

2400784

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

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST AUGUST 2008**

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

WEDNESDAY



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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  
Mr H W G de Capell Brooke  
Mr W Davis  
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 2008**

The governors present their report together with the financial statements of the charitable company for the year ended 31 August 2008. 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').

## **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 2008 are listed on page 2. All the governors served throughout the year and retired on 31st August 2008.

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 2008**

#### **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, two 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 2008 the subsidiary achieved a profit of £56,017 (2007: £95,577). Of this £17 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 2008****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 2008**

#### **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 Children, Schools and Families. 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 2008 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 2008**

#### **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**

Once again this has been another very busy, exciting and rewarding year for the staff and students at Brooke Weston. A year which finally witnessed the opening of our sibling school, Corby Business Academy, and a year when Brooke Weston converted to an Academy. This year has also seen the Brooke Weston Partnership extend the partnership work into Kettering, with the feasibility stage of Ise Community College's conversion to an Academy well under way.

Whilst the opening of Corby Business Academy was a very important time for all involved in the project, our own conversion to an Academy resulted in far less fanfare, other than a change of name. For everyone involved at Brooke Weston it is still 'business as usual' with an absolute focus on standards and achievement. The responsibility to remain as the flagship school within the family of schools ensures that we never lose focus on our requirement to achieve 'excellence in all that we do'.

During the year Brooke Weston gained a new neighbour when the Oakley Vale primary school opened for business. On behalf of Great Oakley Farms who sponsored the project, we contributed to the design of the building and to the appointment of the headteacher. Whilst not a Brooke Weston school it is likely we will continue to have close links in the future.

Under new arrangements, when a new school is needed, the local authority is required to operate a 'competition' in which groups or organisations interested in operating the new school can put themselves forward for consideration. In partnership with Woodnewton Learning Community, a local high performing primary school, the Brooke Weston Partnership bid to operate the proposed new primary school at Priors Hall close to the Academy. We were competing against the Church of England and the final decision lay with local county councillors. They decided in our favour and chose us to create and operate this new £4m primary school.

##### **Examination Outcomes**

Staff and students once again celebrated a series of outstanding examination results. In the GCSE examinations, all students again secured 100% five or more subjects at grades A\* - C. In league tables, 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 very pleasing, as was the performance of students achieving their A Level results.

The detailed analysis of the CGSE results revealed excellent value added performance for all students across the entire ability range. The percentage of the highest grades A\*/A was significantly improved on previous years, meeting our aspirational target of 30%. The performance in all three core subjects English, Maths and Science was outstanding. In science 97% achieved two or more grades with 37% achieving either A\* or A. The performance in English was once again exceptional with 99% of students achieving English Language, 38% of these achieving A\* or A. In Maths 86% passed, with 20% achieving the highest grades. The average points score (APS) for all subjects significantly increased from 682 in 2007 to 717 this year. When compared to the National APS of 374.2 and the Local Authority (LA) APS of 371 it once again indicates that the performance of students in Year 11 is exceptional.



## **THE BROOKE WESTON TRUST**

### **REPORT OF THE GOVERNORS - 31 August 2008**

#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

In Year 13 students achieved a 100% pass rate with the number of higher grades A/B improving from 44% last year to 46% this year. The average points score per A Level entry improved from 83 to 87, whilst the average points score per student indicated that they left Brooke Weston having secured on average a three grade B profile. This enabled 98% of the cohort to achieve places at their first choice university.

#### **Staffing**

Twenty five members of teaching staff left Brooke Weston during the last academic year. Despite this number of departures, I am very happy to report that we have recruited a group of excellent, highly skilled teachers and were fully staffed from the start of the academic year. To ensure a continuity of the same high levels of classroom practice and an understanding of our ethos, we once again provided an intensive two week induction for all new teachers. It is evident from the statistical breakdown that one of the most common reasons for leaving Brooke Weston is promotion.

