

Company Number: 2303464

Charity Number: 328080

**DIXONS CITY TECHNOLOGY COLLEGE
CHARITABLE TRUST
(A company limited by Guarantee)**

**FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 1998**



DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

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**DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 AUGUST 1998**

Governors	Dr Edward Simpson CB FRSA (Chairman) Sir Stanley Kalms Mohammed Ali Richard Andrews Anthony Bishop Derek Bonnard (appointed 23.4.98) Geoffrey Budd John Davies (appointed 23.4.98) Peter Flesher John Hanson Pat Inglis Guy Kitchen Marion le Pla David Longbottom Dr Janice McCurrie Gita North Tim Ratcliffe John Ridings (resigned 23.4.98) Professor Imad Torsun Jo Williams
Secretary	Geoffrey Budd
Registered Office	Maylands Avenue Hemel Hempstead Hertfordshire HP2 7TG
Company Registration Number	2303464
Charity Registration Number	328080
Bankers	The Co-operative Bank Plc 6 Tyrrel Street BRADFORD BD1 1RJ
Solicitors	Read Hind Stewart Trafalgar House 29 Park Place LEEDS LS1 2SP
Auditors	Pannell Kerr Forster Chartered Accountants 6 Queen Street LEEDS LS1 2TW

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

REPORT OF THE GOVERNORS

YEAR ENDED 31 AUGUST 1998

The Governors submit their annual report and the audited financial statements of the College for the year ended 31 August 1998.

RESULTS FOR THE YEAR

The excess of income over expenditure for the year was £133,099; £5,000 has been transferred to the Premises Fund to facilitate the continued development of the College. The resulting surplus of £128,099 has been added to the General Purpose Fund.

PRINCIPAL ACTIVITY AND OBJECTIVE

The principal activity and objective of the College is the advancement of public education.

REVIEW OF RESULTS AND FUTURE DEVELOPMENTS

The student roll is now 1,050; there will be a further increase to 1,060 from September 1999.

A major capital project, the Minerva Centre, commenced this year. This is an advanced development using state-of-the art telematics equipment which has been built above the Library. The intention is for this Centre to be of benefit not only to students, but also to the local community, both as a learning centre and a commercial enterprise.

There are no plans for further major capital investments in the short term.

The Governors are again pleased with all aspects of the performance and demeanour of students and staff. Record public examination results at GCSE and good A-level standards were achieved. They remain satisfied with the funding position as at 31 August 1998 and consider the College to be soundly based for the new financial year.

The College has again benefited from both financial and non-financial support from Dixons Group plc and its employees.

FIXED ASSETS

Details of changes in fixed assets are given in note 10 to the financial statements.

GOVERNORS

The Governors who held office during the year are set out on page 1.

The Governors delegate certain of their functions to a Finance Committee. At the year end its members were:

Gita North (Chairman)
Sir Stanley Kalms
Geoffrey Budd
John Davies
Peter Flesher
Guy Kitchen
David Longbottom
Tim Ratcliffe
Dr Edward Simpson CB FRSA
Jo Williams

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 AUGUST 1998

STATUS

The College is a company limited by guarantee and is a registered charity. As a result of charitable status it is exempt from UK corporation taxation.

YEAR 2000 COMPLIANCE

The College has assessed the potential impact of the year 2000 date change on its operations including its own systems and on its suppliers. The Governors do not believe that there are any associated material risks or uncertainties, and will continue to keep the situation under review.

AUDITORS

The auditors Pannell Kerr Forster, Chartered Accountants, have signified their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board of Governors


G D Buzza
Secretary

Date: 10 December 1998

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

STATEMENT OF GOVERNORS' RESPONSIBILITIES

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- ensure grants received from the Department for Education and Employment have been applied for the purpose intended;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 College will continue in business.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Companies Act 1985. They also have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the College and to prevent and detect fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 AUGUST 1998

We have audited the financial statements on pages 6 to 19 which have been prepared under the accounting policies set out on pages 10 and 11.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As described on page 4 the College's Governors are responsible for the preparation of 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. 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 College'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.

