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**THE BROOKE WESTON TRUST**  
(A Company Limited by Guarantee)

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST AUGUST 2007**

Smith, Hodge & Baxter  
Chartered Accountants  
& Registered Auditors  
Thorpe House  
93 Headlands  
Kettering  
NN15 6BL

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**THE BROOKE WESTON TRUST**

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**THE BROOKE WESTON TRUST****LEGAL AND ADMINISTRATIVE INFORMATION**

Governors	Prof T Kerry – Chairman (appointed 30 11 2006)  Mr H W G de Capell Brooke Mr W Davis Mrs C O'Rourke Mr G Weston Mr P Harris-Bridge Mr D Frost Mr P Newton Mr N Matthew
Secretary and Director of Finance and Administration	Mrs D Tysoe
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 Chartered Accountants & Registered Auditors Thorpe House 93 Headlands Kettering Northants NN15 6BL
Bankers	HSBC 12 Spencer Court Corby Northants NN17 1NY
Subsidiary Undertaking	Corby CTC Trading Limited

## **THE BROOKE WESTON TRUST**

### **REPORT OF THE GOVERNORS - 31 August 2007**

The governors present their report together with the financial statements of the charitable company for the year ended 31 August 2007. The report has been prepared in accordance with Part VI of the Charities Act 1993.

The financial statements have been prepared in accordance with the accounting policies on pages 18 to 20 of the attached financial statements, and comply with the charitable company's memorandum and articles of association, the Companies Act 1985, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 ('SORP 2005').

#### **CHANGE OF NAME**

The company passed a special resolution on 21st August 2007 changing its name from Corby City Technology College Trust to The Brooke Weston Trust.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Brooke Weston Trust is a company limited by guarantee with no share capital (registration no 2400784) and a registered charity (registration no 802025). The charitable company's memorandum and articles of association are the primary governing documents of the Brooke Weston Trust.

#### **Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before he/she ceases to be a member.

The current members are

Chairman	Mr George Weston
Initial primary member	Mr H W G de Capell Brooke
Initial primary member	Sir Cyril Taylor
Additional member	Mr A de Capell Brooke
Additional member	Mrs V Dowley
Additional member	Mrs S M Mason

#### **Governors**

The governors are directors of the charitable company for the purposes of the Companies Act 1985 and trustees for the purposes of charity legislation.

The governors who were in office at 31 August 2007 are listed on page 2. All the governors served throughout the year.

During the year under review the governors held 3 meetings. In addition, there was a residential training event covering Governors' responsibilities. The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the College and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual.

## **THE BROOKE WESTON TRUST**

### **REPORT OF THE GOVERNORS - 31 August 2007**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

##### **Responsibilities of the Governors**

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 charitable company at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year. In preparing financial statements giving a true and fair view, the governors are required to

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

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

The governors are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The governors confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as governors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

##### **Organisational Structure**

The management structure consists of five levels: the Governors, the Executive Principal, the Senior Management Team, the Management Team and the Departmental Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the College by the use of budgets and making major decisions about the direction of the College, capital expenditure and appointment of the Principal and the Director of Finance and Administration.

The Senior Managers are the Principal, three Vice Principals and the Director of Finance and Administration. These managers control the College at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

The Management Team includes the Senior Management and the five Senior Assistant Principals. These managers are responsible for the day to day operation of the College, in particular organising the teaching staff, facilities and students.

The Departmental Management Team includes the Management Team and the Heads of Department. These managers are responsible for the day to day operation of the departments within the College and for a whole approach.

##### **Subsidiary company**

The Brooke Weston Trust owns 100% of the issued ordinary shares of Corby CTC Trading Limited, a company incorporated in England (registration no. 3062232). In the year to 31 August 2007 the subsidiary achieved a profit of £95,578. Of this £78 was retained in the subsidiary and the remainder gift-aided to the Brooke Weston Trust. Further details regarding the subsidiary company are given in note 16 to the financial statements.

## **THE BROOKE WESTON TRUST**

### **REPORT OF THE GOVERNORS - 31 August 2007**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

##### **Risk management**

The governors have assessed the major risks to which the College is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the College, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The College has an effective system of internal financial controls and this is explained in more detail in the following statement.

##### **Statement on the system of internal finance control**

As governors, we acknowledge we have overall responsibility for ensuring that the College has an effective and appropriate system of control, financial and otherwise. We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable us to ensure the financial statements comply with the Companies Act. We also acknowledge responsibility for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that

- the College is operating efficiently and effectively,
- its assets are safeguarded against unauthorised use or disposition,
- the proper records are maintained and financial information used within the College or for publication is reliable, and
- the College complies with relevant laws and regulations.

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 and agreed by the governing body,
- regular reviews by the Finance 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, and
- identification and management of risks.

In addition, the governors have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although it is not mandatory for the College it should, as a publicly funded body, adopt these guidelines as best practice. Accordingly they have

- set policies on internal controls which cover the following
  - the type of risks the College faces,
  - the level of risks which they regard as acceptable,
  - the likelihood of the risks materialising,
  - the College's ability to reduce the incidence and impact on the College's operations of risks that do materialise, and
  - the costs of operating particular controls relative to the benefits obtained,
- clarified the responsibility of the Management Team to implement the governors' policies and to identify and evaluate risks for the governors' consideration,
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives,

## **THE BROOKE WESTON TRUST**

### **REPORT OF THE GOVERNORS - 31 August 2007**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

##### **Statement on the system of internal finance control (continued)**

- embedded the control system in the College's operations so that it becomes part of the culture of the College,
- developed systems to respond quickly to evolving risks arising from factors within the College and to changes in the external environment, and
- included procedures for reporting failings immediately to appropriate levels of management and the governors together with details of corrective action being undertaken

The governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the governors have appointed P Harris-Bridge, a governor, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the College's financial systems.

