

2400786

**CORBY CITY TECHNOLOGY  
COLLEGE TRUST  
REPORT AND FINANCIAL STATEMENTS  
31ST AUGUST 1998**



## CORBY CITY TECHNOLOGY COLLEGE TRUST

Governors: R F McCoy - Chairman  
H W G de Capell Brooke  
N R Killip  
G Meyer  
Lady Hesketh  
K Achard  
G Crawley  
S Hanson  
Mrs C O'Rourke  
N Riley  
P Wilczynski  
Mrs P Hogan  
G Leach  
Cllr. J McKeller  
Cllr. E Brace  
Mrs A Jack

Department for Education and  
Employment representative: Mr M Sarjant

Secretary: M L Giddings

Registered Office: Coomb Road  
GREAT OAKLEY  
Corby  
Northants  
NN18 8LA

Registered Number: 2400784 England and Wales

Report and Financial Statements  
31st August 1998

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The following pages do not form part of the statutory financial statements

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Subsidiary Undertaking: Corby CTC Trading Limited

# CORBYPITY TECHNOLOGY COLLEGE TRUST

## THE ORGANISATION OF THE TRUST

### CONSTITUTION

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.

### 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	Mr R F McCoy
Additional member	Lady Hesketh
Additional member	Mr A de Capell Brooke

Other officers and advisors are as follows:

College Principal	Mr D G Newman
Company Secretary	Mr M L Giddings
Bankers	Midland Bank Plc 12 Spencer Court CORBY Northants NN17 1NY
Auditors	Messrs Smith, Hodge & Baxter Rowan House Medlicott Close Great Oakley Corby Northants NN18 9NF

# **CORBÝ CITY TECHNOLOGY COLLEGE TRUST**

## **REPORT OF THE GOVERNORS**

### **INTRODUCTION**

Each year the governors of the College prepare the Annual Governors Report to Parents. This report is sent to all parents of students at the College and an opportunity to discuss its contents, the work of the governing body and the work of the Principal is provided by the Annual Meeting for Parents.

### **THE WORK OF THE GOVERNORS**

The College, this year, reached a significant landmark in its relatively short life. It said goodbye to the first cohort of students it admitted in September 1991. These youngsters set new standards and raised their levels of achievement beyond that which one would have reasonably anticipated. They have demonstrated that the philosophy of responsible student centredness, giving youngsters a large measure of control over their learning is the correct approach for education into the next millennium. Their seven years have certainly been eventful. They have confirmed that long days and longer years, while onerous for the teachers, can be coped with and are beneficial. They have demonstrated how accurate students can be in predicting personal outcomes such as examination results. They have destroyed the lie that says giving youngsters the freedom to access resources and equipment at will results in theft and damage. They have shown, beyond doubt, that motivation, ambition and hard work can overcome anything and that it is these characteristics, not ability, that mostly contributed to their success.

The results for this year's A-levels and GNVQs were eagerly awaited and the results confirmed that the Brooke Weston influence over these youngsters has had a profound effect with a spectacular increase in performances, achieving 20+ points average for students who pursued two or more A-levels was exceptional. The GCSEs also maintained the tradition of success with 80% of the students gaining 5 A\* - C or more. For the first time in the College's short history the results were slightly down on the preceding year.

#### **The year at a glance**

The year began with the excitement of the 1997 GCSE results dominating events. The visit of Allen Dobson the acting Chief Executive of Corby Borough Council and Mr John Murray the newly elected leader of the council was much appreciated and established the start of a productive working relationship with the council. George Crawley, our governor, has done much to break down suspicion and prejudice towards the College and I am deeply indebted to him for his efforts.

Despite its high profile the proposed visit of Minister Estelle Morris to the College has, as yet, failed to materialise. It is hoped that once all of the elements of the Education Bill are completed through the House of Commons that Ms Morris may be able to find a moment in her heavy list of commitments to visit us. She has, of course, been promoted within the DfEE but we hope we can persuade her to come to Corby.

The first expedition to Pakistan Himalayas returned intact but many of the youngsters (and staff) were almost unrecognisable due to a huge weight loss. Time, however, cures all, and several months of the substantial school dinners have all but restored the losses. Mr Black is now recovering from this year's expedition to the same area.

