

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

REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 1999



SMITH, HODGE & BAXTER

Chartered Accountants

CORBY CITY TECHNOLOGY COLLEGE TRUST

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

Mr George Weston - Chairman (appointed 06.10.99)
 R F McCoy - Chairman (resigned 23.09.99)
 Prof. T Kerry (appointed 20.09.99)
 H W G de Capell Brooke
 N R Killip
 G Meyer (resigned 20.09.99)
 Lady Hesketh (resigned 20.09.99)
 K Achard (resigned 21.10.99)
 G Crawley
 S Hanson
 Mrs C O'Rourke
 P Wilczynski
 Mrs P Hogan
 G Leach
 Cllr. J McKeller
 Cllr. E Brace
 Mrs A Jack

**Department for Education and
Employment representative:**

S Quazi

Secretary:

Miss D Goodridge

Registered Office:

Coomb Road
 Great Oakley
 Corby
 Northants
 NN18 8LA

Company Registration Number:

2400784 England and Wales

Charity Registration Number:

802025

Auditors:

Smith, Hodge & Baxter
 Rowan House
 Medicott Close
 Oakley Hay
 Corby
 Northants
 NN18 9NF

Bankers:

HSBC
 12 Spencer Court
 Corby
 Northants
 NN17 1NY

Subsidiary Undertaking:

Corby CTC Trading Limited

CORBY CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS

The governors' present their report and the audited financial statements for the year ended 31st August 1999.

CONSTITUTION AND PRINCIPAL ACTIVITIES

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

The governing instrument of the Trust is the Memorandum and Articles of Association adopted on incorporation.

MEMBERSHIP AND OFFICERS

The current members and officers are:

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

Other officers and advisors are as follows:

College Principal	Mr P A Simpson
Company Secretary	Miss D Goodridge

Bankers:	HSBC 12 Spencer Court Corby Northants NN17 1NY
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Auditors:	Smith, Hodge & Baxter Rowan House Medlicott Close Oakley Hay Corby Northants NN18 9NF
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Governors are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire. At each Annual General Meeting of the company one third of the governors retire by rotation. The governors to retire are those who have been longest in office since their last election or appointment. The governors retiring by rotation are K Achard, R McCoy, S Hanson and Mrs C O'Rourke.

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

CORBY CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

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

ORGANISATION AND OBJECTIVES

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

- to raise the standard of educational achievement of all pupils;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of the College by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct our business in accordance with the highest standards of integrity, probity and openness.

DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

This year was the year in which Gareth Newman retired from his position as Principal of Brooke Weston College. It is difficult to overstate his achievements. He has been the driving force in creating a school that ranks amongst the very best in the country.

His departure poses a tough challenge for those he leaves behind but it is the students and their achievements that are the focus of our work. As usual, the results for this year's A-levels and GNVQs were eagerly awaited. Overall, although the average points score per student was marginally lower than last year the results were characterised by a significant increase in the number of higher grades, with the proportion of A grades rising from 18% to 21%.

The GCSE results were, once again, exceptional. 93% of students achieved 5 or more GCSE passes at grade A* to C, positioning the College as number four in the list of state mixed comprehensive schools. The average point score at 82, was the equivalent of each student achieving ten A* grades - in fact, the students achieved the highest average points score of *any* school in England and by this measure we were placed at number one in the league tables. An important element of the profile of 90% of our students was a GNVQ qualification in Information Technology. The equivalent of four GCSEs and delivered largely as a part of the curriculum of other subjects, this vocational qualification is a tangible expression of the College's commitment to providing 'a technological orientation across the whole curriculum'.

CORBYP CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS (continued)

The year at a glance

Beacon School status was awarded to Brooke Weston College in June 1999. The College is the only secondary school in Northamptonshire to achieve this status and the accolade indicates, once again, the high regard in which we are held.

Indeed, throughout the year, the world has seemed to beat a path to the Brooke Weston door with visitors from this country and from abroad anxious to see what lies behind the College's success. In particular, it was a pleasure to welcome Estelle Morris MP, Minister for Standards in Education, who visited the College with Phil Hope, the MP for Corby.