#### **Learning Environment**

Work finally started on the new £4m annexe which will undoubtedly provide us with much needed additional space and enhanced facilities. Contractors arrived on site in January 2008 and the project completion date, which was originally set for January 2009, is currently May 2009. Inclement weather has not assisted this project, but we are hopeful that this new facility will be completed by the end of term 4 of this academic year. Once we have relocated the music department into their new suite of classrooms a period of significant internal reorganisation will follow in order to achieve a more efficient use of the current space and use of classrooms.

Throughout term 5 and the summer vacation the design technology department was completely redesigned and refurbished. This was an ambitious project which involved relocating many of the internal walls to make much better use of the space available. The designs were drawn up to achieve a more effective learning environment which would more closely match the developments within the curriculum. The project was managed in-house and I am pleased to report that it was completed on time and within the allocated budget.

This year we have replaced all PCs in the library and in design technology. In the coming year we aim to replace staff laptops and refurbish three of the five ICT classrooms. Our aim is to increase the number of laptops available in departments to address the increased demand. It has become apparent that we are reaching capacity usage of the current computer allocation, especially with the increased numbers in the Sixth Form and the increased demand for computers in many curriculum areas.

The annual maintenance programme is enabling us to keep up with wear and tear but we are always very aware that seventeen years of use will inevitably lead us into having to replace some of the existing plant, e.g. boilers, catering equipment, etc.

Catering continues to be of an excellent quality and still attracts many clients and as we have now taken responsibility for the catering in-house we need to ensure that the plant, preparation areas and seating areas can continue to address demand.

#### **Learning beyond the classroom**

Extending our learning experiences into the wider community is an important aspect of the provision at Brooke Weston. In February a group of 18 Sixth Form students joined with students from Oundle School and Thomas Deacon Academy to attend the International Science Convention in Boston, America. At the conference students met with and talked to some of the world's leading scientists in addition to NASA astronauts. They attended lectures, seminars and workshops and were given the opportunity to find out more about the advancements in science and engineering worldwide. Whilst in Boston they visited Harvard University, the Massachusetts Institute of Technology and other cultural centres.

## **THE BROOKE WESTON TRUST**

### **REPORT OF THE GOVERNORS - 31 August 2008**

#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

During the year we launched the World Challenge trip to Peru in the summer of 2009. Currently, there are 25 students who have signed up to go trekking in southern Peru. Part of this adventure is for the students to plan their own itinerary and raise the £3,800 cost of the trip. Throughout the year they have been working hard on many fundraising initiatives.

#### **Training and staff development**

Brooke Weston continues to invest significantly in the continued professional development of both teaching and non-teaching staff. I am pleased to report that nine members of our staff continue their studies in the MSc Educational Leadership and Management programme operated through Leicester University and funded by Brooke Weston. Applications to join the MSc programme are invited annually. Members of the support and administration team also continue to study relevant vocational courses to further their knowledge in their chosen specialisms.

#### **Quality Assurance**

Brooke Weston 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.

#### **Investors in People Re-accreditation**

Brooke Weston has achieved re-accreditation of the 'Investors in People' kite mark. A cross-section of 26 teaching and non-teaching staff were interviewed by the assessor and we were commended highly for our commitment to the training and development of our staff in order to achieve the stated priorities, both institutional and personal targets. This quality standard is in place for the next three years.

#### **Admissions**

Although the quality of educational provision in Corby and Kettering has improved considerably since Brooke Weston opened, we continue to be exceptionally popular. This year 821 families included Brook Weston as one of their three choices on the Local Authority Common Preference Form for entry into Year 7. We continued to use the NFER non-verbal IQ test to enable us to select a fully comprehensive cohort of students. However, this year randomised allocation was used once the students had been placed into the 9 ability stanines to allocate the 185 places we had available in Year 7. Sixty nine families lodged appeals and seven students were subsequently awarded places in Year 7. We also admitted 50 new students into Year 12 this year. This has resulted in a larger than ever Sixth Form cohort, but a redesigned curriculum and the introduction of the Brooke Weston Diploma has resulted in Year 12 students settling to their studies very quickly.