## **CORBY CITY TECHNOLOGY COLLEGE TRUST**

### **REPORT OF THE GOVERNORS**

Mr Weston's investment in the home-school technology link began to take shape in September with the installation of the cable to link up the homes. To date we have approximately 230 students "on-line" and are hoping to link half of the school by this Christmas. Some students rent machines and modems from us, some are given them while others link up using their own home computers. The College learning net is proving exceedingly popular and is gradually opening up the potential for a new model of learning.

Two new minibuses were purchased for the start of the year. Their modern power steering and luxury coach livery have proved very attractive to the students and very convenient for the large number of trips and visits offered by the College.

Everyone was distraught to hear of the death of Derek Wathey. Derek had been a governor since the opening of the College and had recently resigned and, despite recent poor health, everyone had been confident he would make a complete recovery. Tragically this was not to be, he is missed by all of us who so valued his loyalty and his contribution to good governorship.

Masakzu Washizu joined the staff for a three month stint at Brooke Weston City Technology College. Apparently able to speak English he was totally incomprehensible when he arrived and maintained that state up to the moment of his departure. His written English was definitely better than his speaking. Despite his communication difficulty this did not seem to impair his ability to relate with the students and he proved to be a hugely popular visitor.

The open week during the last week of September saw the highest number of visitors ever to look around the College. Some 600 persons responded to the invitation. The final day saw queues stretching outside of the entrance of members of the public anxious to view the proceedings.

Denise Pope became the first special needs student to gain the student of the year award. The celebration for Denise's success was tempered by the tragic death of Adrian Page. The suddenness of Adrian's death shocked us all, when originally admitted to hospital no-one anticipated he would not return. The fifth year students were all deeply affected by this tragedy and the tremendous efforts in raising over £3,000 in Adrian's memory reflected how popular and well respected he was.

The New Year came with another accolade when Gareth Newman received a CBE.

#### **Enthusiastic press and positive publicity**

Susan Elkin published her pamphlet "Innovation Opens the Door" about the College and it was hugely complimentary. Its publication served to increase the already high frequency of visits from interested educators from home and abroad. Two additional national press articles in the Daily Mail and the Times raised interest to unprecedented levels.

The press continued to display a positive perspective on the work being done in the College. After completing a short TV coverage of the College home school link David Meredith proposed the making of a documentary about the unique nature of College life.

# CORBY CITY TECHNOLOGY COLLEGE TRUST

## REPORT OF THE GOVERNORS

League tables of performance were published in November and the College gained outstanding ratings:

- 15th nationally of comprehensive schools
- 7th of mixed comprehensives
- 13th best comprehensive registering continued improvement over 4 years
- 4th best comprehensive in the Observer "value added" factor.

The range of characteristics "improvement" "value added" and "performance" show the quality of the College's achievements and challenge the detractors who attribute success to selection. Improvement and value addedness eliminate any consequence of selection even if it did exist.

This was almost immediately followed by a Daily Telegraph article ranking Brooke Weston as one of the top ten state funded day schools. The Good School Guide was hugely complimentary about every aspect of the College's work.

The promised TV documentary was screened in March and, in keeping with others, presented an outstanding image of College life. Subsequent programmes on radio 4 and radio 5 followed by a radio documentary led by Professor Ted Wragg in September completed an almost unbelievable year in the media. Plans are already in hand for documentaries by Granada and Sky TV during next year.

### **Professional praise and recognition.**

Professional praise is always that which is valued most and being recognised as an "Outstanding School" in Chief Inspector of Schools annual report was a source of great pride for the College. The failure to nominate the College for Beacon School status was less well received, particularly as it was an obvious choice.