Of particular interest to others was the 'five term year', an idea which appears so normal to us and yet which seems revolutionary to those outside. More recently the fact that the College was back in session whilst others were still on holiday attracted the attention of the BBC local and national news.

Three years ago the College was awarded Investor in People status and has since continued to provide the highest quality training for all of the staff. This year the College applied for continued recognition and IIP status was readily confirmed.

The College continued to refine and extend its computing capability. Mr Weston's investment in the home-school technology link has borne fruit and the College has now over 500 registered remote users who regularly dial in to the College network from home. E-mail has become an essential part of the way of life for most students with the College system handling over 8,000 e-mails each week. The web site has also developed over the year and is now an important resource both for our own community and for those outside the College who wish to know more about us. These developments have set the scene for one of this year's development plan issues: the delivery of part of the post-16 curriculum by distance learning.

The Governors, who had a particularly active and challenging year, welcomed Cllr James McKellor to their ranks in February. The Governing body now contains representatives from the Kettering and Corby local authorities and from Northamptonshire County Council as well as parents, staff and local industrialists. All of these groups were involved in the appointment of the new Principal during which process Governors were supported in their deliberations by two highly respected educational consultants.

External links

The College has always supported Corby's bid for education action zone status. Indeed we were the instigators of the first attempt to gain EAZ recognition which was, unfortunately, so amended during the consultation period that it was ultimately unsuccessful. The current proposals 'Challenge for Corby' have much to commend them and I am pleased that we have been able to be supportive of the process that has resulted in the final submission.

Co-operation between the Northamptonshire group of specialist schools has continued, with regular meetings of senior managers, assessment co-ordinators and ICT leaders.

Master Classes have been a singular success. Provision has been made for gifted and talented students from both local primary schools and secondary schools in mathematics and in ICT. Students selected for the courses have maintained their attendance through out the programme and have benefited from the advanced work offered to them. The programme is set to expand this year with the addition of science to the subjects already offered.

CORBYP CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS (continued)

External links

The very first steps to developing a learning net for Corby and Kettering were taken and funding was secured for the development of a mathematics network linked to the Master Class programme. This facility will be developed jointly with those schools involved in the Master Class initiative and will not only provide a valuable resource for local schools but will also serve to provide experience in the management of such a facility.

The award of the Apple Distinguished school accreditation brought with it involvement in EU funded initiative for training teachers in ICT. The College piloted a training course during the autumn of 1998 and has continued to play a part in the development of ICT training both in Europe and the USA.

A new approach to teacher training

Once again, Brooke Weston is pioneering new approaches to teacher training. The new members of staff who joined the College in September included three who came to us as 'graduate entry trainees'. Together with three of our own staff who were also without formal teaching qualifications they pursued a training programme which blended academic study with practical experience. This programme, which is approved by the DfEE and the Teacher Training Agency, provides an alternative route into the profession for those well-qualified graduates to whom the traditional post-graduate university course is unattractive. It continues the College's commitment to initial teacher training and builds upon the expertise developed over the years. The outcome is the award of 'Qualified Teacher Status' for successful candidates. I am pleased to report that this entire group has now qualified and that this alternative route into the profession has been well received.

OPERATING AND FINANCIAL REVIEW

Most of the College's income is obtained from DfEE in the form of recurrent grants the use of which is restricted to particular purposes. The grants received during 1998/99 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

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

Expenditure and depreciation for the year exceeded grants from the DfEE and other income by £116,332 and this deficit has been funded out of available reserves.

At 31st August 1999 the net book value of fixed assets was £9,958,398 and movements in tangible fixed assets are shown in Note 12 to the financial statements. The assets are used exclusively for providing education and associated support services to the pupils of the College.

The College also held fund balances at the 31st August 1999 of £10,131,249 comprising £9,958,398 of restricted funds and £172,851 of unrestricted funds. The fund balances are adequate to fulfil the obligations of the College and provide a balance against most unforeseen future events. To achieve the development plan objectives and for other major capital projects the College remains dependent on the provision of additional fixed asset grants from both the DfEE and commercial sponsors.

CORBY CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

SUBSIDIARY COMPANY

The College owns 100% of the issued ordinary shares of Corby CTC Trading Limited a company incorporated in England. In the year to 31st August 1998 the subsidiary achieved a loss after tax of £1,138. Further details about the company are given in note 13 to the accounts.