#### **Corby CTC Trading Limited**

The trading company has had another successful year, with profits once again exceeding forecasts. The OCR Level 2 National Certificate on-line course in ICT has continued to attract clients and our in-house developed resources continue to be used in many schools nationally. This year CTC Trading has gifted in excess of £50K to Brooke Weston and whilst this figure is slightly down on the previous years it is still self-generated income, however market-saturation has affected @tain on-line sales.

## **FINANCIAL REVIEW**

#### **Financial report for the year**

Most of the College's income is obtained from the DCSF in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DCSF during the year ended 31 August 2008 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 DCSF 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.

**THE BROOKE WESTON TRUST**

**REPORT OF THE GOVERNORS - 31 August 2008**

**FINANCIAL REVIEW (continued)**

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 2008, total revenue expenditure was £6,659,289 and £1,410,063 was spent on fixed assets. Total incoming funds from the DCSF and other sources were £7,673,534.

At 31 August 2008 the net book value of tangible fixed assets was £10,492,200 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 DCSF and commercial sponsors.

**Financial position**

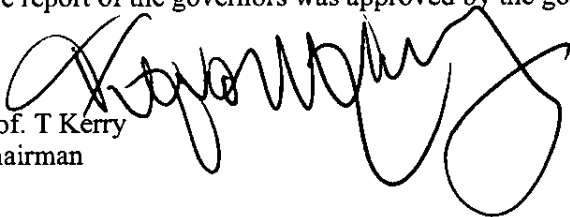
The College held fund balances at 31 August 2008 of £10,990,318 comprising £10,492,200 of restricted funds and £498,118 of unrestricted general funds.

**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 .....<sup>17/12/08</sup>..... 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 2008**

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 2008 (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 2008, 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 Children, Schools and Families 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 Children, Schools and Families 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 Children, Schools and Families and we have not identified any material weaknesses; and
- (f) the information given in the governors' report is consistent with the financial statements.

*Smith, Hodge & Baxter*

SMITH, HODGE & BAXTER

Thorpe House  
93 Headlands  
KETTERING  
Northants  
NN15 6BL

Chartered Accountants and  
Registered Auditors

17/12/08

**THE BROOKE WESTON TRUST****STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2008**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted General Funds</u>	<u>Restricted Fixed Asset Funds</u>	<u>Total 2008</u>	<u>Total 2007</u>
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds						
Voluntary income	3	56,000	-	-	56,000	95,500
Other income	4	128,897	-	-	128,897	111,692
Investment income	4	15,157	-	-	15,157	13,925
Incoming resources from charitable- activities						
Funding for the CTC's educational operations		-	6,190,672	1,282,808	7,473,480	5,938,399
<b>TOTAL INCOMING RESOURCES</b>		<b>£200,054</b>	<b>£6,190,672</b>	<b>£1,282,808</b>	<b>£7,673,534</b>	<b>£6,159,516</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities						
CTC's educational operations	5,6	50,000	6,194,873	371,231	6,616,104	6,186,446
Governance costs	5,6	-	43,185	-	43,185	39,135
<b>TOTAL RESOURCES EXPENDED</b>	<b>5</b>	<b>£50,000</b>	<b>6,238,058</b>	<b>371,231</b>	<b>6,659,289</b>	<b>6,225,581</b>
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>						
		150,054	(47,386)	911,577	1,014,245	(66,065)
Transfers between funds	14	(174,641)	47,386	127,255	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(24,587)</b>	<b>-</b>	<b>1,038,832</b>	<b>1,014,245</b>	<b>(66,065)</b>
<b>TOTAL FUNDS BROUGHT FORWARD AT 1 SEPTEMBER 2007</b>						
		522,705	-	9,453,368	9,976,073	10,042,138
<b>TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2008</b>						
	17	£498,118	£ -	£10,492,200	£10,990,318	£9,976,073

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 accompanying accounting policies and notes form an integral part of these financial statements