An alternative source of satisfaction emerged when Brooke Weston was used as an exemplar school in the Ofsted publication "School Evaluation Matters". The invitation to become one of only ten schools nationally to participate in the "Masterclass" programme provided further evidence of Brooke Weston's dominant influence in schooling today. No other school in the country could possibly have received such marvellous recognition. I can only suggest that knowing the efforts that everyone has invested into its success it is not arrogant to suggest that such accolades are thoroughly deserved. The challenge is to sustain this momentum, never to be complacent and never to believe that there is only one way of doing something. We must never accept that being best is a perpetual state. Being best is always about seeking new and productive ways to achieve success. It is about keeping in touch with our students and never losing sight of their needs and always placing them at the heart of our considerations. Schools that neglect these simple priorities can deteriorate rapidly.

The development planning process has received an encouraging endorsement from Akram Khan HMI in his recent review of all CTC development plans.

"An outstanding feature of the plans is the comprehensive review of the year 1996/97....."

"A well thought out College development plan with many good features. The College mission statement, goals, teaching and learning strategies and strong commitment to high standards are reflected in the college/ subject plans."

# CORBYPITY TECHNOLOGY COLLEGE TRUST

## REPORT OF THE GOVERNORS

### The economic comparisons between CTCs

The annual report of performance across the 15 CTCs was once again, an opportunity to compare and contrast our performances with others. Economically and academically we showed ourselves to be excellent performers.

### THE GOVERNING BODY

(Term of  
Office ends)

Mr. H. W. G. de Capell Brooke	Nominated Governor	Aug.2001
Mr. N. R. Killip	Co-opted Governor	Aug.2000
Mr. G. Meyer	Nominated Governor	Aug.2000
Mr. N. C. Riley	Nominated Governor	Aug.1999
Mr. R. F. McCoy	Nominated Governor	Aug.2001
Lady Hesketh	Co-opted Governor	Aug.2000
Mr C Allanson (retired Nov '98)	Ballot of parents	Nov.1998
Mrs E Mathews (retired Nov '98)	Co-opted Governor	Nov.1998
Mr K Achard	Co-opted Governor	Aug.1999
Mr G Crawley	Co-opted Governor	Aug.2000
Mr S Hanson	Co-opted Governor	Aug.1999
Mrs C O'Rourke	Ballot of parents	Nov.1999
Mr P Wilczynski	Ballot of parents	Nov.2000
Mrs P Hogan	Ballot of staff	Aug.2000
Mr G Leach	Ballot of staff	Aug.2000
Mrs A Jack	Ballot of parents	Nov.2001
Cllr. J McKeller (appointed Aug '98)	County Council	Nov.2001
Cllr. E Brace (appointed Aug '98)	Local Council	Nov.2001

### THE CHAIRMAN OF THE GOVERNORS

The Chairman of Governors is Mr R F McCoy.

Correspondence, care of: Brooke Weston City Technology College, Coomb Road, Great Oakley, Corby, Northamptonshire. NN18 8LA.

### THE CLERK TO THE GOVERNORS

The Principal, Brooke Weston City Technology College.

### THE ELECTION OF PARENT GOVERNORS

Following the election held in November 1998, Mrs Jack was elected to the Governing Body.

# CORBÿ CITY TECHNOLOGY COLLEGE TRUST

## REPORT OF THE GOVERNORS

### GOVERNORS RESPONSIBILITIES

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 income and expenditure of the company for that period. In preparing those financial statements the governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

### FIXED ASSETS

Full details of changes in fixed assets are given in note 8.

### TAXATION STATUS OF THE COMPANY

The company is a registered charity and therefore exempt from UK taxation.

### GOVERNORS

The Governors in office during the year were as follows:

H W G de Capell Brooke	Cllr J McKeller
N R Killip	Mrs E Mathews
G Meyer	Lady Hesketh
N C Riley	K Achard
R F McCoy	C Allanson
G Crawley	S Hanson
Mrs C O'Rourke	P Wilczynski
Mrs P Hogan	G Leach
Cllr E Brace	

In accordance with the Articles of Association, Mr. H. W. G. de Capell Brooke, Mr. R. F. McCoy, Mr C Allanson and Mrs E Mathews retire by rotation and, being eligible, Mr. H. W. G. de Capell Brooke and Mr. R. F. McCoy offer themselves for re-election.