GOVERNORS

The present governors of the College are set out on page 2. All the governors served throughout the year with the exception of Prof. T Kerry and Mr George Weston who were appointed to replace R McCoy, G Meyer, K Achard and Lady Hesketh who all resigned after the year end.

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

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

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

STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROLS

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

The College's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed;
- regular reviews of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing guidelines.

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

CORBY CITY TECHNOLOGY COLLEGE TRUST

REPORT OF THE GOVERNORS (continued)

LEGAL STATUS

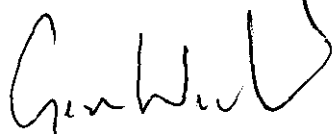
The College is a company limited by guarantee and a registered charity. The company does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

AUDITORS

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

APPROVAL

The report of the governors was approved on 14th December 1999 and signed on its behalf by:



George Weston
Chairman

CORBY CITY TECHNOLOGY COLLEGE TRUST

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

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

BASIS OF OPINION

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

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

OPINION

In our opinion:

- (a) the financial statements give a true and fair view of the state of affairs of the College at 31st August 1999, and of its incoming resources and application of resources including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985;
- (b) the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Employment in respect of the relevant financial year;
- (c) proper accounting records have been kept by the College throughout the financial year;
- (d) grants made by the Department for Education and Employment have been applied for the purposes intended;
- (e) we are satisfied that the College's systems of internal controls are such as to comply with the obligations placed on the governing body by the Secretary of State for Education and Employment and we have not identified any material weaknesses.

Smith, Hodge & Baxter

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

SMITH, HODGE & BAXTER
Chartered Accountants and
Registered Auditors

14th December 1999

CORBY CITY TECHNOLOGY COLLEGE TRUST**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 1999**

	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted General Funds</u>	<u>Restricted Fixed Asset Funds</u>	<u>Total 1999</u>	<u>Total 1998</u>
INCOMING RESOURCES						
Grants receivable		-	3,488,800	14,504	3,503,304	3,420,729
Donations and gifts	4	512,000	-	-	512,000	50,000
Investment income	5	5,636	-	-	5,636	3,873
Other income	5	19,282	-	-	19,282	37,699
TOTAL INCOMING RESOURCES		536,918	3,488,800	14,504	4,040,222	3,512,301
RESOURCES EXPENDED						
Direct charitable expenditure:						
Provision of education		-	3,081,966	422,635	3,504,601	3,115,149
Support costs		-	308,601	-	308,601	245,502
Other expenditure:						
Management and administration		-	336,340	-	336,340	268,532
Fundraising		7,012	-	-	7,012	6,351
TOTAL RESOURCES EXPENDED	6	7,012	3,726,907	422,635	4,156,554	3,635,534
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS						
		529,906	(238,107)	(408,131)	(116,332)	(123,233)
Transfers between funds		(370,527)	238,107	132,420	-	-
NET MOVEMENT IN FUNDS		159,379	-	(275,711)	(116,332)	(123,233)
Fund balances brought forward at 1st September 1998		13,472	-	10,234,109	10,247,581	10,370,814
FUND BALANCES CARRIED FORWARD AT 31ST AUGUST 1999		172,851	-	9,958,398	10,131,249	10,247,581

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

CORBY CITY TECHNOLOGY COLLEGE TRUST**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 1999**

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
INCOME			
Annual per capita grant	2	3,488,800	3,348,034
DfEE Capital Grants		14,504	43,595
Other government grants	3	-	29,100
Private sector sponsorship	4	512,000	50,000
Other income	5	24,918	41,572
TOTAL INCOME		<u>4,040,222</u>	<u>3,512,301</u>
EXPENDITURE 6,7,8 & 9			
Annual per capita grant related expenditure		3,726,907	3,178,636
Depreciation/loss on sale of asset		422,635	450,547
Other expenditure		7,012	6,351
TOTAL EXPENDITURE		<u>4,156,554</u>	<u>3,635,534</u>
EXCESS OF EXPENDITURE OVER INCOME		<u>(£ 116,332)</u>	<u>(£ 123,233)</u>
NET TRANSFER TO/FROM FUNDS			
Restricted funds		(275,711)	(65,136)
Unrestricted funds		159,379	(58,097)
	17	<u>(£ 116,332)</u>	<u>(£ 123,233)</u>

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

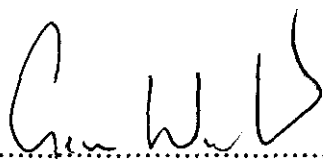
All items dealt with in arriving at the excess of expenditure over income for 1999 and 1998 relate to continuing operations.