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

#### **OBJECTIVES AND ACTIVITIES**

##### **Objects, aims and objectives**

The principal object and activity of the charitable company is the operation of the College to provide education for pupils of different abilities between the ages of 11 and 19 with an emphasis on science and technology.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. 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 practical applications.

The main objectives of the College during the year ended 31 August 2007 are summarised below:

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

##### **Strategies and activities**

The College's main strategy is to provide education for pupils of different abilities, in a learning environment utilising the best possible teaching facilities and staff. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications,
- training opportunities for all staff, and especially teaching staff,
- secondments and placing of students with industrial and commercial partners,
- a programme of sporting and after school leisure activities for all students,
- a system of after school clubs to allow students to explore science and engineering in a practical and project oriented way, and
- a careers advisory service to help students obtain employment or move on to higher education.

## **THE BROOKE WESTON TRUST**

### **REPORT OF THE GOVERNORS - 31 August 2007**

#### **OBJECTIVES AND ACTIVITIES (continued)**

##### **Equal opportunities policy**

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

##### **Disabled persons**

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the College. The policy of the College is to support recruitment and retention of students and employees with disabilities. The College does this by adapting the physical environment, by making support resources available and through training and career development.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Summary of year**

This has once again been a very busy, exciting and rewarding year for the College. It began with an outstanding OfSTED inspection and has concluded with yet another excellent series of external examination results. The development of the Brooke Weston Partnership, where we look forward to becoming the flag-ship school within a family of schools, has resulted in a changed leadership and management structure for the College. In 1991 Brooke Weston was established to provide improved educational opportunities for young people in the Corby district. For many years we have successfully addressed this remit, however the charitable objectives of the College were always far wider than the creation of one outstanding school. Possibly the most exciting and rewarding venture the College has been driving forward for the last five years has been the establishment of a new Business Academy for Corby, this initiative is in the final stages of realisation. Corby Business Academy is due to open in 2008 and will be the first sister school in the newly formed Brooke Weston Partnership.

##### **Conversion to an Academy**

The conversion of Brooke Weston to an Academy in September 2008 is now finalised. The funding agreement has been signed, the designs for the new £4 million Contemporary Arts Annexe have been agreed and building works are due to begin in November 2007. Although the quality of educational provision in Corby and Kettering has improved considerably since the College opened, we continue to be exceptionally popular. We have now finalised the admissions policy to be adopted on our conversion to an Academy in 2008. We will no longer use an aptitude test but will continue to use the NFER test to ensure a fully comprehensive intake.

##### **OfSTED 2006**

In November 2006 OfSTED inspectors visited the College and looked at five key areas: Overall Effectiveness, Achievements and Standards, Personal Development and Wellbeing, Quality of Provision and Leadership and Management. Each category was graded 'outstanding'.

##### **Curriculum developments**

Since becoming a Vocational Specialist School we have decided that this broad umbrella term does not have its roots solely in practical courses like construction but should encompass any qualification that leads to a particular vocation. We have sought to broaden our provision and provide students with access to a highly flexible curriculum that is fit for their needs and those of the society in which we live. The College now offers a much broader curriculum at Key Stage 4 with vocational courses in Engineering, Multi Skills Construction (off-site provision), BTEC Music and Music Technology, Level 2 National certificate in ICT and the BTEC e-business courses.



**THE BROOKE WESTON TRUST****REPORT OF THE GOVERNORS - 31 August 2007****ACHIEVEMENTS AND PERFORMANCES (continued)****Examination Outcomes**

Staff and students have once again celebrated a series of outstanding examination results this year. In GCSE examinations, Year 11 again secured 100% five or more subjects at grades A\* - C. In league tables published, where this was used as the indicator of performance, we were once again one of the top two performing schools in the country. The performance of our students in Year 12 AS examinations was better than ever.

**Summary of statistical information relating to 2006/2007**

Approximate number of students	1127	
Percentage receiving free school meals	4%	
<b>SAT Results</b>		
<b>All taken in Year 8</b>		
Average result in English	5.5	(5.6)
Average result in mathematics	6.4	(6.6)
Average result in science	5.9	(5.9)
Percentage at level 5+ English 94.7 (97.2), maths 96.1 (98.3), science	96.6	(98.3)
Percentage at level 6+ English 49.1 (53.0), maths 85.4 (88.4), science	68.0	(68.0)
<b>Year 11 GCSE and GNVQ results</b>		
5 or more grades A* to C including GNVQ	100%	(100%)
5 or more grades A* to C excluding GNVQ	94%	(96%)
5 or more grades A* to C including maths and English	86%	(89%)
GNVQ pass rate	100%	(100%)
Percentage of grades A* and A	25%	(28%)
Average point score per student, capped	383	(380)
Average point score per student, uncapped	682	(649)
<b>Year 12 AS results</b>		
Pass rate	96%	(89%)
Percentage of A and B grades	37%	(33%)
<b>Year 13, A2 and AVCE</b>		
Overall A2 pass rate	98%	(100%)
Percentage of A and B grades (A2 examinations)	43%	(49%)
Percentage of A and B grades (A2 plus vocational courses)	44%	(48%)
Students entered for two or more A2 examinations	111	(118)
Students achieving two or more A2 examinations	110	(114)
Average points score per student	302	(295)
Figures in brackets refer to 2006		

**Contextualised Value added figures are for the 2005/2006 year and are:**

<b>Value added (CVA)</b>		
KS2 to KS3	98.3	(98.9)
KS3 to KS4	1014.1	(1044.5)
<b>KS2 to KS4</b>	<b>1016.5</b>	<b>(1029)</b>

Figures in brackets refer to 2005

**THE BROOKE WESTON TRUST****REPORT OF THE GOVERNORS - 31 August 2007****ACHIEVEMENTS AND PERFORMANCES (continued)****Learning beyond the classroom**

In our mission to offer learning opportunities beyond the classroom, this has once again been a busy year. In Term 1 Year 8 visited the National Space Centre. Year 9 students took a day away from lessons to take part in a Young Enterprise initiative. Post 16 students went on their field studies course in Snowdonia and two teams of students embarked on the Formula One in the Schools National competition. In Term 2, Art students visited the Tate Modern and in Design Technology the twilight Glider Club got underway. Teams have since entered the British Model Flying Association's 2007 flight challenge and our team of six students came fourth in the senior event – a remarkable achievement as this class was open to students two years older than ours. We rounded off the year with our first attendance at the prestigious Showcase Science event at Oundle School. The annual European work experience in France was a great success and much was gained by the Year 12 students who took part.