# CORBY CITY TECHNOLOGY COLLEGE TRUST

## REPORT OF THE GOVERNORS

### OPERATING AND FINANCIAL REVIEW

Finance committee members:

Mr K Achard - Chairman  
Mr R McCoy  
Mr N Killip  
Mr S Hanson

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

The College also receives capital grants from the DFEE and donations from sponsors. In accordance with note 1 to the accounts the grants and donations are shown on the balance sheet as deferred credits. The transfers from the deferred income accounts are shown as income to the endowment funds on the Statement of Financial Activities.

The company's income and expenditure account shows a deficit of £31154 which has been transferred from the cumulative funds (see note 15).

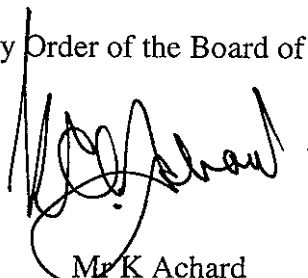
### AUDITORS

The auditors, Messrs Smith, Hodge & Baxter, will be proposed for reappointment in accordance with Section 385(2) of the Companies Act 1985.

Coomb Road  
GREAT OAKLEY  
Corby  
Northants  
NN18 8LA

22<sup>nd</sup> December 1998

By Order of the Board of Governors



Mr K Achard  
Governor

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

We have audited the financial statements on pages 10 to 23 which have been prepared on the basis of the accounting policies set out on pages 13 to 15.

**RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS**

As described on page 6, 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 company'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 assurances 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 company at 31st August 1998 and of its income and expenditure and cash-flows for 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 company throughout the financial year.

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

OPINION continued

- (d) grants made by the Department for Education and Employment have been applied for the purposes intended;
- (e) we are satisfied that the company'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  
Great Oakley  
Northants  
NN18 9NF

SMITH HODGE & BAXTER  
Chartered Accountants and  
Registered Auditors

22<sup>nd</sup> December 1998

**CORBY CITY TECHNOLOGY COLLEGE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES -**

**FOR THE YEAR ENDED 31ST AUGUST 1998**

	Unrestricted Funds	Restricted Funds	Endowment (private)	Funds (public)	Total 1998	Total 1997
<b>Incoming resources</b>						
Grants receivable	-	3348034	-	62037	3410071	3199719
Donations and gifts	50000	-	-	-	50000	161300
less: deferred income (notes 13,14,15,21).	(50000)	(228633)	-	(62037)	(340670)	(340942)
Investment income (note 5)	3873	-	-	-	3873	3161
Other income (note 5)	-	37699	-	-	37699	13269
Amortisation transfer (notes 13,14,15,21).	101701	98267	-	243440	443408	372166
<b>Total incoming resources</b>	<b>105574</b>	<b>3255367</b>	<b>-</b>	<b>243440</b>	<b>3604381</b>	<b>3408673</b>
<b>Resources expended</b>						
Direct charitable expenditure:						
Provision of education	-	3113982	-	-	3113982	2935906
Support costs	-	245502	-	-	245502	211055
Other expenditure:						
Management and Admin	-	268532	-	-	268532	266212
Fundraising	-	7519	-	-	7519	6634
<b>Total Resources expended</b>	<b>-</b>	<b>3635535</b>	<b>-</b>	<b>-</b>	<b>3635535</b>	<b>3419807</b>
<b>Net Incoming / (Outgoing)</b>						
<b>Resources before transfers</b>	<b>105574</b>	<b>(380168)</b>	<b>-</b>	<b>243440</b>	<b>(31154)</b>	<b>(11134)</b>
Transfers between funds	(111970)	355410	-	(243440)	-	-
<b>Net Movement in Funds</b>	<b>(6396)</b>	<b>(24758)</b>	<b>-</b>	<b>-</b>	<b>(31154)</b>	<b>(11134)</b>
Fund balances brought forward at 1st September 1997						
	98785	24758	-	-	123543	134677
<b>Fund balances carried forward at 31st August 1998</b>						
	<b>92389</b>	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>	<b>92389</b>	<b>123543</b>
(note 15)						

The Statement of Financial Activities analyses all the capital and income resources and expenditure 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 - YEAR ENDED 31ST AUGUST 1998**