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

CORBY CITY TECHNOLOGY COLLEGE TRUST**BALANCE SHEET AT 31ST AUGUST 1999**

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
FIXED ASSETS			
Tangible assets	12	9,958,398	10,234,109
Investments	13	100	100
		<u>9,958,498</u>	<u>10,234,209</u>
CURRENT ASSETS			
Stocks	14	10,000	-
Debtors	15	274,459	432,700
Cash at bank and in hand		275,054	24,328
		<u>559,513</u>	<u>457,028</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	16	(386,762)	(443,656)
NET CURRENT ASSETS			
		<u>172,751</u>	<u>13,372</u>
NET ASSETS			
		<u>£10,131,249</u>	<u>£10,247,581</u>
FUNDS			
Restricted fixed asset fund	17	9,958,398	10,234,109
Restricted general fund		-	-
Premises fund		-	-
Unrestricted funds	17	172,851	13,472
		<u>£10,131,249</u>	<u>£10,247,581</u>

The financial statements were approved by the Board on 14th December 1999 and signed on its behalf by:



.....
Chairman - G Weston

CORBY CITY TECHNOLOGY COLLEGE TRUST**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 1999**

	<u>1999</u>	<u>1998</u>
Reconciliation of operating profit net cashflows from operating activities		
<u>RECEIPTS</u>		
Recurrent grants received from DfEE:		
Annual per capita grant	3,488,800	3,348,034
Other grant	-	29,100
Other receipts from DfEE	-	-
Other receipts from central or local government	-	-
Private sector sponsorship	512,000	50,000
Other receipts	19,282	37,699
	<hr/> 4,020,082	<hr/> 3,464,833
<u>PAYMENTS</u>		
Staff costs	(2,463,293)	(2,241,730)
Other cash payments	(1,176,151)	(921,545)
Net cash flow from operating activities	<hr/> 380,638	<hr/> 301,558
Returns on investments and servicing of finance		
Interest received	5,636	3,873
Interest paid	(3,128)	(1,190)
Net cash inflow from returns on investments and servicing of finance	<hr/> 2,508	<hr/> 2,683
Taxation	-	-
Capital expenditure		
Purchase of tangible fixed assets	(146,924)	(440,810)
Receipts from sale of tangible fixed assets	-	-
	<hr/> (146,924)	<hr/> (440,810)
Management of liquid resources and financing		
Purchase of treasury bills	-	-
Sale of treasury bills	-	-
Capital grants from DfEE	14,504	43,595
Other fixed asset grants from central and local government	-	-
Fixed asset grants from sponsors	-	-
	<hr/> 14,504	<hr/> 43,595
Net increase/(decrease) in cash	<hr/> <hr/> £ 250,726	<hr/> <hr/> (£ 92,974)

CORBY CITY TECHNOLOGY COLLEGE TRUST**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 1999**

	<u>1999</u>	<u>1998</u>
Reconciliation of net cash flow to movement in net funds (re note1)		
Increase/(decrease) in cash in the period	250,726	(92,974)
Cash repurchasing debenture	-	-
Cash used to increase liquid resources	-	-
	<hr/>	<hr/>
Changes in net debt	250,726	(92,974)
Net funds at 1st September 1998	24,328	117,302
	<hr/>	<hr/>
Net funds at 31st August 1999	275,054	24,328
	<hr/>	<hr/>

1. NOTE TO CASH FLOW STATEMENT

Analysis of changes in net funds	1st Sept 1998	Cash flows	31st Aug 1999
Cash in hand and at bank	24,328	250,726	275,054
Overdraft	-	-	-
Debt due within one year	-	-	-
Debt due after one year	-	-	-
Current asset investments	-	-	-
TOTAL	24,328	250,726	275,054

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999****1. ACCOUNTING POLICIES****Format of accounts**

The standard format for the accounts as required by the Companies Act 1985 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice (SORP) 'Accounting by Charities' and reflects the activities of the company. The format and accounting policies have been revised this year to comply with new guidance issued by the DfEE and the comparisons have been restated accordingly. There was no effect on the overall level of funds brought forward, however they have been recategorised between restricted fixed asset fund and unrestricted funds.