**Residential Opportunities**

Once again the College offered a range of residential opportunities to students across the year groups. Just over 500 students took the opportunity to participate in these trips. Year 7 students attended a four day team building and outdoor adventure trip at the National YMCA Centre in Southampton. In term five many students from Years 8 - 13 spent a week out of College either on cultural visits to New York, Paris, Venice and Barcelona or a water sports trip held in the Costa Brava or involved in a land based outdoor pursuits course in the French Alps.

**Staffing**

Sixteen members of the teaching staff left the College during the year, three fewer than last year. Within the teaching profession there are many opportunities for promoted posts and opportunities are readily available. Brooke Weston staff, after three years of experience, become strong candidates when interviewed for promoted posts and can secure these with some ease. Being exposed to leading edge initiatives, innovative classroom practice and a stimulating curriculum model, all differentiated to students' needs, are key experiences valued not only by us, but also by many other institutions.

Despite the number of departures, the College is fully staffed for the start of the new term and following the usual intensive two week induction period, it would appear that we have secured the services of an excellent cohort of new and experienced staff.

**Environment**

The appearance of the College continues to impress visitors and for a building going into its seventeenth year, it is in a very good state of repair. The pleasant, clean environment certainly contributes to maintaining an atmosphere that is conducive to learning. There has been a continuation of our planned programme of investment into renewing existing resources and facilities.

**Quality Assurance**

The College has always recognised the importance of rigorously evaluating its own work. The annual review process is dominated by evaluating the provision within the classroom and includes an extensive programme of lesson observations. The focus of these observations still mirrors the OfSTED model and concentrates on the quality of teaching, learning, progress made by the students and the use of assessment.

**Sporting achievements**

Once again it has been a successful year on the sporting front. The College teams in various sports have enjoyed victories and honours at district and county levels. The most outstanding team success was when the Year 10 football squad competed in the quarter finals of the National Cup.

**THE BROOKE WESTON TRUST****REPORT OF THE GOVERNORS - 31 August 2007****FINANCIAL REVIEW****Financial report for the year**

Most of the College's income is obtained from the DfES in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfES during the year ended 31 August 2007 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 DfES 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.

During the year ended 31 August 2007, total expenditure of £6,225,581 was £66,065 less than recurrent grant funding from the DfES together with other incoming resources. This excess was adequately covered by unrestricted reserves.

At 31 August 2007 the net book value of tangible fixed assets was £9,453,368 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the College.

The governors have reviewed the resources and believe 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 DfES and commercial sponsors.

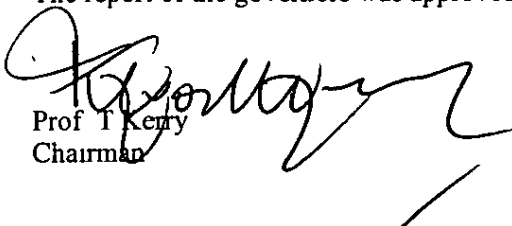
**Financial position**

The College held fund balances at 31 August 2007 of £9,976,073 comprising £9,453,368 of restricted funds and £522,705 of unrestricted general funds.

**AUDITORS**

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

The report of the governors was approved by the governors on 13/12/2007 and signed on their behalf by



Prof T Kerry  
Chairman

**THE BROOKE WESTON TRUST**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BROOKE WESTON TRUST 31 AUGUST 2007**

We have audited the financial statements on pages 13 to 28, which have been prepared under the historical cost convention and the accounting policies set out on pages 18 to 20

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the charitable company's members, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS**

As described on page 4 the governors (who act as trustees for the charitable activities of the The Brooke Weston Trust and are also the directors for the purposes of company law) are responsible for the preparation of the governors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the governors' report is consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding governors' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the governors' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 charitable 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 assurance as to whether 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.

**THE BROOKE WESTON TRUST**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BROOKE WESTON TRUST 31 AUGUST 2007 (continued)**

**OPINION**

In our opinion

- (a) the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of The Brooke Weston Trust at 31st August 2007, 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 Skills in respect of the relevant financial year,
- (c) proper accounting records have been kept by The Brooke Weston Trust throughout the financial year,
- (d) grants made by the Department for Education and Skills have been applied for the purposes intended,
- (e) we are satisfied that The Brooke Weston Trust'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 Skills and we have not identified any material weaknesses, and
- (f) the information given in the governors' report is consistent with the financial statements

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93 Headlands  
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NN15 6BL