**THE BROOKE WESTON TRUST****INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2008**

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>INCOME</b>			
Annual per capita grant	2	5,989,672	5,787,358
DCSF Capital Grants		1,282,808	103,718
Other DCSF Grants		201,000	47,323
Other government grants		-	-
Private sector sponsorship	3	56,000	95,500
Other income	4	144,054	125,617
<b>TOTAL INCOME</b>		<u>£7,673,534</u>	<u>£6,159,516</u>
<b>EXPENDITURE</b>			
	5 & 6		
Annual per capita grant related expenditure		5,989,672	5,787,358
Other DCSF grant related expenditure		201,000	47,323
Depreciation		371,231	390,801
Other expenditure		97,386	99
<b>TOTAL EXPENDITURE</b>		<u>£6,659,289</u>	<u>£6,225,581</u>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<u>£1,014,245</u>	<u>(£66,065)</u>
<b>NET TRANSFER TO/(FROM) FUNDS</b>			
Restricted funds	14	1,038,832	(185,725)
Unrestricted funds		(24,587)	119,660
		<u>£1,014,245</u>	<u>(£66,065)</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 income over expenditure for 2008 and excess of expenditure over income for 2007 relate to continuing operations.

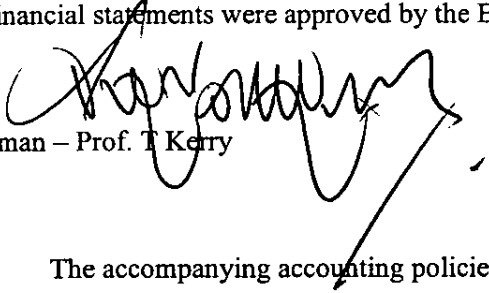
The company has no recognised gains and losses other than those included in the above results and therefore no separate statement of gains and losses has been presented.

The accompanying accounting policies and notes form an integral part of these financial statements

**THE BROOKE WESTON TRUST****BALANCE SHEET AT 31ST AUGUST 2008**

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>FIXED ASSETS</b>			
Tangible assets	15	10,492,200	9,453,368
Investments	16	100	100
		<u>10,492,300</u>	<u>9,453,468</u>
<b>CURRENT ASSETS</b>			
Stocks	11	10,000	10,000
Debtors	12	796,985	362,565
Cash at bank and in hand		611,182	554,568
		<u>1,418,167</u>	<u>927,133</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	13	<u>(920,149)</u>	<u>(404,528)</u>
<b>NET CURRENT ASSETS</b>		<u>498,018</u>	<u>522,605</u>
<b>NET ASSETS</b>		<u>£10,990,318</u>	<u>£9,976,073</u>
<b>FUNDS</b>			
Restricted fixed asset fund	17	10,492,200	9,453,368
Unrestricted funds	17	498,118	522,705
		<u>£10,990,318</u>	<u>£9,976,073</u>

The financial statements were approved by the Board on <sup>17/12/08</sup> ..... and signed on its behalf by:

  
Chairman – Prof. T. Kerry

The accompanying accounting policies and notes form an integral part of these financial statements



**THE BROOKE WESTON TRUST****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2008**

	<b><u>2008</u></b>	<b><u>2007</u></b>
<b>Reconciliation of operating profit to net cashflows from operating activities</b>		
<b><u>RECEIPTS</u></b>		
Recurrent grants received from DCSF:		
Annual per capita grant	5,989,672	5,787,358
Other grants from DCSF	201,000	47,323
Private sector sponsorship	56,000	95,500
Other receipts	128,897	111,692
	<hr/>	<hr/>
	6,375,569	6,041,873
<b><u>PAYMENTS</u></b>		
Staff costs	(4,624,715)	(4,321,158)
Other cash payments	(1,580,346)	(1,669,523)
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	170,508	51,192
	<hr/>	<hr/>
<b>Returns on investments and servicing of finance</b>		
Interest received	15,157	13,925
Interest paid	(1,796)	(1,696)
	<hr/>	<hr/>
<b>Net cash inflow from returns on investments and servicing of finance</b>	13,361	12,229
	<hr/>	<hr/>
<b>Capital (expenditure)/income</b>		
Purchase of tangible fixed assets	(1,410,063)	(205,076)
Receipts from sale of tangible fixed assets	-	-
Capital grants from DCSF	1,282,808	103,718
	<hr/>	<hr/>
<b>Net cash outflow from capital expenditure</b>	(127,255)	(101,358)
	<hr/>	<hr/>
<b>Net increase/(decrease) in cash</b>	£56,614	(£37,937)
	<hr/> <hr/>	<hr/> <hr/>