Basis of accounting

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

Recognition of incoming resources

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

Allocation of cost between direct provision of education and other expenditure

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

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet) and are released over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation

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

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

Leased assets

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

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

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999****1. ACCOUNTING POLICIES (continued)****Investments**

Fixed asset investments are carried at cost or market value.

Stocks

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

Taxation

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

Pensions

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

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

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

2. ANNUAL PER CAPITA GRANT

	<u>1999</u>	<u>1998</u>
Annual per capita grant for year	3,488,800	3,348,034
Carry over from previous year	-	-
Total APG available to spend	<u>3,488,800</u>	<u>3,348,034</u>
Net APG revenue expenditure	(3,726,907)	(3,178,636)
Fixed assets purchased from APG	-	(228,663)
Overspent APG	<u>(£ 238,107)</u>	<u>(£ 59,265)</u>

3. OTHER GOVERNMENT GRANTS

	<u>1999</u>	<u>1998</u>
Teacher training grant	£ -	£ 29,100

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999****4. PRIVATE SECTOR SPONSORSHIP**

	<u>1999</u>	<u>1998</u>
R S Components	(25,000)	25,000
Corby CTC Trading Limited	37,000	25,000
G Weston	500,000	-
	<u>£ 512,000</u>	<u>£ 50,000</u>

5. OTHER INCOME

	<u>1999</u>	<u>1998</u>
Interest receivable	5,636	3,873
Other	19,282	37,699
	<u>£ 24,918</u>	<u>£ 41,572</u>

6. TOTAL RESOURCES EXPENDED

	<u>Staff costs</u>	<u>Depreciation</u>	<u>Other costs</u>	<u>Total 1999</u>	<u>Total 1998</u>
Direct provision of education	1,830,223	413,042	1,261,336	3,504,601	3,115,149
Support costs	308,601	-	-	308,601	245,502
Management and administration	324,469	-	11,871	336,340	268,532
Fundraising	-	-	7,012	7,012	6,351
	<u>£2,463,293</u>	<u>£ 413,042</u>	<u>£1,280,219</u>	<u>£4,156,554</u>	<u>£3,635,534</u>

7. GENERAL EXPENDITURE

	<u>1999</u>	<u>1998</u>
Included in expenditure in the income and expenditure accounts and in other costs above are:		
Educational supplies and services	618,199	433,485
Occupancy costs	124,229	103,500
Maintenance costs	129,324	112,406
Supplies and services	246,685	212,436
Auditors' remuneration	5,850	5,491
Governors' expenses	-	-
Miscellaneous	155,932	75,939
	<u>£1,280,219</u>	<u>£ 943,257</u>

Included in the above are operating lease rentals of £13,039 for hire of equipment.

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999****8. INTEREST PAYABLE**

	<u>1999</u>	<u>1998</u>
Interest on overdrafts repayable wholly within five years	£ 3,128	£ 1,190

9. STAFF COSTS

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

	<u>1999</u>	<u>1998</u>
Educational support	20	18
Administration	29	20
Teachers	66	68
Total employees	<u>115</u>	<u>106</u>
Staff costs for the above persons		
Wages and salaries	2,145,231	1,948,808
Social security costs	176,581	161,543
Other pension costs	128,546	114,526
Total staff costs	<u>£2,450,358</u>	<u>£2,224,877</u>

10. EMOLUMENTS OF GOVERNORS

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

11. GOVERNORS AND OFFICERS INSURANCE

In accordance with normal commercial practice the College has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on College business. The insurance provides cover up to £500,000 on any one claim and the cost for 1998/99 was £1,050.