*SMH HCB & B*

SMITH, HENGE & BAXTER

Chartered Accountants and  
Registered Auditors

13/12/2007

**THE BROOKE WESTON TRUST****STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2007**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted General Funds</u>	<u>Restricted Fixed Asset Funds</u>	<u>Total 2007</u>	<u>Total 2006</u>
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds						
Voluntary income	3	95,500	-	-	95,500	123,250
Other income	4	111,692	-	-	111,692	120,937
Investment income	4	13,925	-	-	13,925	12,896
Incoming resources from charitable activities						
Funding for the CTC's educational operations		-	5,834,681	103,718	5,938,399	5,872,288
<b>TOTAL INCOMING RESOURCES</b>		<b>£221,117</b>	<b>£5,834,681</b>	<b>£103,718</b>	<b>£6,159,516</b>	<b>£6,129,371</b>
<b>RESOURCES EXPENDED</b>						
Cost of generating funds						
Costs of generating voluntary income		-	-	-	-	-
Investment management costs		-	-	-	-	-
Charitable activities						
CTC's educational operations	5,6	-	5,795,645	390,801	6,186,446	6,108,367
Governance costs	5,6	-	39,135	-	39,135	40,057
Other resources expended		-	-	-	-	-
<b>TOTAL RESOURCES EXPENDED</b>	<b>5</b>	<b>-</b>	<b>£5,834,780</b>	<b>£390,801</b>	<b>6,225,581</b>	<b>£6,148,424</b>
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>		<b>221,117</b>	<b>(99)</b>	<b>(287,083)</b>	<b>(66,065)</b>	<b>(19,053)</b>
Transfers between funds	14	(101,457)	99	101,358	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>119,660</b>	<b>-</b>	<b>(185,725)</b>	<b>(66,065)</b>	<b>(19,053)</b>
<b>TOTAL FUNDS BROUGHT FORWARD AT 1 SEPTEMBER 2006</b>		<b>403,045</b>	<b>-</b>	<b>9,639,093</b>	<b>10,042,138</b>	<b>10,061,191</b>
<b>TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2007</b>	<b>17</b>	<b>£522,705</b>	<b>£ -</b>	<b>£9,453,368</b>	<b>£9,976,073</b>	<b>£10,042,138</b>

The Statement of Financial Activities analyses all the capital and income resources and expenditures of The Brooke Weston Trust during the year and reconciles the movements in funds. Further analysis of the income and expenditure for the year is shown on page 14 and the overall financial position at the year end is summarised in the balance sheet on page 15.

**THE BROOKE WESTON TRUST****INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2007**

	<u>Notes</u>	<u>2007</u>	<u>2006</u>
<b>INCOME</b>			
Annual per capita grant	2	5,787,358	5,563,731
DfES Capital Grants		103,718	237,185
Other DfES Grants		47,323	71,372
Other government grants		-	-
Private sector sponsorship	3	95,500	123,250
Other income	4	125,617	133,833
<b>TOTAL INCOME</b>		<u>£6,159,516</u>	<u>£6,129,371</u>
<b>EXPENDITURE</b>			
	5 & 6		
Annual per capita grant related expenditure		5,787,457	5,699,579
Other DfES grant related expenditure		47,323	71,372
Depreciation		390,801	377,473
Other expenditure		-	-
<b>TOTAL EXPENDITURE</b>		<u>£6,225,581</u>	<u>£6,148,424</u>
<b>(EXCESS OF EXPENDITURE OVER INCOME)</b>		<u>(£66,065)</u>	<u>(£19,053)</u>
<b>NET TRANSFER TO/(FROM) FUNDS</b>			
Restricted funds	14	(185,725)	6,845
Unrestricted funds		119,660	(25,898)
		<u>(£66,065)</u>	<u>(£19,053)</u>

The Income and Expenditure account is derived from the Statement of Financial Activities on page 13 which, together with the notes to the accounts on pages 18 to 28 provides full information on the movements during the year on all the funds of The Brooke Weston Trust

All items dealt with in arriving at the excess of expenditure over income for 2007 and 2006 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

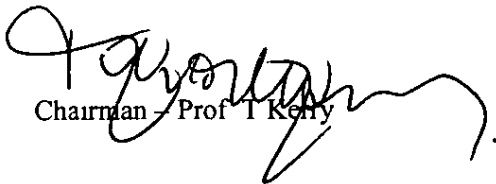
**THE BROOKE WESTON TRUST****BALANCE SHEET AT 31ST AUGUST 2007**

	<u>Notes</u>	<u>2007</u>	<u>2006</u>
<b>FIXED ASSETS</b>			
Tangible assets	15	9,453,368	9,639,093
Investments	16	100	100
		<u>9,453,468</u>	<u>9,639,193</u>
<b>CURRENT ASSETS</b>			
Stocks	11	10,000	10,000
Debtors	12	362,565	410,539
Cash at bank and in hand		554,568	592,505
		<u>927,133</u>	<u>1,013,044</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	13	<u>(404,528)</u>	<u>(610,099)</u>
<b>NET CURRENT ASSETS</b>		<u>522,605</u>	<u>402,945</u>
<b>NET ASSETS</b>		<u>£9,976,073</u>	<u>£10,042,138</u>
<b>FUNDS</b>			
Restricted fixed asset fund	17	9,453,368	9,639,093
Unrestricted funds	17	522,705	403,045
		<u>£9,976,073</u>	<u>£10,042,138</u>

The financial statements were approved by the Board on

13/12/2007

and signed on its behalf by

  
Chairman - Prof. T. Kerry



**THE BROOKE WESTON TRUST****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2007**

	<u>2007</u>	<u>2006</u>
<b>Reconciliation of operating profit to net cashflows from operating activities</b>		
<b><u>RECEIPTS</u></b>		
Recurrent grants received from DfES		
Annual per capita grant	5,787,358	5,563,731
Other grants from DfES	47,323	71,372
Private sector sponsorship	95,500	123,250
Other receipts	111,692	120,937
	<u>6,041,873</u>	<u>5,879,290</u>
<b><u>PAYMENTS</u></b>		
Staff costs	(4,321,158)	(4,181,046)
Other cash payments	(1,669,523)	(1,659,564)
	<u>51,192</u>	<u>38,680</u>
<b>Net cash inflow from operating activities</b>		
	<u>51,192</u>	<u>38,680</u>
<b>Returns on investments and servicing of finance</b>		
Interest received	13,925	12,896
Interest paid	(1,696)	(6,888)
	<u>12,229</u>	<u>6,008</u>
<b>Net cash inflow from returns on investments and servicing of finance</b>		
	<u>12,229</u>	<u>6,008</u>
<b>Taxation</b>	-	-
<b>Capital (expenditure)/income</b>		
Purchase of tangible fixed assets	(205,076)	(384,318)
Receipts from sale of tangible fixed assets	-	-
Capital grants from DfES	103,718	237,185
	<u>(101,358)</u>	<u>(147,133)</u>
<b>Net cash outflow from capital expenditure</b>		
	<u>(101,358)</u>	<u>(147,133)</u>
<b>Management of liquid resources and financing</b>		
Purchase of treasury bills	-	-
Sale of treasury bills	-	-
Other fixed asset grants from central and local government	-	-
Fixed asset grants from sponsors	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>Net (decrease) in cash</b>	<u>(£37,937)</u>	<u>(£102,445)</u>