	<u>NOTES</u>	1998	1997
<b>INCOME</b>			
Annual per capita grant	2	3217668	3092244
Earmarked annual grant		-	-
Other - Department for Education grants	3	229248	231430
Private sector income	4	101701	62537
Other income	5	55763	22462
		<hr/>	<hr/>
		3604380	3408673
		<hr/>	<hr/>
<b>EXPENDITURE</b>			
	6		
Grant related expenditure		3183797	3010883
Other expenditure		451737	408924
		<hr/>	<hr/>
		3635534	3419807
		<hr/>	<hr/>
(DEFICIENCY) OF INCOME OVER EXPENDITURE		(£31154)	(£11134)
		<hr/>	<hr/>
<b>NET TRANSFER TO FUNDS:</b>			
Accumulated fund	15	(31154)	(11134)
Other funds (non grant income)	15	-	-
		<hr/>	<hr/>
		(£31154)	(£11134)
		<hr/>	<hr/>

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 13 to 22 provides full information on the movements during the year on all the funds of the College.

None of the company's activities were acquired or discontinued during 1998 or 1997.

The company made no recognised gains or losses in 1998 or 1997 other than reported in the income and expenditure account.

**CORBY CITY TECHNOLOGY COLLEGE TRUST**

**BALANCE SHEET AS AT 31 AUGUST 1998**

	<u>NOTE</u>	<b>1998</b>	<b>1997</b>
<b>FIXED ASSETS</b>			
Tangible	8	10234109	10243845
Investments	19	100	100
		<hr/>	<hr/>
		10234209	10243945
<b>CURRENT ASSETS</b>			
Debtors and prepayments	9	432700	359182
Cash at bank and in hand		24328	133013
		<hr/>	<hr/>
		457028	492195
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Trade and other creditors	10	443656	349615
Bank loans and overdraft	11	-	15711
		<hr/>	<hr/>
		443656	365326
<b>NET CURRENT ASSETS</b>			
		<hr/>	<hr/>
		13372	126869
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<hr/>	<hr/>
		10247581	10370814
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>			
Bank loan	11	-	-
		<hr/>	<hr/>
		£10247581	£10370814
<b>DEFERRED CREDITS</b>			
Transitional grant	12	3946	5522
Capital grant	13	7430872	7614949
Recurrent grant	14	574381	444015
Other grants	21	41070	26161
<b>CAPITAL AND RESERVES</b>			
Accum fund - restricted	15	-	24758
Designated fund			
- sponsorship	15	2104923	2156624
Other funds - unrestricted	15	92389	98785
		<hr/>	<hr/>
		£10247581	£10370814

The financial statements were approved by the Board of Governors on 22nd December 1998.

..... RESPONSIBLE OFFICER - Mr K Achard

Notes on pages 13 to 22 form part of these financial statements

# CORBYP CITY TECHNOLOGY COLLEGE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998

### 1 ACCOUNTING POLICIES

(a) Accounting convention

The financial statements for the year ended 31<sup>st</sup> August 1998 have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

(b) Income

Income is the total amount of income receivable on behalf of the company for the accounting period.

(c) Expenditure

Expenditure is charged to the income and expenditure account on an accruals basis.

(d) Tangible fixed assets

Depreciation has been provided at the following annual rates in order to reduce each asset to its estimated residual value at the end of its period of use:

Lease	-	over the period of the lease
Long leasehold buildings	-	2% of written down value
Office & Computer Equipment	-	33 $\frac{1}{3}$ % of written down value
Fixtures, furniture and fittings	-	10% of written down value
Motor vehicles	-	33 $\frac{1}{3}$ % of written down value

(e) Grants

Grants receivable are dealt with on an accruals basis.

Transitional grant in respect of revenue expenditure is written off to the income and expenditure account in the period in which the costs are incurred. The capital portion of the transitional grant is treated as a deferred credit to be written off over the life of the assets towards whose costs it contributed.

Capital grant is treated as a deferred credit to be written off over the life of the assets towards whose costs it contributed. Capital grant in respect of revenue expenditure is written off to the income and expenditure account in the period in which the costs are incurred.