**THE BROOKE WESTON TRUST****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 2008**

	<u>2008</u>	<u>2007</u>
<b>Reconciliation of net cash flow to movement in net funds (re note 1)</b>		
Increase/Decrease in cash in the period	56,614	(37,937)
Changes in net funds	56,614	(37,937)
Net funds at 1st September 2007	554,568	592,505
Net funds at 31st August 2008	611,182	554,568

**NOTES TO THE CASH FLOW STATEMENT**

1. ANALYSIS OF CHANGES IN NET FUNDS	<u>1st September 2007</u>	<u>Cash Flows</u>	<u>31st August 2008</u>
Cash in hand and at bank	554,568	56,614	611,182
Current asset investments	-	-	-
<b>TOTAL</b>	<u>£554,568</u>	<u>£56,614</u>	<u>£611,182</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008****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 DCSF 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 2008****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.

**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 which includes the Hugh de Capell Brooke Centre.

**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 2008****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 Children, Schools and Families. 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>2008</u>	<u>2007</u>
a. Results and Carry Forward for the Year		
APG brought forward from previous year	-	-
APG allocation for current year	5,989,672	5,787,358
	<hr/>	<hr/>
Total APG available to spend	5,989,672	5,787,358
Revenue expenditure from APG	(5,989,672)	(5,787,358)
Fixed asset purchased from APG	-	-
	<hr/>	<hr/>
	-	-
APG carried forward to next year	-	-
Maximum permitted APG carry forward at end of current year (12% of allocation for current year)	(718,760)	(694,483)
	<hr/>	<hr/>
APG to surrender to DCSF (12% rule breached if result is positive)	(718,760)	(694,483)
	<hr/>	<hr/>
	(no breach)	(no breach)

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008****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 2008 or 31 August 2007

**3. VOLUNTARY INCOME**

	<u>2008</u>	<u>2007</u>
Private sponsorship		
Corby CTC Trading Limited - gift aid	56,000	95,500
	<u>£56,000</u>	<u>£95,500</u>

**4. OTHER INCOME**

	<u>2008</u>	<u>2007</u>
Interest receivable	15,157	13,925
Other	128,897	111,692
	<u>£144,054</u>	<u>£125,617</u>

**5. RESOURCES EXPENDED**

	<u>Staff costs</u>	<u>Depreciation</u>	<u>Other costs</u>	<u>Total 2008</u>	<u>Total 2007</u>
College's educational operations:					
Direct costs	3,448,109	371,231	747,053	4,566,393	4,378,631
Allocated support costs	1,147,106	-	902,605	2,049,711	1,807,815
	<u>4,595,215</u>	<u>371,231</u>	<u>1,649,658</u>	<u>6,616,104</u>	<u>6,186,446</u>
Governance costs including allocated support costs	29,500	-	13,685	43,185	39,135
	<u>£4,624,715</u>	<u>£371,231</u>	<u>£1,663,343</u>	<u>£6,659,289</u>	<u>£6,225,581</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008**
**6. CHARITABLE ACTIVITIES  
COLLEGE'S EDUCATIONAL OPERATIONS**

	<b>2008</b>	<b>2007</b>
<b>Direct costs</b>		
Teaching staff	3,283,232	3,229,869
Medical insurance	14,945	11,032
Subcontract	2,371	5,144
Educational supplies and services	577,886	594,951
Staff development	115,728	99,511
Other	201,000	47,323
Depreciation	371,231	390,801
	<u>£4,566,393</u>	<u>£4,378,631</u>
<b>Allocated support costs</b>		
Educational support staff	454,693	410,981
Occupancy costs	276,016	271,408
Maintenance costs	172,691	185,549
Other suppliers and services	255,420	189,054
Other	198,477	121,015
Staff salaries	692,414	629,808
	<u>£2,049,711</u>	<u>£1,807,815</u>
<b>Governance costs</b>		
Staff salaries	29,500	29,500
Legal and professional	3,885	235
Auditors' remuneration	9,800	9,400
	<u>£43,185</u>	<u>£39,135</u>

