025, by the Charity Commissioners on 9th October 1989.

The governing instrument of the Trust is the Memorandum and Articles of Association adopted on incorporation and revised during 2000. The revised document has been approved by the Trustees and Governors and is with the Charities Commission awaiting their approval.

MEMBERSHIP AND OFFICERS

The current members and officers are:

Chairman and initial primary member	Mr H W G de Capell Brooke
Additional member	Mrs H W G de Capell Brooke
Initial primary member	Sir Cyril Taylor
Additional member	Mrs V Dowley
Primary member	Mr G Weston
Additional member	Lady Hesketh
Additional member	Mr A de Capell Brooke
Additional member	Mr George Weston

Other officers and advisors are as follows:

College Principal	Mr P A Simpson
Company Secretary	Miss D Goodridge

Bankers:	HSBC
	12 Spencer Court
	Corby
	Northants
	NN17 1NY

Auditors:	Smith, Hodge & Baxter
	Rowan House
	Medlicott Close
	Oakley Hay
	Corby
	Northants
	NN18 9NF

Governors are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire. At each Annual General Meeting of the company one third of the governors retire by rotation. The governors retiring by rotation are Mrs P Hogan, Mr N Killip, Mr G Leach and Dr P Wilczynski.

CORBY CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

The principal activity of the College is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, operating and developing a secondary school offering a broad curriculum with a strong emphasis on science, technology, modern foreign languages and their principal applications.

In accordance with the articles of association the company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Employment. The Scheme of Government specifies, amongst other things, the basis for admitting students to the College, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on science and technology and their applications.

ORGANISATION AND OBJECTIVES

The sole activity of the company is the operation of the Brooke Weston City Technology College to provide education for pupils of different abilities between the ages of 11 and 19 with an emphasis on science and technology and their applications. The main objectives of the College are summarised below:

- to raise the standard of educational achievement of all pupils;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of the College 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 our business in accordance with the highest standards of integrity, probity and openness.

DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

This year was the first during which the College operated under new management and although the team has changed, the commitment to the ethos that underpins the College's success is undiluted. Brooke Weston remains a unique institution, with a clear philosophy based upon a belief that young people can achieve beyond expectations.

Of course, everyone has been anxious to ensure that student achievement remains as high as possible and the A-level and GNVQ results were eagerly awaited as ever. This year the average A-level points score per student was 19.5, compared to last year's officially confirmed figure of 19.2, with the proportion of A grades remaining the same at 21%.

This year 50% more students took GNVQ Higher courses with half of them achieving a distinction, and the proportion of higher grades rose from 63% to 77%. This increases the average points gained per student from 11.4 in 1999 to 12.77 in 2000.

The GCSE results were once again improved with 96% of students achieving 5 or more GCSE passes at grades A* to C. In the national 'league tables' the College was number four in the list of state mixed comprehensive schools. The GNVQ Intermediate Information Technology qualification, attempted by all our students, once again made a substantial contribution to our success. Last year 90% achieved a pass grade in this vocational subject, valued as the equivalent of four GCSEs, whilst this year this figure increased to 97%. The average points score remained the same as in 1999; on average each student gained 82 points.

CORBYP CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

EXTERNAL LINKS

The College continues to attract visitors from other schools both in this country and overseas. Beacon School status has led to an increase in numbers and we now host an average of two parties of visitors each week. Although many come to see features of the College which are now well-established practice, there has been an increase of interest in the GNVQ Intermediate qualification which all our students follow in Years 10 and 11. Demand for information about this programme has been so great that the College has begun to develop a package of curriculum material and training to offer to other schools.

The Masterclass provision involving schools from Corby and Kettering continues to flourish. An important development, which has grown out of the co-operation between schools for Masterclasses, has been the establishment of an Intranet focussed upon mathematics to which other local schools contribute. In addition the College has brought together a number of primary and secondary schools to work together on a website designed to improve continuity between the two phases of education.