# CORBY CITY TECHNOLOGY COLLEGE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998

### 1 ACCOUNTING POLICIES continued

Recurrent grants in respect of revenue expenditure are written off to the income and expenditure account in the period in which the costs are incurred. Any recurrent grant, namely annual per capita grant, in respect of capital expenditure is treated as a deferred credit to be written off over the life of the assets towards whose costs it contributed.

(f) Sponsorship

Amounts received from sponsors have been credited to a designated fund. The sponsorship funds have been used to provide 20% of the capital costs of establishing the Corby City Technology College and to provide additional finance to be used at the discretion of the governors and Principal, following consultation with sponsors.

It is the company's policy that sponsorship towards revenue expenditure will be written off to the income and expenditure account in the period in which the costs are incurred, whilst that contributing towards the College's capital costs is to be written off over the life of the assets towards whose costs it contributed.

(g) Pension costs

Pension costs are included in the income and expenditure account as contributions fall due for payment.

(h) Taxation

Under Sc 505 Taxes Act 1988 the company is not liable to taxation. The cost of value added tax incurred by the company has been included in the income and expenditure account and balance sheet.

(i) Stores

All stores are written off in the period purchased.

(j) Operating Leases

The cost of operating leases are charged to the profit and loss account as incurred.



# CORBY CITY TECHNOLOGY COLLEGE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998

### 1 ACCOUNTING POLICIES continued

(k) Cashflow statement

The cashflow statement has not been prepared in the Department for Education and Employment prescribed format as the governors consider the current format more informative in assessing the company's cashflow.

(l) Code of payment

The company aims to pay its trade creditors in accordance with the CBI prompt payment code. The target is to pay creditors within 30 days of receipt of goods or services or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier.

### 2 ANNUAL PER CAPITA GRANT

	1998	1997
Annual per capita grant for year	3348034	3177707
Transfer: Deferred credit (note 14)	(228633)	(157630)
Capital portion written off	98267	72167
	<b>£ 3217668</b>	<b>£ 3092244</b>

### 3 OTHER DEPARTMENT FOR EDUCATION GRANTS

	1998	1997
Transitional Grant		
Capital portion written off (note 12)	1576	2319
Capital grant (note 13)	217014	229111
Capital grant ( relating to revenue expenditure)	10658	-
Total	<b>£ 229248</b>	<b>£ 231430</b>

### 4 PRIVATE SECTOR INCOME

	1998	1997
Sponsorship written off	<b>£ 101701</b>	<b>£ 62537</b>

# CORBY CITY TECHNOLOGY COLLEGE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998

### 5 OTHER INCOME

	1998	1997
Other net income	37699	13269
Interest receivable	3873	3161
Teacher Training Agency (note 21)	14191	6032
	<b>£ 55763</b>	<b>£ 22462</b>

### 6 EXPENDITURE

Included in expenditure are the following:

	1998	1997
Staff costs (note 7)	2224877	2123820
Governors' expenses	-	696
Depreciation (notes 8 and 1(d))	450547	396390
Auditors' remuneration	5491	4863
Interest and similar charges on bank overdrafts and loans	1190	12534
Interest on bank loans repayable wholly or partly in more than five years	-	-
Hire of equipment	12680	12680

### 7 STAFF COSTS

	1998	1997
Wages and salaries	1948808	1851793
Social security costs	161543	154527
Pension costs	114526	117500
	<b>£ 2224877</b>	<b>£ 2123820</b>

The average weekly number of employees in the year was as follows:

Educational support	18	15
Administration	20	20
Teachers	68	68
	<b>106</b>	<b>103</b>

**CORBY CITY TECHNOLOGY COLLEGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998**

**8 TANGIBLE FIXED ASSETS**

Source of funding for assets acquired

	<b>1998</b>	<b>1997</b>
Capital grants	9051696	9021146
Transitional grants	57637	57637
Recurrent grants	869163	640530
Private sector and other	2906707	2725080
	<b>£ 12885203</b>	<b>£ 12444393</b>