**7. INTEREST PAYABLE**

	<b>2008</b>	<b>2007</b>
Interest on overdrafts and loans repayable wholly within five years	<u>£1,796</u>	<u>£1,696</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008****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>2008</u>	<u>2007</u>
Charitable activities:		
Management	17	15
Administration and support	37	28
Teachers	82	74
	<u>136</u>	<u>117</u>
Governance	1	1
Total Employees	<u>137</u>	<u>118</u>
<b>Staff costs for the above persons</b>		
Wages and salaries	3,889,441	3,588,598
Social security costs	316,555	300,356
Other pension costs	416,375	403,812
<b>Total staff costs</b>	<u>£4,622,371</u>	<u>£4,292,766</u>

2 employees earned more than £60,000 during 2007/08 as follows:

	<u>2008</u>	<u>2007</u>
£60,001 - £70,000	-	1
£90,001 - £100,000	1	1
£140,001 - £150,000	1	1
	<u>2</u>	<u>3</u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2008 pension contribution for these staff amounted to £33,135

	<u>2008</u>	<u>2007</u>
<b>Pensions</b>		
Other pension costs comprise:		
Defined benefit scheme - regular cost	382,000	368,516
Defined contribution scheme	34,375	35,296
	<u>£416,375</u>	<u>£403,812</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 2008****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 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 2008 was £382,000 (2007: £368,516).

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008****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 2008 was £34,375 (2007: £35,296).

**9. EMOLUMENTS OF GOVERNORS**

	<u>2008</u>	<u>2007</u>
The following payments were made to the governors of the College		
Number of Governors who were paid expenses	1	1
	=	=
Total amount paid	£160	£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 2008 was £1,641 (2007: £1,733).

**11. STOCKS**

	<u>2008</u>	<u>2007</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>2008</u>	<u>2007</u>
Trade debtors	44,378	31,456
Prepayments	56,272	49,993
Other debtors	532,630	103,718
Amount due from subsidiary undertaking	163,705	177,398
	=	=
	£796,985	£362,565
	=	=

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

	<u>2008</u>	<u>2007</u>
Trade creditors	652,948	160,963
Taxation and social security	109,412	98,312
Accruals and other creditors	157,789	145,253
	=	=
	£920,149	£404,528
	=	=

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008****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 2007</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains, losses and transfers</b>	<b>Balance at 31 August 2008</b>
Restricted general fund					
Annual Per Capital Grant (APG) and other DCSF grants	-	6,190,672	(6,238,058)	47,386	-
	-	6,190,672	(6,238,058)	47,386	-
Restricted fixed asset funds					
DCSF capital grants	7,020,026	1,282,808	(278,423)	-	8,024,411
Private sector capital sponsorship	2,433,342	-	(92,808)	127,255	2,467,789
	£9,453,368	1,282,808	(371,231)	127,255	10,492,200
	£9,453,368	£7,473,480	(£6,609,289)	174,641	10,492,200

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>Hugh de Capell Brooke 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 2007	798,435	-	1,100,000	9,479,405	2,282,897	1,598,351	142,790	15,401,878
Capital expenditure	-	1,101,226	-	-	55,442	253,395	-	1,410,063
Disposals	-	-	-	-	-	-	-	-
At 31st August 2008	798,435	1,101,226	1,100,000	9,479,405	2,338,339	1,851,746	142,790	16,811,941
<b>Depreciation</b>								
At 1st September 2007	174,935	-	149,600	2,511,932	2,003,802	1,004,891	103,350	5,948,510
Charged in year	12,470	-	8,800	139,401	111,512	84,685	14,363	371,231
Disposals	-	-	-	-	-	-	-	-
At 31st August 2008	187,405	-	158,400	2,651,333	2,115,314	1,089,576	117,713	6,319,741
<b>Net book value</b>								
At 31st August 2008	£611,030	£1,101,226	£941,600	£6,828,072	£223,025	£762,170	£25,077	£10,492,200
At 31st August 2007	£623,500	£-	£950,400	£6,967,473	£279,095	£593,460	£39,440	£9,453,368