An important local development was the establishment in Corby of an Education Action Zone. Although we do not stand to benefit financially, the College remains committed to playing as full a part as possible in ensuring that the zone is successful in achieving its goal of raising educational standards locally. Although early progress has been slow, we were pleased to be able to provide the zone with a website and with support for other ICT initiatives.

MISCELLANY

The year has seen a number of initiatives intended to improve the service the College offers. The little used bar has been transformed into a general-purpose servery and a coffee lounge has been created which provides snacks and drinks throughout the day and into the evening. This allows students to have some refreshments before staying on after school to study.

The Young Enterprise team enjoyed considerable success this year. Their business, 'Mesmerise' won the local heat of the competition and then went on to become the regional winners gaining the title Young Enterprise East Midlands Winners. The team was one of fifteen competing in the national finals and although not the winners they made an excellent contribution to the event which was attended by David Blunkett.

Our procedures for quality assurance were revised during the year and the annual Institutional Review process was improved. The external assessor for ISO9002 welcomed these changes and our accreditation was reconfirmed.

Our bid to become a Training School was unsuccessful, as were the proposals put forward by all City Technology Colleges. This was a real disappointment and brought to mind our first unsuccessful bid to become a Beacon School. Should the opportunity reoccur it is felt that we should bid again since few schools can be as well placed as Brooke Weston to fulfil the role of training teachers.

CORBY CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

OPERATING AND FINANCIAL REVIEW

Most of the College's income is obtained from DfEE in the form of recurrent grants the use of which is restricted to particular purposes. The grants received during 1999/2000 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The College also receives grants for fixed assets from the DfEE and donations for fixed assets from commercial sponsors. In accordance with the Charity Commissioners Statement of Recommended Practice, grants and donations for fixed assets are shown in the Statement of Financial Activities as restricted fixed asset fund. The balance sheet restricted fixed asset fund is reduced by transfers of amounts equivalent to any depreciation charges over the expected useful life of the assets concerned.

In addition funds are received from sponsors for unrestricted purposes, such as the running costs of the College and any surplus is carried forward as an unrestricted fund in the balance sheet.

Expenditure and depreciation for the year exceeded grants from the DfEE and other income by £274,346 and this deficit has been funded out of available reserves.

At 31st August 2000 the net book value of fixed assets was £9,633,017 and movements in tangible fixed assets are shown in Note 15 to the financial statements. The assets are used exclusively for providing education and associated support services to the pupils of the College.

The College also held fund balances at the 31st August 2000 of £9,856,903 comprising £9,633,017 of restricted funds and £223,886 of unrestricted funds. The fund balances are adequate to fulfil the obligations of the College and provide a balance against most unforeseen events. To achieve the development plan objectives and for other major capital projects the College remains dependent on the provision of additional fixed asset grants from both the DfEE and commercial sponsors.

SUBSIDIARY COMPANY

The College owns 100% of the issued ordinary shares of Corby CTC Trading Limited a company incorporated in England. In the year to 31st August 1999 the subsidiary achieved a loss after tax of £13,198. Further details about the company are given in note 16 to the accounts.

GOVERNORS

The present governors of the College are set out on page 2. All the governors served throughout the year with the exception of Prof. T Kerry, Mr W Davis and Mr P Hedges who were appointed during the year to fill vacant places. Mrs P Hogan, Mr N Killip, Mr G Leach and Mr P Wilczynski resigned after the year end.

CORBY CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Company law requires the governors' to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the governors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROLS

As governors, we acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated by Brooke Weston City Technology College.

The College'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;
- 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 guidelines.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

LEGAL STATUS

The College is a company limited by guarantee and a registered charity. The company does not have a share capital. Every member of the 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.

CORBY CITY TECHNOLOGY COLLEGE TRUST

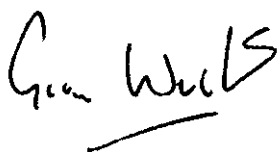
REPORT OF THE GOVERNORS (continued)

AUDITORS

The auditors, Smith, Hodge & Baxter are willing to continue in office, and a resolution to appoint them will be proposed at the annual general meeting.