COST	Lease	Long Leasehold buildings	Office & computer equipment	Fixtures furniture & fittings	Motor vehicles	Total
At 1st September 1997	1100000	9314730	1052139	925737	51787	12444393
Additions	-	33781	269890	80818	56321	440810
At 31st August 1998	<b>£1100000</b>	<b>£9348511</b>	<b>£1322029</b>	<b>£1006555</b>	<b>£108108</b>	<b>£12885203</b>
<b>ACCUMULATED DEPRECIATION</b>						
At 1st September 1997	61600	971749	762447	376293	28459	2200548
Charge for the year	8800	167535	184662	63026	26524	450547
At 31st August 1998	<b>£70400</b>	<b>£1139284</b>	<b>£947109</b>	<b>£439319</b>	<b>£54982</b>	<b>£2651094</b>
<b>NET BOOK VALUES</b>						
At 31st August 1998	<b>£1029600</b>	<b>£8209227</b>	<b>£374920</b>	<b>£567237</b>	<b>£53126</b>	<b>£10234109</b>
At 31st August 1997	£1038400	£8342981	£289692	£549444	£23329	£10243845

At 31<sup>st</sup> August 1998 there was £24360 (1997 £58750) of capital expenditure contracted for but not provided for by the company.

**CORBY CITY TECHNOLOGY COLLEGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998**

**9 DEBTORS AND PREPAYMENTS**

	<b>1998</b>	<b>1997</b>
Prepayments	138829	140303
Other debtors	266871	206879
Amount due from subsidiary undertaking	27000	12000
	<b>£ 432700</b>	<b>£ 359182</b>

**10 TRADE AND OTHER CREDITORS**

	<b>1998</b>	<b>1997</b>
Trade creditors	329082	180064
Social security and other taxes	48296	44051
Accruals and other creditors	63277	122499
Amount due to subsidiary undertaking	3001	3001
	<b>£ 443656</b>	<b>£ 349615</b>

**11 BANK LOANS AND OVERDRAFT**

	<b>1998</b>	<b>1997</b>
Falling due within one year		
Bank overdraft	£ -	£ 15711

**12 DEFERRED CREDIT - TRANSITIONAL GRANT**

	<b>1998</b>	<b>1997</b>
Amount contributing to capital expenditure		
At 1st September 1997	5522	7841
Written off to income and expenditure account (note 3)	(1576)	(2319)
At 31 <sup>st</sup> August 1998	<b>£ 3946</b>	<b>£ 5522</b>

**CORBY CITY TECHNOLOGY COLLEGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998**

**13 DEFERRED CREDIT - CAPITAL GRANT**

	<b>1998</b>	<b>1997</b>
At 1st September 1997	7614949	7822048
Received in year	32937	22012
	7647886	7844060
Written off to income and expenditure account (note 3)	(217014)	(229111)
At 31 <sup>st</sup> August 1998	<b>£ 7430872</b>	<b>£ 7614949</b>

**14 DEFERRED CREDIT - RECURRENT GRANT**

	<b>1998</b>	<b>1997</b>
At 1st September 1997	444015	358552
Contribution to capital expenditure	228633	157630
	672648	516182
Written off to income and expenditure account (note 2)	(98267)	(72167)
At 31 <sup>st</sup> August 1998	<b>£ 574381</b>	<b>£ 444015</b>

**15 FUNDS**

	Accumulated Fund Restricted	Other Funds Unrestricted	Designated Fund (Sponsor- ship Income)	Total
At 1st September 1997	24758	98785	2156624	2280167
Sponsorship - in cash	-	-	50000	50000
- in kind	-	-	-	-
Transfer to income and expenditure account during the year	(24758)	(6396)	(101701)	(132855)
Transfer from Income and expenditure account at end of period		-	-	-
At 31 <sup>st</sup> August 1998	<b>£ -</b>	<b>£ 92389</b>	<b>£2104923</b>	<b>£2197312</b>

# CORBY CITY TECHNOLOGY COLLEGE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998

### 15 FUNDS continued

Sponsorship received in the financial year:

	1998	1997
Mr G Weston (primary member)	-	100000
RS Components	25000	25000
Corby CTC Trading Ltd	25000	25000
Texas Instruments	-	6500
Brooke Weston Parents	-	4800
	<b>£ 50000</b>	<b>£ 161300</b>

### 16 COMMITMENTS

(i) The company has at 31<sup>st</sup> August 1998 annual commitments under operating leases for equipment which expire as follows:

	1998	1997
Within one year	£ -	£ 12680
Between two and five years	£ 5496	£ -

(ii) Capital commitments are detailed at note 8.