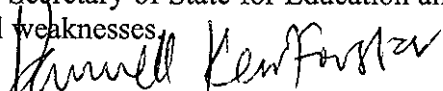
OPINION

In our opinion:

- a) the financial statements give a true and fair view of the state of affairs of the College at 31 August 1998, and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985;
- b) the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Employment in respect of the relevant financial year;
- c) proper accounting records have been kept by the College throughout the relevant 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.

Leeds

18 December 1998


PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 1998

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds (private) £	Endowment funds (public) £	Total 1998 £	Total 1997 £
Incoming resources							
Grants receivable		-	3,225,307	-	35,311	3,260,618	3,195,152
Capital sponsorship	3	-	-	72,325	-	72,325	98,788
Less: transferred to capital fund	13	-	-	(72,325)	(35,311)	(107,636)	(117,647)
Investment income	4	21,452	32,627	-	-	54,079	39,734
Other income	4	96,763	-	-	-	96,763	114,833
Amortisation transfer	13	-	-	98,004	392,016	490,020	470,668
Total incoming resources		<u>118,215</u>	<u>3,257,934</u>	<u>98,004</u>	<u>392,016</u>	<u>3,866,169</u>	<u>3,801,528</u>
Resources expended							
Direct charitable expenditure:							
Provision of education		32,408	2,556,985	-	-	2,589,393	2,507,158
Support costs		-	295,861	-	-	295,861	349,532
Other expenditure:							
Educational, management and administration		-	541,552	-	-	541,552	528,155
Premises		-	306,264	-	-	306,264	294,181
Total resources expended	5	<u>32,408</u>	<u>3,700,662</u>	<u>-</u>	<u>-</u>	<u>3,733,070</u>	<u>3,679,026</u>
Net incoming/(outgoing) resources before transfers		85,807	(442,728)	98,004	392,016	133,099	122,502
Amortisation transfer	13	-	490,020	(98,004)	(392,016)	-	-
Net movement in funds		85,807	47,292	-	-	133,099	122,502
Fund balances brought forward at 1 September 1997		<u>291,829</u>	<u>41,605</u>	<u>-</u>	<u>-</u>	<u>333,434</u>	<u>210,932</u>
Fund balances carried forward at 31 August 1998	14/ 15	<u>377,636</u>	<u>88,897</u>	<u>-</u>	<u>-</u>	<u>466,533</u>	<u>333,434</u>

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 7 and the overall financial position at the year end is summarised in the balance sheet on page 8.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 AUGUST 1998

	Notes	1998 £	1997 £
INCOME			
Annual per capita grant	2	3,225,307	3,176,293
Other income	4	150,842	154,567
Amortisation of capital grant	13	490,020	470,668
		<u>3,866,169</u>	<u>3,801,528</u>
EXPENDITURE			
Annual per capita grant related expenditure	2	3,178,641	3,141,103
Private sector income related expenditure		32,408	29,005
Depreciation		522,021	508,918
		<u>3,733,070</u>	<u>3,679,026</u>
EXCESS OF INCOME OVER EXPENDITURE - BEFORE TRANSFERS	18	<u>133,099</u>	<u>122,502</u>
TRANSFERS TO:			
GENERAL PURPOSE FUND: Restricted	14	47,292	30,603
Unrestricted	15	80,807	76,899
		<u>128,099</u>	<u>107,502</u>
PREMISES FUND	15	5,000	15,000
		<u>133,099</u>	<u>122,502</u>

The Income and Expenditure account is derived from the Statement of Financial Activities on page 6 which, together with the notes to the accounts on pages 10 to 19 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 income over expenditure for 1998 and 1997 relate to continuing operations.