APPROVAL

The report of the governors was approved on 15th December 2000 and signed on its behalf by:

A handwritten signature in black ink that reads "George Weston". The signature is written in a cursive style with a horizontal line underneath the name.

George Weston
Chairman

CORBY CITY TECHNOLOGY COLLEGE TRUST**AUDITORS' REPORT TO THE MEMBERS OF CORBY CITY TECHNOLOGY COLLEGE TRUST**

We have audited the financial statements on pages 10 to 21 which have been prepared on the basis of the accounting policies set out on pages 15 and 16.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 7 the governors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the school's circumstances, consistently applied and adequately disclosed.

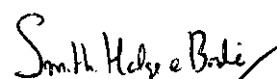
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- (a) the financial statements give a true and fair view of the state of affairs of the College at 31st August 2000, and of its incoming resources and application of resources including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985;
- (b) the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Employment in respect of the relevant financial year;
- (c) proper accounting records have been kept by the College throughout the financial year;
- (d) grants made by the Department for Education and Employment have been applied for the purposes intended;
- (e) we are satisfied that the College's systems of internal controls are such as to comply with the obligations placed on the governing body by the Secretary of State for Education and Employment and we have not identified any material weaknesses.

Rowan House
Medlicott Close, Oakley Hay
Corby, Northants NN18 9NF



SMITH, HODGE & BAXTER
Chartered Accountants and
Registered Auditors

15th December 2000

CORBY CITY TECHNOLOGY COLLEGE TRUST**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2000**

	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted General Funds</u>	<u>Restricted Fixed Asset Funds</u>	<u>Total 2000</u>	<u>Total 1999</u>
INCOMING RESOURCES						
Grants receivable		-	3,743,191	-	3,743,191	3,503,304
Donations and gifts	3	-	-	-	-	512,000
Investment income	4	4,915	-	-	4,915	5,636
Other income	4	47,938	-	-	47,938	19,282
TOTAL INCOMING RESOURCES		52,853	3,743,191	-	3,796,044	4,040,222
RESOURCES EXPENDED						
Direct charitable expenditure:						
Provision of education		-	2,884,186	348,223	3,232,409	3,504,601
Support costs		-	375,914	-	375,914	308,601
Other expenditure:						
Management and administration		-	460,742	-	460,742	336,340
Fundraising		1,325	-	-	1,325	7,012
TOTAL RESOURCES EXPENDED	5	1,325	3,720,842	348,223	4,070,390	4,156,554
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS						
		51,528	22,349	(348,223)	(274,346)	(116,332)
Transfers between funds		(493)	(22,349)	22,842	-	-
NET MOVEMENT IN FUNDS		51,035	-	(325,381)	(274,346)	(116,332)
Fund balances brought forward at 1st September 1999		172,851	-	9,958,398	10,131,249	10,247,581
FUND BALANCES CARRIED FORWARD AT 31ST AUGUST 2000		223,886	-	9,633,017	9,856,903	10,131,249

The Statement of Financial Activities analyses all the capital and income resources and expenditures of the College during the year and reconciles the movements in funds. Further analysis of the income and expenditure for the year is shown on page 11 and the overall financial position at the year end is summarised in the balance sheet on page 12.