**THE BROOKE WESTON TRUST****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2007**

	<u>2007</u>	<u>2006</u>
<b>Reconciliation of net cash flow to movement in net funds (re note 1)</b>		
Decrease in cash in the period	(37,937)	(102,445)
Changes in net funds	(37,937)	(102,445)
Net funds at 1st September 2006	592,505	694,950
Net funds at 31st August 2007	554,568	592,505

**NOTES TO THE CASH FLOW STATEMENT**

1 ANALYSIS OF CHANGES IN NET FUNDS	<u>1st September 2006</u>	<u>Cash Flows</u>	<u>31st August 2007</u>
Cash in hand and at bank	592,505	(37,937)	554,568
Current asset investments	-	-	-
<b>TOTAL</b>	<u>£592,505</u>	<u>(£37,937)</u>	<u>£554,568</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****1 PRINCIPAL ACCOUNTING POLICIES****Format of financial statements**

The standard format for the accounts as required by the Companies Act 1985 schedule 4 part I has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 ('Charities SORP 2005') and reflects the activities of The Brooke Weston Trust

**Basis of accounting**

The financial statements are prepared under the historic cost convention and in accordance with applicable accounting standards and the Charities SORP 2005

**Incoming resources****Grants receivable**

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet

**Donations**

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and receivable by the balance sheet date

**Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the College is recognised in the statement of financial activities, as incoming resources and resources expended at their estimated value to the College, in the period in which they are receivable, and where the benefit is both quantifiable and material

**Sponsorship**

Sponsorship income provided to the College, which amounts to a donation, is recognised in the statement of financial activities in the period in which it is receivable

**Interest receivable**

Interest receivable is included within the statement of financial activities on a receivable basis

**Resources expended**

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity

**Allocation of costs**

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the College's charitable activities and governance. 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

**Governance costs**

Governance costs include the costs attributable to the College's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs

**Fund accounting**

Unrestricted funds represent those resources which may be used towards meeting any of the objects of the College at the discretion of the governors. Designated funds comprise amounts set aside by governors out of the general fund for specific purposes

Restricted funds comprise grants from the DfES and other donors which are to be used for specific purposes as explained in note 14

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****1 PRINCIPAL ACCOUNTING POLICIES (continued)****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. The depreciation on such assets is charged in the statement of financial activities. All other assets are capitalised (over the expected useful economic life of the related asset on a basis consistent with the depreciation policy).

**Depreciation**

Depreciation is provided 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 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
Learning Resource Centre	-	33⅓% and 2% of written down value

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

**Investments**

Investments other than the shares of Corby CTC Trading Limited are included in the balance sheet at the year end at either the open market value or the Governors' best estimate of market value. Any gains and losses in the value of investments are included in the statement of financial activities in the period in which they arise.

The Brooke Weston Trust's shareholding in the wholly owned subsidiary, Corby CTC Trading Limited, is included in the balance sheet at the cost of the share capital owned. There is no readily available market value and the cost of valuation exceeds the benefit derived.

**Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

**Stocks**

Unused stationery and catering stores are valued at the lower of cost or net realisable value.

**Taxation**

The Brooke Weston Trust is a registered charity and as such is exempt from income tax and corporation tax under the provisions of the Income and Corporation Taxes Act 1988. The cost of irrecoverable VAT incurred by the College has been included in the statement of financial activities.

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****1 PRINCIPAL ACCOUNTING POLICIES (continued)****Pensions**

College staff are members of one of two pension schemes, one a defined benefit scheme and one defined contribution scheme. More details of the schemes are given in note 8.

**Defined benefit scheme****Teachers' pension scheme**

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills. As the College is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the College has taken advantage of the exemption in Financial Reporting Standard (FRS) 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

**Defined contribution scheme**

The College also operates a defined contribution scheme for non-teaching members of staff. The assets of this scheme are held separately from those of the College, being invested with insurance companies. The pension costs for the scheme represent the contributions payable by the College in the year.

**2 ANNUAL PER CAPITA GRANT (APG)**

	<u>2007</u>	<u>2006</u>
a Results and Carry Forward for the Year		
APG brought forward from previous year	(197,174)	(61,326)
APG allocation for current year	5,787,358	5,563,731
	-----	-----
Total APG available to spend	5,590,184	5,502,405
Revenue expenditure from APG	(5,787,457)	(5,699,579)
Fixed asset purchased from APG	-	-
	-----	-----
APG carried forward to next year	(197,273)	(197,174)
Maximum permitted APG carry forward at end of current year (12% of allocation for current year)	(694,483)	(667,648)
	-----	-----
APG to surrender to DfES (12% rule breached if result is positive)	(891,756)	(864,822)
	-----	-----
	(no breach)	(no breach)

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****2 ANNUAL PER CAPITA GRANT (APG) (continued)**

- b Use of APG Brought Forward from Previous Year for Recurrent Purposes  
(Of the amount carried forward each year, a maximum of 2% of APG can be used for recurrent purposes Any balance, up to a maximum of 12%, can only be used for capital purposes)

There was no unspent APG at 31 August 2007 or 31 August 2006

**3 VOLUNTARY INCOME**

	<u>2007</u>	<u>2006</u>
Private sponsorship		
Corby CTC Trading Limited - gift aid	95,500	123,250
	<u>£95,500</u>	<u>£123,250</u>