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

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST


BALANCE SHEET

31 AUGUST 1998

	Notes	1998	1997
		£	£
TANGIBLE FIXED ASSETS	10	8,105,417	8,353,296
CURRENT ASSETS			
Debtors	11	11,545	6,569
Prepayments and accrued income		83,485	41,843
Cash at bank and in hand		697,760	670,949
		<u>792,790</u>	<u>719,361</u>
LESS: CURRENT LIABILITIES			
Amounts falling due within one year			
Trade creditors		127,794	60,073
Other creditors	12	108,016	91,500
Accruals and deferred income		177,293	186,695
		<u>413,103</u>	<u>338,268</u>
NET CURRENT ASSETS		<u>379,687</u>	<u>381,093</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,485,104	8,734,389
DEFERRED INCOME	13	<u>(8,018,571)</u>	<u>(8,400,955)</u>
NET ASSETS		<u>466,533</u>	<u>333,434</u>
FINANCED BY:			
FUNDS			
Restricted funds	14	88,897	41,605
Unrestricted fund	15	307,636	226,829
Premises fund	15	<u>70,000</u>	<u>65,000</u>
	18	<u>466,533</u>	<u>333,434</u>

Approved on behalf of the Board of Governors on 10 December 1998 by
10 December 1998

T Ratcliffe


Governor

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 1998

	Notes	1998	1997
		£	£
OPERATING ACTIVITIES			
RECEIPTS			
Recurrent grants received from DfEE:			
Annual per capita grant		3,225,307	3,148,493
Other receipts from DfEE		31,710	45,534
Other receipts		59,233	64,351
PAYMENTS			
Staff costs		(2,406,454)	(2,460,683)
Other operating expenses		<u>(770,613)</u>	<u>(685,884)</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	17	139,183	111,811
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest received		53,879	35,134
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(276,914)	(188,368)
Receipts from sales of tangible fixed assets		<u>3,027</u>	<u>17,112</u>
		(273,887)	(171,256)
FINANCING			
Capital grants from DfEE		35,311	18,859
Support from sponsors		<u>72,325</u>	<u>98,788</u>
		107,636	117,647
NET INCREASE IN CASH AT BANK AND IN HAND		26,811	93,336
CASH AT BANK AND IN HAND BROUGHT FORWARD AT THE BEGINNING OF THE YEAR		<u>670,949</u>	<u>577,613</u>
CASH AT BANK AND IN HAND AT THE END OF THE YEAR		<u>697,760</u>	<u>670,949</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

1 ACCOUNTING POLICIES

(a) **Accounting convention**

The accounts are prepared in accordance with the historical cost convention and also in accordance with DfEE accounting requirements. DfEE accounting requirements vary in format from those of the Companies Act 1985 and have been applied where special circumstances exist. The format has also been adapted to provide information which complies with the Statement of Recommended Practice (SORP) Accounting by Charities.

The company is exempt from the requirement to prepare group accounts on the basis that it is a medium sized group. The financial statements relate to this company only.

(b) **Income and Expenditure**

Income is the total amount of income receivable by the College for the year. Expenditure is charged to the Income and Expenditure account on an accruals basis.

(c) **Grants**

Revenue grants received are released to revenue during the year in which the expenditure to which they relate is incurred. Capital grants are credited to a separate fund.

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 the 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. These include:

Cost category	Basis of apportionment
Maintenance of Premises	Capacity of accommodation utilised
Depreciation	Capacity of accommodation utilised

(d) **Tangible fixed assets**

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives as follows:

Freehold land	Nil
Freehold buildings	1.67% - 10% straight line
Plant and machinery	10% straight line
Furniture and equipment	10%-25% - straight line
Computer equipment and software	25% straight line
Motor vehicles	25% reducing balance

Software purchased independently of computers is written off in the year of purchase.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

1 ACCOUNTING POLICIES (continued)

(e) Taxation

Under S360 Taxes Act 1970 the College is not liable to corporation taxation. The cost of Value Added Tax incurred by the College has been included in the Income and Expenditure Account.