CORBY CITY TECHNOLOGY COLLEGE TRUST**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2000**

	<u>Notes</u>	<u>2000</u>	<u>1999</u>
INCOME			
Annual per capita grant	2	3,675,691	3,488,800
DfEE Capital Grants		-	14,504
Other DfEE Grants		67,500	-
Other government grants		-	-
Private sector sponsorship	3	-	512,000
Other income	4	52,853	24,918
TOTAL INCOME		<u>3,796,044</u>	<u>4,040,222</u>
EXPENDITURE 5,6,7 & 8			
Annual per capita grant related expenditure		3,653,342	3,726,907
Other DfEE grant related expenditure		67,500	-
Depreciation/loss on sale of asset		348,223	422,635
Other expenditure		1,325	7,012
TOTAL EXPENDITURE		<u>4,070,390</u>	<u>4,156,554</u>
EXCESS OF EXPENDITURE OVER INCOME		<u>(£274,346)</u>	<u>(£ 116,332)</u>
NET TRANSFER TO/FROM FUNDS			
Restricted funds	14	(325,381)	(275,711)
Unrestricted funds		51,035	159,379
		<u>(£274,346)</u>	<u>(£ 116,332)</u>

The Income and Expenditure account is derived from the Statement of Financial Activities on page 10 which, together with the notes to the accounts on pages 15 to 21 provides full information on the movements during the year on all the funds of the College.

All items dealt with in arriving at the excess of expenditure over income for 2000 and 1999 relate to continuing operations.

The company has no recognised gains and losses other than those included in the above results and therefore no separate statement of gains and losses has been presented.

CORBY CITY TECHNOLOGY COLLEGE TRUST**BALANCE SHEET AT 31ST AUGUST 2000**

	<u>Notes</u>	<u>2000</u>	<u>1999</u>
FIXED ASSETS			
Tangible assets	15	9,633,017	9,958,398
Investments	16	100	100
		<u>9,633,117</u>	<u>9,958,498</u>
CURRENT ASSETS			
Stocks	11	10,000	10,000
Debtors	12	188,012	274,459
Cash at bank and in hand		332,963	275,054
		<u>530,975</u>	<u>559,513</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	(307,189)	(386,762)
NET CURRENT ASSETS		<u>223,786</u>	<u>172,751</u>
NET ASSETS		<u>£ 9,856,903</u>	<u>£10,131,249</u>
FUNDS			
Restricted fixed asset fund	17	9,633,017	9,958,398
Restricted general fund		-	-
Premises fund		-	-
Unrestricted funds	17	223,886	172,851
		<u>£ 9,856,903</u>	<u>£10,131,249</u>

The financial statements were approved by the Board on 15th December 2000 and signed on its behalf by:



.....
Chairman - G Weston

CORBY CITY TECHNOLOGY COLLEGE TRUST**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2000**

	<u>2000</u>	<u>1999</u>
Reconciliation of operating profit net cashflows from operating activities		
<u>RECEIPTS</u>		
Recurrent grants received from DfEE:		
Annual per capita grant	3,675,691	3,488,800
Other grant	-	-
Other receipts from DfEE	67,500	-
Other receipts from central or local government	-	-
Private sector sponsorship	-	512,000
Other receipts	47,938	19,282
	<u>3,791,129</u>	<u>4,020,082</u>
<u>PAYMENTS</u>		
Staff costs	(2,544,364)	(2,463,293)
Other cash payments	(1,170,285)	(1,176,151)
	<u>76,480</u>	<u>380,638</u>
Net cash flow from operating activities		
	<u>76,480</u>	<u>380,638</u>
Returns on investments and servicing of finance		
Interest received	4,915	5,636
Interest paid	(644)	(3,128)
	<u>4,271</u>	<u>2,508</u>
Net cash inflow from returns on investments and servicing of finance		
	<u>4,271</u>	<u>2,508</u>
Taxation	-	-
Capital expenditure		
Purchase of tangible fixed assets	(22,842)	(146,924)
Receipts from sale of tangible fixed assets	-	-
	<u>(22,842)</u>	<u>(146,924)</u>
Management of liquid resources and financing		
Purchase of treasury bills	-	-
Sale of treasury bills	-	-
Capital grants from DfEE	-	14,504
Other fixed asset grants from central and local government	-	-
Fixed asset grants from sponsors	-	-
	<u>-</u>	<u>14,504</u>
Net increase in cash	<u>£ 57,909</u>	<u>£ 250,726</u>