**4 OTHER INCOME**

	<u>2007</u>	<u>2006</u>
Interest receivable	13,925	12,896
Other	111,692	120,937
	<u>£125,617</u>	<u>£133,833</u>

**5 RESOURCES EXPENDED**

	<u>Staff costs</u>	<u>Depreciation</u>	<u>Other costs</u>	<u>Total 2007</u>	<u>Total 2006</u>
Costs of generating voluntary income	-	-	-	-	-
College's educational operations					
Direct costs	3,250,869	390,801	736,961	4,378,631	4,268,010
Allocated support costs	1,040,789	-	767,026	1,807,815	1,840,357
	<u>4,291,658</u>	<u>390,801</u>	<u>1,503,987</u>	<u>6,186,446</u>	<u>6,108,367</u>
Governance costs including allocated support costs	29,500	-	9,635	39,135	40,057
	<u>£4,321,158</u>	<u>£390,801</u>	<u>£1,513,622</u>	<u>£6,225,581</u>	<u>£6,148,424</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****6 CHARITABLE ACTIVITIES  
COLLEGE'S EDUCATIONAL OPERATIONS**

	<u>2007</u>	<u>2006</u>
<b>Direct costs</b>		
Teaching staff	3,229,869	3,129,695
Medical insurance	11,032	12,885
Subcontract	5,144	3,780
Educational supplies and services	594,951	592,098
Staff development	99,511	80,707
Other	47,323	71,372
Depreciation	390,801	377,473
	<u>£4,378,631</u>	<u>£4,268,010</u>
<b>Allocated support costs</b>		
Educational support staff	410,981	412,788
Occupancy costs	216,921	259,494
Maintenance costs	240,036	216,656
Other suppliers and services	189,054	260,407
Other	121,015	117,614
Staff salaries	629,808	573,398
	<u>£1,807,815</u>	<u>£1,840,357</u>
<b>Governance costs</b>		
Staff salaries	29,500	27,500
Legal and professional	235	3,157
Auditors' remuneration	9,400	9,400
	<u>£39,135</u>	<u>£40,057</u>

**7 INTEREST PAYABLE**

	<u>2007</u>	<u>2006</u>
Interest on overdrafts and loans repayable wholly within five years	<u>£1,696</u>	<u>£6,888</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****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>2007</u>	<u>2006</u>
Charitable activities		
Management	15	15
Administration and support	28	30
Teachers	74	81
	<u>117</u>	<u>126</u>
Governance	1	1
Total Employees	<u>118</u>	<u>127</u>
<b>Staff costs for the above persons</b>		
Wages and salaries	3,588,598	3,481,103
Social security costs	300,356	291,495
Other pension costs	403,812	363,583
<b>Total staff costs</b>	<u>£4,292,766</u>	<u>£4,136,181</u>

Three employees earned more than £60,000 during 2006/07 as follows

	<u>2007</u>	<u>2006</u>
£60,001 - £70,000	1	2
£110,001 - £120,000	1	-
£120,001 - £130,000	-	1
£140,001 - £150,000	1	-
	<u>1</u>	<u>3</u>

The above employees participated in the Teachers' Pension Scheme During the year ended 31 August 2007 pension contribution for the staff amounted to £41,103

	<u>2007</u>	<u>2006</u>
<b>Pensions</b>		
Other pension costs comprise		
Defined benefit scheme - regular cost	368,516	332,074
Defined contribution scheme	35,296	31,509
	<u>£403,812</u>	<u>£363,583</u>

There are two pension schemes available to certain employees of the College, the Teachers' Pension Scheme, and the Brooke Weston Group Personal Pension Scheme



**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****8 STAFF COSTS (continued)****Teachers' Pension Scheme (TPS)**

Under the definitions set out in Financial Reporting Standard (FRS) 17, Retirement Benefits, the TPS scheme is classed as a multi-employer pension schemes. The College is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the College has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The College has set out below the latest information available for the scheme.

The TPS is a statutory, contributory, final salary scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities and also to teachers in many independent and voluntary-aided schools and establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part time employment following employment or a change of contract. Teachers are able to opt out of the TPS.

Although teachers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts, are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the TPS, which is an unfunded scheme, teachers' contributions, on a 'pay-as-you-go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Account, to be kept of receipts and expenditure (including the cost of pensions increases). With effect from 1<sup>st</sup> April 2001, the Account will be credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Not less than every four years with a supporting interim valuation in between, the Government Actuary (GA), using normal actuarial principles, conducts an actuarial review of the TPS. The aim of the review is to specify the level of future contributions. The actuarial review as at 31<sup>st</sup> March 2004 made the following assumptions. The scheme assets consist of the notional investments and the future contributions in respect of existing members. Thus, the balance in the Account as at 31<sup>st</sup> March 2004 will be determined as the difference between the value of the scheme liabilities and the value of future contributions.

The standard contribution rate (SCR) of pension contributions is assessed in two parts. First, a standard contribution is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions.

The last valuation of the TPS related to the period 1 April 2001 – 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution has been assessed at 19.75%, plus a supplementary contribution rate of 0.75% (to balance assets and liabilities as required by the regulations within 15 years), a SCR of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced – effective for the first time from the 2008 valuation – a 14% cap on employer contributions payable.

The 2006 interim actuarial review, published in June 2007, did not recommend any changes to the SCR and concluded, as at 31 March 2006, and using the above assumptions, that the Scheme's total liabilities amounted to £176,600 millions.

A copy of the GA's 2004 valuation report and 2006 interim valuation report can be found on the TeacherNet website at [www.teachernet.gov.uk/pensions](http://www.teachernet.gov.uk/pensions)

The pension cost charged in the financial statements for the scheme for the year ended 31 August 2007 was £368,516 (2006 £332,074).

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****8 STAFF COSTS (continued)****Brooke Weston Group Personal Pension Scheme**

Staff can participate in the above pension scheme, which is a defined contribution scheme. The College contributes 7.65% of basic salary. The total pension cost of the scheme for the year ended 31 August 2007 was £35,296 (2006 £31,509).