(f) Capital expenditure

Funds received towards capital expenditure by way of grants from the Government and by private donations are added to the Capital Funding Account, shown as endowment funds. A transfer is made to the income and expenditure account in respect of amortisation over the estimated useful lives of the fixed assets purchased.

(g) Pension costs

Retirement benefits to teachers employed by the College are provided by the Teachers Pension Scheme (TPS). The TPS is a national, statutory, contributory, unfunded final salary scheme administered by the Teachers Pension Agency, an independent agency of the Department for Education and Employment. Pension costs are assessed in accordance with the advice of the Government Actuary.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

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

(h) Operating leases

Payments made in respect of assets hired under operating leases are written off to the income and expenditure account as incurred.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

	1998	1997
	£	£
2 ANNUAL PER CAPITA GRANT (APG)		
APG income	3,225,307	3,176,293
Carry over brought forward from previous year	<u>41,605</u>	<u>11,002</u>
	3,266,912	3,187,295
Net APG expenditure	(3,178,641)	(3,141,103)
Transfer from Premises Fund to APG	-	5,000
Transfer from (to) Capital Fund to (from) APG	<u>626</u>	<u>(9,587)</u>
Current year carry over	<u>88,897</u>	<u>41,605</u>
Maximum permitted carry over (12% of APG)	<u>387,037</u>	<u>381,155</u>
Excess APG to surrender	<u>-</u>	<u>-</u>
3 PRIVATE SECTOR INCOME		
Capital sponsorship (note 13)	<u>72,325</u>	<u>98,788</u>
4 OTHER INCOME		
Interest receivable (public)	32,627	23,015
Interest receivable (private)	21,452	16,719
Sundry income	<u>96,763</u>	<u>114,833</u>
	<u>150,842</u>	<u>154,567</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

5 TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total 1998 £	Total 1997 £
Direct provision of education	1,839,601	467,264	282,528	2,589,393	2,507,158
Support costs	249,022	34,830	12,009	295,861	349,532
Educational, management and administration	355,198	19,927	166,427	541,552	528,155
Premises	86,845	-	219,419	306,264	294,181
	<u>2,530,666</u>	<u>522,021</u>	<u>680,383</u>	<u>3,733,070</u>	<u>3,679,026</u>

6 EXCESS OF INCOME OVER EXPENDITURE

Excess of income over expenditure is after charging
the following:

	1998 £	1997 £
Depreciation	522,021	508,918
Educational supplies and services	184,286	208,843
Occupancy costs	157,483	160,278
Maintenance costs	61,936	48,889
Supplies and services	136,170	139,340
Operating lease rentals	21,757	25,468
Auditors' remuneration	8,500	9,467
Miscellaneous	<u>110,251</u>	<u>167,091</u>

7 STAFF COSTS

Wages and salaries	2,201,910	2,072,207
Social security costs	167,134	170,008
Other pension costs	138,535	141,132
Health and accident insurance	<u>23,087</u>	<u>27,385</u>
	<u>2,530,666</u>	<u>2,410,731</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

7 STAFF COSTS (continued)

The average number employed during the year was:	1998 Number	1997 Number
Teaching including technicians	95	95
Management	4	4
Administration	11	11
Premises	3	3
Hourly paid	<u>19</u>	<u>21</u>
	<u>132</u>	<u>134</u>

Employees earning over £40,000 were in the following ranges:

£40,001 - £50,000	2	2
£60,001 - £70,000	<u>1</u>	<u>1</u>

8 EMOLUMENTS OF GOVERNORS

The Governors received no emoluments or reimbursed expenses from the College in their capacity as Governors.

9 GOVERNORS AND OFFICERS INSURANCE

In accordance with normal commercial practice the College has obtained 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 £2m on any one claim at a premium, the annual equivalent of which is £1,430.