CORBY CITY TECHNOLOGY COLLEGE TRUST**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2000**

	<u>2000</u>	<u>1999</u>
Reconciliation of net cash flow to movement in net funds (re note1)		
Increase in cash in the period	57,909	250,726
Cash repurchasing debenture	-	-
Cash used to increase liquid resources	-	-
Changes in net debt	<u>57,909</u>	<u>250,726</u>
Net funds at 1st September 1999	275,054	24,328
Net funds at 31st August 2000	<u>332,963</u>	<u>275,054</u>

1. NOTE TO CASH FLOW STATEMENT

Analysis of changes in net funds	1st Sept 1999	Cash flows	31stAug 2000
Cash in hand and at bank	275,054	57,909	332,963
Overdraft	-	-	-
Debt due within one year	-	-	-
Debt due after one year	-	-	-
Current asset investments	-	-	-
TOTAL	275,054	57,909	332,963

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2000****1. ACCOUNTING POLICIES****Format of accounts**

The standard format for the accounts as required by the Companies Act 1985 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice (SORP) 'Accounting by Charities' and reflects the activities of the company. The format and accounting policies were revised in 1999 to comply with the guidance issued by the DfEE.

Basis of accounting

The financial statements are prepared under the historic cost convention and in accordance with applicable accounting standards.

Recognition of incoming resources

Incoming resources received for specific purposes eg. fixed asset grants, are included in the statement of financial activities. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown in the restricted income fund on the balance sheet. The annual recurrent grant from the DfEE, which is intended to meet recurrent costs, is credited direct to the statement of financial activities.

Allocation of cost between direct provision of education and other expenditure

In accordance with the charities SORP expenditure has been analysed between direct charitable and other expenditure. The only activity undertaken by the College is the operation of Brooke Weston City Technology College and indirect charitable expenditure reflects the costs of management, administration and fundraising necessary for the operation of the College. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned.

Tangible fixed assets

Tangible fixed assets acquired since the College was established are included in the accounts at cost.

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) and are released over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Lease	-	over the period of the lease
Long leasehold buildings	-	2% of written down value
Office and computer equipment	-	33⅓% of written down value
Fixtures, furniture and fittings	-	10% of written down value
Motor vehicles	-	33⅓% of written down value

Leased assets

Rentals payable under operating leases are charged to the income and expenditure account as incurred.

Rentals payable under finance leases are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable.

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2000****1. ACCOUNTING POLICIES (continued)****Investments**

Fixed asset investments are carried at cost or market value.

Stocks

Unused stocks are valued at the lower of cost or net realisable value.

Taxation

The company is a registered charity and as such is exempt from income and corporation taxes under the provisions of the Income and Corporation Taxes Act 1988. The cost of value added tax incurred by the company has been included in the income and expenditure account.

Pensions

(a) Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Superannuation Scheme (TSS). The TSS, a statutory, contributory, final salary scheme is administered by The Teachers Pension Agency on behalf of the Department for Education and Employment.

Contribution rates payable by the employer are expressed as a percentage of salary. The total payable is reviewed every five years by the government actuary. Costs are accounted for in the years paid.

(b) In addition staff have an opportunity to join the Brooke Weston CTC retirement benefits scheme which is a money purchase defined contribution scheme. Costs are accounted for in the year paid.

2. ANNUAL PER CAPITA GRANT

	<u>2000</u>	<u>1999</u>
Annual per capita grant for year	3,675,691	3,488,800
Carry over from previous year	-	-
Total APG available to spend	<u>3,675,691</u>	<u>3,488,800</u>
Net APG revenue expenditure	(3,653,342)	(3,726,907)
Fixed assets purchased from APG	(22,349)	-
Overspent APG	<u>(£ -)</u>	<u>(£ 238,107)</u>

3. PRIVATE SECTOR SPONSORSHIP

	<u>2000</u>	<u>1999</u>
R S Components	-	(25,000)
Corby CTC Trading Limited	-	37,000
G Weston	-	500,000
	<u>£ -</u>	<u>£ 512,000</u>