**9 EMOLUMENTS OF GOVERNORS**

	<u>2007</u>	<u>2006</u>
The following payments were made to the governors of the College		
Number of Governors who were paid expenses	1	-
	=====	=====
Total amount paid	£247	£ -
	=====	=====

**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 aggregate liability in any one period and the cost for the year ended 31 August 2007 was £1,733 (2006 £1,650).

**11 STOCKS**

	<u>2007</u>	<u>2006</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		

**12 DEBTORS**

	<u>2007</u>	<u>2006</u>
Trade debtors	31,456	30,908
Prepayments	49,993	33,764
Other debtors	103,718	171,302
Amount due from subsidiary undertaking	177,398	174,565
	=====	=====
	£362,565	£410,539
	=====	=====

**13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2007</u>	<u>2006</u>
Trade creditors	160,963	384,734
Taxation and social security	98,312	89,296
Accruals and other creditors	145,253	118,069
Bank loan	-	18,000
	=====	=====
	£404,528	£610,099
	=====	=====

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****14 RESTRICTED FUNDS**

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

	<b>Balance at 1 September 2006</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains, losses and transfers</b>	<b>Balance at 31 August 2007</b>
Restricted general fund					
Annual Per Capital Grant (APG) and other DfES grants	-	5,834,681	(5,834,780)	99	-
	-	£5,834,681	(£5,834,780)	£99	-
Restricted fixed asset funds					
DfES capital grants	7,209,409	103,718	(293,101)	-	7,020,026
Private sector capital sponsorship	2,429,684	-	(97,700)	101,358	2,433,342
	£9,639,093	£103,718	(£390,801)	£101,358	£9,453,368
	£9,639,093	£5,938,399	(£6,225,581)	£101,457	£9,453,368

The transfers to the restricted general and fixed asset funds represents shortfalls funded out of unrestricted funds

**15 TANGIBLE FIXED ASSETS**

	<b>Learning Resource Centre</b>	<b>Lease</b>	<b>Long leasehold buildings</b>	<b>Office and computer equipment</b>	<b>Fixtures, furniture and fittings</b>	<b>Motor vehicles</b>	<b>Total</b>
<b>Cost</b>							
At 1st September 2006	798,435	1,100,000	9,479,405	2,136,980	1,598,351	83,631	15,196,802
Capital expenditure	-	-	-	145,917	-	59,159	205,076
Disposals	-	-	-	-	-	-	-
At 31st August 2007	£798,435	£1,100,000	£9,479,405	£2,282,897	£1,598,351	£142,790	£15,401,878
<b>Depreciation</b>							
At 1st September 2006	162,211	140,800	2,369,686	1,864,255	938,951	81,806	5,557,709
Charged in year	12,724	8,800	142,246	139,547	65,940	21,544	390,801
Disposals	-	-	-	-	-	-	-
At 31st August 2007	£174,935	£149,600	£2,511,932	£2,003,802	£1,004,891	£103,350	£5,948,510
<b>Net book value</b>							
At 31st August 2007	£623,500	£950,400	£6,967,473	£279,095	£593,460	£39,440	£9,453,368
At 31st August 2006	£636,224	£959,200	£7,109,719	£272,725	£659,400	£1,825	£9,639,093

**Source of funding for assets acquired  
(Cumulative)**

	<b>2007</b>
DfES capital grants	9,726,742
Other DfES grants	1,537,481
Private sector and other	4,137,655
	£15,401,878

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007**

<b>16. INVESTMENTS</b>	<b><u>2007</u></b>	<b><u>2006</u></b>
Investment in wholly owned subsidiary company at cost	£100	£100

The Brooke Weston Trust owns 100% of the issued ordinary shares of Corby CTC Trading Limited, a company incorporated in England (registered number 3062232). The principal business activities of Corby CTC Trading Limited is the hiring out of sports and business facilities and providing teachers resources for GNVQ ICT, vocational GCSE applied ICT and vocational GCSE business studies.

The investment is shown in the balance sheet at cost. Consolidated accounts are not required as the group is a 'medium group' for Companies Act 1985 purpose. The Governors have not prepared group accounts as they are of the opinion that the results of the subsidiary are not material to an understanding of the College's financial statements.

A summary of the results for the year ended 31 August 2007, and the balance sheet position as at 31 August 2007, is shown below.

	<b><u>2007</u></b>	<b><u>2006</u></b>
Turnover	249,430	274,933
Expenditure	(156,180)	(150,028)
Interest receivable	2,829	1,166
Profit on ordinary activities before Gift Aid payment	96,079	126,071
Gift Aid payment to The Brooke Weston Trust	(95,500)	(123,250)
Net profit before taxation	579	2,821
Taxation	(501)	(537)
Retained profit for year	78	2,284
Retained profits brought forward at 1 September 2006	27,568	25,284
Retained profits carried forward at 31 August 2007	<u>27,646</u>	<u>27,568</u>
Fixed assets	71,101	79,818
Current assets	152,826	155,670
Current liabilities	(188,426)	(200,566)
Provisions for liabilities and charges	(7,755)	(7,254)
	<u>£27,746</u>	<u>£27,668</u>
Called up share capital	100	100
Profit and loss account	27,646	27,568
Shareholder's funds	<u>£27,746</u>	<u>£27,668</u>

The audit report for Corby CTC Trading Limited for the year ended 31 August 2007 was unqualified.