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999****12. TANGIBLE FIXED ASSETS**

	<u>Lease</u>	<u>Long leasehold buildings</u>	<u>Office and computer equipment</u>	<u>Fixtures furniture and fittings</u>	<u>Motor vehicles</u>	<u>Total</u>
Cost						
At 1st September 1998	1,100,000	9,348,511	1,322,029	1,006,555	108,108	12,885,203
Capital expenditure	-	-	103,232	35,669	8,023	146,924
Disposals	-	-	-	-	(32,500)	(32,500)
At 31st August 1999	£1,100,000	£9,348,511	£1,425,261	£1,042,224	£83,631	£12,999,627
Depreciation						
At 1st September 1998	70,400	1,139,284	947,109	439,319	54,982	2,651,094
Charged in year	8,800	164,185	159,384	60,291	20,382	413,042
Disposals	-	-	-	-	(22,907)	(22,907)
At 31st August 1999	£79,200	£1,303,469	£1,106,493	£499,610	£52,457	£3,041,229
Net book value						
At 31st August 1998	£1,029,600	£8,209,227	£374,920	£567,236	£53,126	£10,234,109
At 31st August 1999	£1,020,800	£8,045,042	£318,768	£542,614	£31,174	£9,958,398

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

	<u>1999</u>	<u>1998</u>
Capital grants	9,066,200	9,051,696
Transitional grants	57,637	57,637
Recurrent grants	869,163	869,163
Private sector and other	3,006,627	2,906,707
	£12,999,627	£12,885,203

13. INVESTMENTS

	<u>1999</u>	<u>1998</u>
Investment in subsidiary company at cost	£100	£100

The College owns 100% of the issued £1 ordinary shares of Corby CTC Trading Limited, a company incorporated in England. The principal business activity of Corby CTC Trading Limited is the rental of property and facilities. In the year to 31st August 1998 the subsidiary achieved a loss after tax of £1,138 and at the year end had a sustained loss of £3,279. The accounts for the year ended 31st August 1999 will be prepared in the year 2000. The investment is shown in the balance sheet and consolidated accounts are not prepared as, in the opinion of the governors, the results of the subsidiary are not material, and advantage is taken of the medium sized group exemptions.

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999****14. STOCKS**

	<u>1999</u>	<u>1998</u>
Stationery and other supplies	£ 10,000	£ -
	<u> </u>	<u> </u>

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

15. DEBTORS

	<u>1999</u>	<u>1998</u>
Trade debtors	97,240	42,267
Prepayments	109,610	138,829
Other debtors	18,609	224,604
Amount due from subsidiary undertaking	49,000	27,000
	<u>£ 274,459</u>	<u>£ 432,700</u>
	<u> </u>	<u> </u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1999</u>	<u>1998</u>
Trade creditors	190,786	329,082
Taxation and social security	56,219	48,296
Accruals and other creditors	139,757	63,277
Amount due to subsidiary undertaking	-	3,001
	<u>£ 386,762</u>	<u>£ 443,656</u>
	<u> </u>	<u> </u>

17. FUNDS

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

	<u>Balance at 31st August 1998</u>	<u>Movements</u>	<u>Balance at 31st August 1999</u>
Other funds - unrestricted	13,472	159,379	172,851
Restricted fixed asset funds	10,234,109	(275,711)	9,958,398
	<u>£10,247,581</u>	<u>(£ 116,332)</u>	<u>£10,131,249</u>
	<u> </u>	<u> </u>	<u> </u>

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

CORBY CITY TECHNOLOGY COLLEGE TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999****18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31st August 1999 are represented by:

	Unrestricted funds	Restricted public	Capital private	Total
Tangible fixed assets	-	7,736,809	2,221,589	9,958,398
Investments	100	-	-	100
Current assets	559,513	-	-	559,513
Current liabilities	(386,762)	-	-	(386,762)
Totals	£ 172,851	£7,736,809	£2,221,589	£10,131,249

19. CAPITAL COMMITMENTS

	<u>1999</u>	<u>1998</u>
Contracted for, but not provided in the accounts	-	24,360

20. LEASE COMMITMENTS

	<u>1999</u>	<u>1998</u>
Operating leases		
The payments which the company is committed to make in the next year in respect of operating leases:		
Within one year	-	-
One to five years	19,649	5,496