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2000****4. OTHER INCOME**

	<u>2000</u>	<u>1999</u>
Interest receivable	4,915	5,636
Other	47,938	19,282
	<u>£ 52,853</u>	<u>£ 24,918</u>

5. TOTAL RESOURCES EXPENDED

	<u>Staff costs</u>	<u>Depreciation</u>	<u>Other costs</u>	<u>Total 2000</u>	<u>Total 1999</u>
Direct provision of education	1,807,420	348,223	1,076,766	3,232,409	3,504,601
Support costs	375,914	-	-	375,914	308,601
Management and administration	361,030	-	99,712	460,742	336,340
Fundraising	-	-	1,325	1,325	7,012
	<u>£2,544,364</u>	<u>£ 348,223</u>	<u>£1,177,803</u>	<u>£4,070,390</u>	<u>£4,156,554</u>

6. GENERAL EXPENDITURE

	<u>2000</u>	<u>1999</u>
Included in expenditure in the income and expenditure accounts and in other costs above are:		
Educational supplies and services	443,303	618,199
Occupancy costs	125,837	124,229
Maintenance costs	124,966	129,324
Supplies and services	361,705	246,685
Auditors' remuneration	10,330	5,850
Governors' expenses	-	-
Miscellaneous	111,662	155,932
	<u>£1,177,803</u>	<u>£1,280,219</u>

Included in the above are operating lease rentals of £22,518 for hire of equipment.

7. INTEREST PAYABLE

	<u>2000</u>	<u>1999</u>
Interest on overdrafts repayable wholly within five years	£ 644	£ 3,128

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2000****8. STAFF COSTS**

The average number of persons (including senior postholders) employed by the College during the period expressed as full time equivalents was:

	<u>2000</u>	<u>1999</u>
Educational support	19	20
Administration	29	29
Teachers	65	66
Total employees	<u>113</u>	<u>115</u>
Staff costs for the above persons		
Wages and salaries	2,212,103	2,145,231
Social security costs	177,089	176,581
Other pension costs	147,264	128,546
Total staff costs	<u>£2,536,456</u>	<u>£2,450,358</u>

9. EMOLUMENTS OF GOVERNORS

The governors of the College did not receive any payment from the College.

10. GOVERNORS AND OFFICERS INSURANCE

In accordance with normal commercial practice the College has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on College business. The insurance provides cover up to £500,000 on any one claim and the cost for 1999/2000 was £1,050.

11. STOCKS

	<u>2000</u>	<u>1999</u>
Stationery and other supplies	£ 10,000	£ 10,000

The replacement cost of the above stocks would not be significantly different from the values stated.

CORBYPITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2000****12. DEBTORS**

	<u>2000</u>	<u>1999</u>
Trade debtors	70,333	97,240
Prepayments	51,728	109,610
Other debtors	16,951	18,609
Amount due from subsidiary undertaking	49,000	49,000
	<u>£ 188,012</u>	<u>£ 274,459</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2000</u>	<u>1999</u>
Trade creditors	147,095	190,786
Taxation and social security	54,377	56,219
Accruals and other creditors	105,717	139,757
	<u>£ 307,189</u>	<u>£ 386,762</u>

14. RESTRICTED FUNDS

The income funds of the College comprise the following balances of grants to be applied for specific purposes.

	<u>Balance at 31st August 1999</u>	<u>Incoming resources</u>	<u>Expenditure gains, losses & transfers</u>	<u>Balance at 31st August 2000</u>
Restricted general fund	-	3,720,842	3,720,842	-
Restricted fixed asset funds				
Government/APG capital grant	7,736,809	22,349	269,873	7,489,285
Private sector capital sponsorship	2,221,589	493	78,350	2,143,732
	<u>£9,958,398</u>	<u>£ 3,743,684</u>	<u>£4,069,065</u>	<u>£ 9,633,017</u>

Annual per capita grant (APG) must be used for the normal running costs of the College including salaries and related costs, overheads, repairs and maintenance and insurance. The College is allowed to carry forward up to 12% of the current APG. Of the carried forward amount up to 2% of APG can be used for general purposes at the discretion of the College, but any balance over 2% must be used for capital purposes.