The College also insures against any losses of money or goods resulting from fraud or dishonesty by College employees. The insurance provides cover up to £250,000 and the cost for the year ended 31 August 1998 was £359.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

10 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and machinery £	Furniture and equipment £	Computer equipment and software £	Motor vehicles £	Total £
Cost:						
At 1 September 1997	8,363,507	628,250	1,689,512	612,855	22,605	11,316,729
Additions	157,052	18,942	21,199	79,721	-	276,914
Disposals	(607)	-	(2,530)	(15,558)	-	(18,695)
At 31 August 1998	<u>8,519,952</u>	<u>647,192</u>	<u>1,708,181</u>	<u>677,018</u>	<u>22,605</u>	<u>11,574,948</u>
Accumulated depreciation:						
At 1 September 1997	1,160,600	441,078	965,661	388,861	7,233	2,963,433
Charge for year	175,676	63,709	167,143	110,351	5,142	522,021
Disposals	-	-	(1,880)	(14,043)	-	(15,923)
At 31 August 1998	<u>1,336,276</u>	<u>504,787</u>	<u>1,130,294</u>	<u>485,169</u>	<u>12,375</u>	<u>3,469,531</u>
Net book value:						
At 31 August 1998	<u>7,183,676</u>	<u>142,405</u>	<u>577,257</u>	<u>191,849</u>	<u>10,230</u>	<u>8,105,417</u>
At 31 August 1997	<u>7,202,907</u>	<u>187,172</u>	<u>723,851</u>	<u>223,994</u>	<u>15,372</u>	<u>8,353,296</u>
Source of funding for assets acquired since date of incorporation.						
Capital grants	6,244,760	517,111	1,013,289	216,797	-	7,991,957
Private sector	2,275,192	130,081	671,947	286,173	22,605	3,385,998
Other DfEE grants	-	-	22,945	174,048	-	196,993
	<u>8,519,952</u>	<u>647,192</u>	<u>1,708,181</u>	<u>677,018</u>	<u>22,605</u>	<u>11,574,948</u>

The net book value at 31 August 1998 represents fixed assets used for:

Direct charitable purposes:

Educational provision	6,550,708	142,405	524,869	168,978	-	7,386,960
Support services	351,432	-	36,974	14,852	-	403,258

Other purposes:

Management and administration	281,536	-	15,414	8,019	10,230	315,199
	<u>7,183,676</u>	<u>142,405</u>	<u>577,257</u>	<u>191,849</u>	<u>10,230</u>	<u>8,105,417</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

10 TANGIBLE FIXED ASSETS (continued)

	Freehold properties £
Land and buildings comprise:	
Cost	8,519,952
Depreciation	<u>(1,336,276)</u>
At 31 August 1998	<u>7,183,676</u>
At 31 August 1997	<u>7,202,907</u>

The above cost includes freehold land of £370,590 which has not been depreciated.

11 DEBTORS	1998 £	1997 £
Other debtors	<u>11,545</u>	<u>6,569</u>

12 OTHER CREDITORS

Other taxation and social security	46,387	42,472
Other creditors	<u>61,629</u>	<u>49,028</u>
	<u>108,016</u>	<u>91,500</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

13 DEFERRED INCOME

	Government capital grants £	Private sector capital sponsorship £	Other DfEE grants £	Total £
TOTAL GRANTS				
At 1 September 1997	8,156,355	3,378,077	49,591	11,584,023
Income during year	<u>35,311</u>	<u>72,325</u>	<u>-</u>	<u>107,636</u>
At 31 August 1998	<u>8,191,666</u>	<u>3,450,402</u>	<u>49,591</u>	<u>11,691,659</u>
Amortisation:				
At 1 September 1997				3,183,068
Current charge in year				<u>490,020</u>
At 31 August 1998				<u>3,673,088</u>
Net deferred income:				
At 31 August 1998				<u>8,018,571</u>
At 31 August 1997				<u>8,400,955</u>

14 RESTRICTED FUNDS

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

	Balance at 31 August 1997 £	Incoming resources £	Expenditure gains/losses and transfers £	Balance at 31 August 1998 £
APG	<u>41,605</u>	<u>3,225,307</u>	<u>3,178,015</u>	<u>88,897</u>

The movement on the restricted fund amounted to £47,292.