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

	<b>2008</b>
DCSF capital grants	11,009,550
Other DCSF grants	1,537,481
Private sector and other	4,264,910
	16,811,941

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008**

<b>16. INVESTMENTS</b>	<b><u>2008</u></b>	<b><u>2007</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 online teaching resources.

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 purposes. 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 2008, and the balance sheet position as at 31 August 2008, is shown below:

	<b><u>2008</u></b>	<b><u>2007</u></b>
Turnover	185,473	249,430
Expenditure	(133,177)	(156,181)
Interest receivable	3,923	2,829
Profit on ordinary activities before Gift Aid payment	56,219	96,078
Gift Aid payment to The Brooke Weston Trust	(56,000)	(95,500)
Net profit before taxation	219	578
Taxation	(202)	(501)
Retained profit for year	17	77
Retained profits brought forward at 1 September 2007	27,645	27,568
Retained profits carried forward at 31 August 2008	27,662	27,645
Fixed assets	62,681	71,100
Current assets	153,551	152,826
Current liabilities	(180,765)	(188,426)
Provisions for liabilities and charges	(7,705)	(7,755)
	<u>27,762</u>	<u>£27,745</u>
Called up share capital	100	100
Profit and loss account	27,662	27,645
Shareholder's funds	<u>27,762</u>	<u>£27,745</u>

The audit report for Corby CTC Trading Limited for the year ended 31 August 2008 was unqualified.

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

Fund balances at 31st August 2008 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	-	-	8,024,411	2,467,789	10,492,200
Investments	100	-	-	-	100
Current assets	1,418,167	-	-	-	1,418,167
Current & long term liabilities	(920,149)	-	-	-	(920,149)
<b>Totals</b>	<u>498,118</u>	<u>-</u>	<u>8,024,411</u>	<u>2,467,789</u>	<u>10,990,318</u>

**THE BROOKE WESTON TRUST****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008****18. CAPITAL COMMITMENTS**

	<u>2008</u>	<u>2007</u>
Contracted for, but not provided in the accounts	£3,500,000	£4,612,301
Authorised by the governors but not yet contracted for	£ -	£ -

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

**19. LEASE COMMITMENTS**

	<u>2008</u>	<u>2007</u>
Operating leases		
At 31 August 2008 the College had annual commitments under non-cancellable operating leases as follows:		
Operating leases which expire:		
Within one year	£2,544	£486
Within two to five years	£37,696	£39,754
Over five years	£4,691	£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 Children, Schools and Families 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 (2007: £12,000) and recharged wage costs of £10,680 (2007: £11,919) to Corby CTC Trading Limited.
- (b) Corby CTC Trading Limited made a gift and donation of £56,000 (2007: £95,500) to the College.

The following transactions were carried out with Corby Academy. The charitable company and Corby Academy are related by their joint Management team, trustees and their involvement in the Brooke Weston Partnership.

- a) The Brooke Weston Trust sponsored Corby Business Academy for the sum of £50,000
- b) Corby Business Academy owed a balance of £184,000 (2007: £166,500) to the Brooke Weston Trust at the year end.