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2000****15. TANGIBLE FIXED ASSETS**

	<u>Lease</u>	<u>Long leasehold buildings</u>	<u>Office and computer equipment</u>	<u>Fixtures furniture and fittings</u>	<u>Motor vehicles</u>	<u>Total</u>
Cost						
At 1st September 1999	1,100,000	9,348,511	1,425,261	1,042,224	83,631	12,999,627
Capital expenditure	-	-	22,842	-	-	22,842
Disposals	-	-	-	-	-	-
At 31st August 2000	£1,100,000	£9,348,511	£1,448,103	£1,042,224	£ 83,631	£13,022,469
Depreciation						
At 1st September 1999	79,200	1,303,469	1,106,493	499,610	52,457	3,041,229
Charged in year	8,800	160,901	113,870	54,261	10,391	348,223
Disposals	-	-	-	-	-	-
At 31st August 2000	£ 88,000	£1,464,370	£1,220,363	£ 553,871	£ 62,848	£3,389,452
Net book value						
At 31st August 1999	£1,020,800	£8,045,042	£ 318,768	£ 542,614	£ 31,174	£ 9,958,398
At 31st August 2000	£1,012,000	£7,884,141	£ 227,740	£ 488,353	£ 20,783	£9,633,017

Source of funding for assets acquired (Cumulative)

	<u>2000</u>	<u>1999</u>
Capital grants	9,066,200	9,066,200
Transitional grants	57,637	57,637
Recurrent grants	891,512	869,163
Private sector and other	3,007,120	3,006,627
	£13,022,469	£12,999,627

16. INVESTMENTS

	<u>2000</u>	<u>1999</u>
Investment in subsidiary company at cost	£ 100	£ 100

The College owns 100% of the issued £1 ordinary shares of Corby CTC Trading Limited, a company incorporated in England. The principal business activity of Corby CTC Trading Limited is the rental of property and facilities. In the year to 31st August 1999 the subsidiary sustained a loss after tax of £13,198 and at the year end had a deficit in reserves of £16,477. The accounts for the year ended 31st August 2000 will be prepared in the year 2001. The investment is shown in the balance sheet and consolidated accounts are not prepared as, in the opinion of the governors, the results of the subsidiary are not material, and advantage is taken of the medium sized group exemptions.

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2000****17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31st August 2000 are represented by:

	<u>Unrestricted funds</u>	<u>Restricted public</u>	<u>Capital private</u>	<u>Total</u>
Tangible fixed assets	-	7,489,285	2,143,732	9,633,017
Investments	100	-	-	100
Current assets	530,975	-	-	530,975
Current liabilities	(307,189)	-	-	(307,189)
Totals	<u>£ 223,886</u>	<u>£7,489,285</u>	<u>£2,143,732</u>	<u>£ 9,856,903</u>

18. CAPITAL COMMITMENTS

	<u>2000</u>	<u>1999</u>
Contracted for, but not provided in the accounts	£ 650,000	£ -

19. LEASE COMMITMENTS

	<u>2000</u>	<u>1999</u>
Operating leases		
The payments which the company is committed to make in the next year in respect of operating leases:		
Within one year	5,499	-
One to five years	17,759	19,649

20. CONTINGENT LIABILITIES

In the event, during the period of the Funding Agreement, of the sale or disposal by other means, of any asset for which a capital grant was received, the company shall if it does not re-invest the proceeds, repay to the Secretary of State for Education and Employment 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 company serving notice, the company shall repay to the Secretary of State sums determined by reference to:

- (a) The value at that time of the College's site and premises and other assets held for the purpose of the company; 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.