21. CONTINGENT LIABILITIES

In the event, during the period of the Funding Agreement, of the sale or disposal by other means, of any asset for which a capital grant was received, the company shall if it does not re-invest the proceeds, repay to the Secretary of State for Education and Employment the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the company serving notice, the company shall repay to the Secretary of State sums determined by reference to:

- (a) The value at that time of the College's site and premises and other assets held for the purpose of the company; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

CORBY CITY TECHNOLOGY COLLEGE TRUST**DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 1999**

	<u>1999</u>	<u>1998</u>
INCOME		
ANNUAL PER CAPITA GRANT	3,488,800	3,348,034
	<hr/>	<hr/>
DfEE CAPITAL GRANTS	14,504	43,595
	<hr/>	<hr/>
OTHER GOVERNMENT GRANTS		
Small piece teacher training grant	-	29,100
	<hr/>	<hr/>
PRIVATE SECTOR SPONSORSHIP		
R S Components	(25,000)	25,000
Corby CTC Trading Limited	37,000	25,000
Mr Weston	500,000	-
	<hr/>	<hr/>
	512,000	50,000
	<hr/>	<hr/>
OTHER INCOME		
Interest receivable	5,636	3,873
Sundry income	19,282	37,699
	<hr/>	<hr/>
	24,918	41,572
	<hr/>	<hr/>
TOTAL INCOME	£4,040,222	£3,512,301
	<hr/> <hr/>	<hr/> <hr/>

CORBY CITY TECHNOLOGY COLLEGE TRUST**DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 1999**

	<u>1999</u>	<u>1998</u>
EXPENDITURE		
ANNUAL PER CAPITA GRANT EXPENDITURE		
Staff costs:		
Teaching	1,817,288	1,716,334
Educational support	308,601	245,502
Other: Staff	324,469	263,041
Subcontract	1,095	11,232
Medical insurance	11,840	5,621
	<hr/>	<hr/>
Total APG staff costs	2,463,293	2,241,730
Maintenance of premises:		
Building maintenance	123,245	110,309
Grounds maintenance	6,079	2,097
	<hr/>	<hr/>
	129,324	112,406
Other occupancy costs:		
Cleaning	7,042	7,137
Water	6,262	5,376
Fuel	73,188	52,599
Rates	24,939	23,431
Insurance	12,798	14,957
	<hr/>	<hr/>
	124,229	103,500
Educational supplies and services:		
Trips	14,192	-
Books	45,584	10,757
Educational equipment	217,554	175,938
Stationery and materials	50,262	11,154
Transport	163,505	146,809
Examination fees	84,263	77,976
Fees for external advice	23,220	10,851
Other	19,619	-
	<hr/>	<hr/>
	618,199	433,485
Other supplies and services:		
Catering	164,771	167,541
Telephone	18,604	16,683
Legal and professional fees	6,021	-
Auditors' remuneration	5,850	5,491
Postage	10,954	6,506
Bank interest and charges	3,128	1,190
Subscriptions	6,808	701
Pupil recruitment	1,069	1,136
Insurance	13,763	8,107
Pupil support	14,352	10,572
Non educational trips	7,215	-
	<hr/>	<hr/>
	252,535	217,927
	<hr/>	<hr/>
BALANCE CARRIED FORWARD TO NEXT PAGE	3,587,580	3,109,048

CORBYP CITY TECHNOLOGY COLLEGE TRUST**DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 1999**

	<u>1999</u>	<u>1998</u>
EXPENDITURE		
ANNUAL PER CAPITA GRANT EXPENDITURE		
BALANCE BROUGHT FORWARD	3,587,580	3,109,048
Furniture and equipment:		
Repairs and maintenance	24,271	-
Motor expenses	16,483	5,034
Sundries	20,223	12,899
Technology costs:		
Software	11,161	-
Staff development	67,189	51,655
TOTAL APG EXPENDITURE	<u>£3,726,907</u>	<u>£3,178,636</u>
OTHER EXPENDITURE		
Fund raising	7,012	6,351
DEPRECIATION	413,042	450,547
LOSS ON SALE OF ASSET	9,593	-
TOTAL EXPENDITURE	<u>£4,156,554</u>	<u>£3,635,534</u>