### 17 PENSION SCHEME

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The company's contributions are included in the pension cost charge, which also includes contributions made into employees personal pension schemes and the superannuation fund administered by the Department for Education and Employment.

### 18 TRANSACTIONS WITH GOVERNORS

During the year the company has traded with other organisations in which some of the governors are interested by virtue of being employees and / or directors. These trading activities have been carried out on an arm's length basis always ensuring the best interests of the company, and no direct benefit has been received by the governors concerned.

# CORBY CITY TECHNOLOGY COLLEGE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998

### 19 INVESTMENTS

	1998	1997
Investment in subsidiary company at cost	£ 100	£ 100

The College owns 100% of the issued share capital of Corby CTC Trading Limited, a company incorporated in England.

The company commenced trading on the 1st September 1995 and its principal activity is letting of sport and recreational facilities on behalf of the College. In the year ended 31<sup>st</sup> August 1998 the subsidiary suffered a sustained loss of £1138 and at 31<sup>st</sup> August 1998 has negative aggregate capital and reserves of £3279.

During the year the trading company was charged a management fee of £12000, 1997 £12000.

### 20 GOVERNORS AND OFFICES INSURANCE

In accordance with normal commercial practice the College has purchased insurance to protect governors and officers from the claims arising from negligent acts, errors or omissions occurring whilst on College business. The insurance provides cover up to £500000 on any one claim and the cost for 1997/98 was £1040.

### 21 DEFERRED CREDIT - TEACHER TRAINING GRANT

	1998	1997
At 1st September 1997	26161	32193
Grants received in the year	29100	-
Written off to income and expenditure account (note 5)	(14191)	(6032)
At 31 <sup>st</sup> August 1998	£ 41070	£ 26161

### 22 CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> August 1998 the group qualified as a medium sized group under section 249 of the Companies Act 1985. Therefore the company has taken advantage of section 248 of the Companies Act 1985 in not preparing consolidated financial statements.

The company's financial statements present information about it as an individual undertaking and not about its group.

# **CORBY CITY TECHNOLOGY COLLEGE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS - 31ST AUGUST 1998**

### **23 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 the proportion of the original cost met by the Secretary of State.



**CORBY CITY TECHNOLOGY COLLEGE TRUST**

**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 1998**

	1998	1997
<b>RECEIPTS</b>		
Recurrent grants received from DFEE:		
Annual per capita grant	3348034	3177707
Earmarked grant	-	-
Other income	41572	16430
Capital grant from DFEE	43595	22012
Support from sponsors	50000	161300
Other public funds	29100	-
Proceeds from sale of fixed assets	-	-
	<hr/>	<hr/>
	3512301	3377449
	<hr/>	<hr/>
<b>PAYMENTS</b>		
Staff costs	(2241730)	(2147330)
Maintenance of premises	(112406)	(94172)
Educational supplies and services	(286676)	(270734)
Other occupancy costs	(103500)	(109991)
Other supplies and services	(352698)	(311309)
Other operating expenses	(87978)	(89881)
(Increase) in debtors and prepayments	(73518)	(18038)
(Decrease)/Increase in trade and other creditors	94041	(8694)
Purchase of investments	-	-
Purchase of fixed assets	(440810)	(315729)
Bank loan	-	(73623)
	<hr/>	<hr/>
	(3605275)	(3439501)
	<hr/>	<hr/>
<b>NET DECREASE</b>	(92974)	(62052)
<b>CASH AND BANK BROUGHT FORWARD AT THE BEGINNING OF THE YEAR</b>	117302	179354
	<hr/>	<hr/>
<b>CASH AND BANK AT THE CLOSE OF THE YEAR</b>	£ 24328	£ 117302
	<hr/>	<hr/>