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31st August 2007 are represented by

	<b>Unrestricted funds</b>	<b>Restricted general</b>	<b>Restricted Fixed Asset Funds</b>		<b>Total</b>
			<b>Restricted public</b>	<b>Capital private</b>	
Tangible fixed assets	-	-	7,020,026	2,433,342	9,453,368
Investments	100	-	-	-	100
Current assets	927,133	-	-	-	927,133
Current & long term liabilities	(404,528)	-	-	-	(404,528)
<b>Totals</b>	<u>£522,705</u>	<u>-</u>	<u>£7,020,026</u>	<u>£2,433,342</u>	<u>£9,976,073</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2007****18 CAPITAL COMMITMENTS**

	<u>2007</u>	<u>2006</u>
Contracted for, but not provided in the accounts	£4,612,301	£ -
Authorised by the governors but not yet contracted for	£ -	£ -

These commitments will be funded by future DfES grants together with sponsorship donations

**19 LEASE COMMITMENTS**

	<u>2007</u>	<u>2006</u>
Operating leases		
At 31 August 2007 the College had annual commitments under non-cancellable operating leases as follows		
Operating leases which expire		
Within one year	£486	£2,294
Within two to five years	£39,754	£32,905
Over five years	£4,691	£ -

**20 CONTINGENT LIABILITIES**

During the period of the Funding Agreement, in the event of the sale or disposal by other means, of any asset for which a Government capital grant was received, the College is required, either to re-invest the proceeds, or to repay to the Secretary of State for Education and Skills 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 College serving notice, the College shall repay to the Secretary of State sums determined by reference to

- (a) the value at that time of the College site and premises and other assets held for the purpose of the College, 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

**21 RELATED PARTY**

During the year the following transactions were carried out with trading subsidiary Corby CTC Trading Limited

- (a) The College charged a £12,000 licence fee (2006 £12,000) and recharged wage costs of £11,919 (2006 £7,730) to Corby CTC Trading Limited
- (b) Corby CTC Trading Limited made a gift and donation of £95,500 (2006 £123,250) to the College

**22 MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member

**23 ULTIMATE CONTROLLING PARTY**

The College is under the control of the governors

**THE BROOKE WESTON TRUST****DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2007**

	<u>2007</u>	<u>2006</u>
<b>INCOME</b>		
<b>ANNUAL PER CAPITA GRANT</b>	5,787,358	5,563,731
	<hr/>	<hr/>
<b>DŪES CAPITAL GRANTS</b>	103,718	237,185
<b>OTHER DŪES GRANTS</b>		
Others	47,323	71,372
	<hr/>	<hr/>
	151,041	308,557
	<hr/>	<hr/>
<b>OTHER GOVERNMENT GRANTS</b>	-	-
	<hr/>	<hr/>
<b>PRIVATE SECTOR SPONSORSHIP</b>		
Corby CTC Trading Limited	95,500	123,250
	<hr/>	<hr/>
	95,500	123,250
	<hr/>	<hr/>
<b>OTHER INCOME</b>		
Interest receivable	13,925	12,896
Sundry income	111,692	120,937
	<hr/>	<hr/>
	125,617	133,833
	<hr/>	<hr/>
<b>TOTAL INCOME</b>	<u>£6,159,516</u>	<u>£6,129,371</u>

**THE BROOKE WESTON TRUST****DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2007**

	<u>2007</u>	<u>2006</u>
<b>EXPENDITURE</b>		
<b>ANNUAL PER CAPITA GRANT EXPENDITURE</b>		
Staff costs		
Teaching	3,229,869	3,129,695
Educational support	410,981	412,788
Other Staff	659,308	600,898
Subcontract	5,144	3,780
Medical insurance	11,032	12,885
	<hr/>	<hr/>
Total APG staff costs	4,316,334	4,160,046
	<hr/>	<hr/>
Maintenance of premises		
Building maintenance	177,158	149,902
Grounds maintenance	8,391	13,709
Security	54,487	53,045
	<hr/>	<hr/>
	240,036	216,656
	<hr/>	<hr/>
Other occupancy costs		
Cleaning	17,636	20,296
Water	5,585	7,847
Fuel	120,531	152,353
Rates	21,350	26,875
Insurance	51,819	52,123
	<hr/>	<hr/>
	216,921	259,494
	<hr/>	<hr/>
Educational supplies and services		
Trips	17,275	5,793
Books	33,933	30,286
Educational equipment	171,574	174,397
Stationery and materials	68,382	57,965
Transport	151,676	153,415
Examination fees	130,296	148,322
Fees for external advice	3,146	9,588
Other	18,669	12,332
	<hr/>	<hr/>
	594,951	592,098
	<hr/>	<hr/>
Other supplies and services		
Catering	151,704	204,330
Telephone	10,875	12,714
Legal and professional fees	235	3,157
Auditors' remuneration	9,400	9,400
Postage	14,135	14,129
Bank loan interest and charges	1,696	6,888
Subscriptions	13,530	15,576
Pupil recruitment	2,685	3,114
Insurance	9,970	7,214
Pupil support	2,386	1,651
Non educational trips	(17,927)	(5,209)
	<hr/>	<hr/>
	198,689	272,964
	<hr/>	<hr/>
<b>BALANCE CARRIED FORWARD TO NEXT PAGE</b>	5,566,931	5,501,258

**THE BROOKE WESTON TRUST****DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2007**

	<u>2007</u>	<u>2006</u>
<b>EXPENDITURE</b>		
<b>ANNUAL PER CAPITA GRANT EXPENDITURE</b>		
<b>BALANCE BROUGHT FORWARD</b>	5,566,931	5,501,258
Furniture and equipment		
Repairs and maintenance	17,086	16,379
Motor expenses	4,595	6,941
Sundries	82,351	81,832
Technology costs		
Software	16,983	12,462
Staff development	99,511	80,707
<b>TOTAL APG EXPENDITURE</b>	<u>£5,787,457</u>	<u>£5,699,579</u>
<b>OTHER DIES GRANT RELATED EXPENDITURE</b>		
Staff costs	21,000	21,000
Educational supplies	26,323	50,372
	<u>£47,323</u>	<u>£71,372</u>
<b>DEPRECIATION</b>	390,801	377,473
<b>TOTAL EXPENDITURE</b>	<u>£6,225,581</u>	<u>£6,148,424</u>