**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 2008**

This page does not form part of the statutory financial statements

	<u>2008</u>	<u>2007</u>
<b>INCOME</b>		
<b>ANNUAL PER CAPITA GRANT</b>	5,989,672	5,787,358
	<hr/>	<hr/>
<b>DCSF CAPITAL GRANTS</b>	1,282,808	103,718
<b>OTHER DCSF GRANTS</b>		
Community funding	21,000	21,000
Beacon School	-	26,323
CBA implementation costs	180,000	-
	<hr/>	<hr/>
	1,483,808	151,041
	<hr/>	<hr/>
<b>OTHER INCOME</b>		
Gift Aid payment from subsidiary	56,000	95,500
Interest receivable	15,157	13,925
Sundry income	128,897	111,692
	<hr/>	<hr/>
	200,054	221,117
	<hr/>	<hr/>
<b>TOTAL INCOME</b>	£7,673,534	£6,159,516
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**THE BROOKE WESTON TRUST****DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2008**

This page does not form part of the statutory financial statements

	<u>2008</u>	<u>2007</u>
<b>EXPENDITURE</b>		
<b>ANNUAL PER CAPITA GRANT EXPENDITURE</b>		
Staff costs:		
Teaching	3,283,232	3,229,869
Educational support	454,693	410,981
Other: Staff	721,913	659,308
Subcontract	2,371	5,144
Medical insurance	14,945	11,032
	<hr/>	<hr/>
Total APG staff costs	4,477,154	4,316,334
	<hr/>	<hr/>
Maintenance of premises:		
Building maintenance	158,203	177,158
Grounds maintenance	14,488	8,391
	<hr/>	<hr/>
	172,691	185,549
	<hr/>	<hr/>
Other occupancy costs:		
Cleaning	12,949	17,636
Water	8,710	5,585
Fuel	122,958	120,531
Rates	26,413	21,350
Insurance	49,072	51,819
Security	55,914	54,487
	<hr/>	<hr/>
	276,016	271,408
	<hr/>	<hr/>
Educational supplies and services:		
Trips	715	17,275
Books	24,134	33,933
Educational equipment	172,716	171,574
Stationery and materials	56,357	68,382
Transport	156,838	151,676
Examination fees	115,973	130,296
Fees for external advice	6,973	3,146
Other	44,180	18,669
	<hr/>	<hr/>
	577,886	594,951
	<hr/>	<hr/>
Other supplies and services:		
Catering	180,789	151,704
Telephone	11,701	10,875
Legal and professional fees	3,885	235
Auditor's remuneration	9,800	9,400
Postage	22,591	14,135
Bank loan interest and charges	1,796	1,696
Subscriptions	16,992	13,530
Pupil recruitment	16,008	2,685
Insurance	9,441	9,970
Pupil support	4,237	2,386
Non educational trips	(8,135)	(17,927)
	<hr/>	<hr/>
	269,105	198,689
	<hr/>	<hr/>
<b>BALANCE CARRIED FORWARD TO NEXT PAGE</b>	<b>5,772,852</b>	<b>5,566,931</b>

**THE BROOKE WESTON TRUST****DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 2008**

This page does not form part of the statutory financial statements

	<u>2008</u>	<u>2007</u>
<b>EXPENDITURE</b>		
<b>ANNUAL PER CAPITA GRANT EXPENDITURE</b>		
<b>BALANCE BROUGHT FORWARD</b>	5,772,852	5,566,931
Furniture and equipment:		
Repairs and maintenance	1,005	17,086
Motor expenses	6,525	4,595
Sundries	95,054	82,351
Technology costs:		
Software	45,894	16,983
Staff development	115,728	99,511
APG overspend from unrestricted funds	(47,386)	(99)
<b>TOTAL APG EXPENDITURE</b>	<u>£5,989,672</u>	<u>£5,787,358</u>
<b>OTHER DCSF GRANT RELATED EXPENDITURE</b>		
Staff implementation costs	164,877	21,000
Educational supplies	-	26,323
Other implementation costs	36,123	-
	<u>201,000</u>	<u>47,323</u>
<b>OTHER EXPENDITURE</b>		
Sponsorship	50,000	-
APG overspend from unrestricted funds	47,386	99
	<u>97,386</u>	<u>99</u>
<b>DEPRECIATION</b>	<u>371,231</u>	<u>390,801</u>
<b>TOTAL EXPENDITURE</b>	<u>£6,659,289</u>	<u>£6,225,581</u>