15 DESIGNATED FUNDS

The income funds of the College include a designated fund for building maintenance which has been set aside out of both restricted and unrestricted funds by the Governors for this purpose.

	Balance at 31 August 1997 £	Incoming Resources £	Balance at 31 August 1998 £
Premises fund	65,000	5,000	70,000
Unrestricted funds	<u>226,829</u>	<u>80,807</u>	<u>307,636</u>
	<u>291,829</u>	<u>85,807</u>	<u>377,636</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	Endowment funds Public £	Private £	Total £
Tangible fixed assets	-	86,846	6,414,857	1,603,714	8,105,417
Current assets	377,636	415,154	-	-	792,790
Current liabilities	-	(413,103)	-	-	(413,103)
Deferred income	-	-	(6,414,857)	(1,603,714)	(8,018,571)
	<u>377,636</u>	<u>88,897</u>	<u>-</u>	<u>-</u>	<u>466,533</u>

17 RECONCILIATION OF EXCESS OF INCOME OVER EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1998 £	1997 £
Excess of income over expenditure of revenue fund for the year	133,099	122,502
Interest receivable	(53,879)	(35,134)
(Profit)/loss on sale of fixed assets	(255)	678
Decrease in stock	-	7,778
(Increase)/decrease in debtors	(46,618)	15,461
Increase/(decrease) in creditors	74,835	(37,724)
Net depreciation charge	<u>32,001</u>	<u>38,250</u>
	<u>139,183</u>	<u>111,811</u>

18 RECONCILIATION OF MOVEMENT IN FUNDS

Excess of income over expenditure of revenue fund for the year	133,099	122,502
Balance at 1 September 1997	<u>333,434</u>	<u>210,932</u>
Balance at 31 August 1998	<u>466,533</u>	<u>333,434</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1998

19	CAPITAL COMMITMENTS	1998	1997
		£	£
	Contracted but not provided for	<u>205,895</u>	<u>29,901</u>

20 PENSION CONTRIBUTIONS

The Teaching Staff are members of The DfEE Teachers' Pensions Agency Teachers' Pension Scheme, which is a defined benefit scheme. The assets of the scheme are held separately from those of the College in an independently administered fund. The College has also arranged personal pension plans for those non-teaching staff who wish to avail themselves of the facility. These schemes are defined contribution schemes. The pension costs charge represents the contribution payable by the College to the schemes, and amounted to £138,535 (1997: £141,132). At 31 August 1998 contributions amounting to £2,927 (1997: £Nil) were payable to the scheme and are included in creditors.

21 MEMBERS

The liability of members is limited to a guarantee of £1 each if the College is wound up during membership or within one year after ceasing to be a member. At 31 August 1998 there were 4 members (1997 - 4 members).

22	OPERATING LEASES	1998	1997
		£	£
	The College has operating lease commitments to pay during the next year in respect of equipment leases:		
	Expiring between two and five years:		
	Photocopying equipment	<u>21,757</u>	<u>21,598</u>

23 INVESTMENT IN SUBSIDIARY UNDERTAKING

The College was previously gifted the whole of the issued share capital of CTC Services (Bradford) Limited comprising 100 ordinary shares of £1 each. The principal activity of CTC Services (Bradford) Limited was the marketing of the services of Dixons City Technology College Charitable Trust and the staff to third parties other than students. Group accounts have not been prepared as the group is exempt under Section 248 of the Companies Act 1985.

CTC Services (Bradford) Limited ceased to trade with effect from 31 August 1997, and at 31 August 1998 had a deficiency of net assets amounting to £19,815.