

Company Number: 2303464

Charity Number: 328020

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

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

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DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

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**DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 AUGUST 2001**

Governors

Derek Bonnard (resigned 4 April 2001)	John Davies
Anthony Bishop (resigned 11 December 2000)	Jeremy Darroch
John Hanson (resigned 25 June 2001)	Peter Flesher
Professor Imad Torsun (Deceased 12 November 2000)	John Francis
Sir James Hill (Chairman of Governors)	Ian Greenwood
Professor Grace Alderson (appointed 2 February 2001)	Guy Kitchen
Ehjaz Gull (appointed 26 April 2001)	Sir Stanley Kalms
Johnathan Moorhouse (appointed 2 October 2000)	Marion Le Pla
Mohammed Ali	Tim Ratcliffe
Geoffrey Budd	Jo Williams
Pat Drake	

Secretary

Geoffrey Budd

Principal Address

Ripley Street
Bradford
BD5 7RR

Registered Office

Maylands Avenue
Hemel Hempstead
Hertfordshire, HP2 7TG

Company Registration Number

2303464

Charity Registration Number

328020

Bankers

HSBC Plc
47 Market Street
Bradford, BD1 1LW

Solicitors

Read Hind Stewart
Trafalgar House
29 Park Place
Leeds, LS1 2SP

Auditors

PKF
6 Queen Street
Leeds, LS1 2TW

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

REPORT OF THE GOVERNORS

YEAR ENDED 31 AUGUST 2001

The Governors (who are the trustees of the charitable company for the purposes of charity law) submit their annual report and the audited financial statements for the year ended 31 August 2001.

RESULTS FOR THE YEAR

The excess of trading income over expenditure for the year, prior to capital grants and depreciation, was £300k the whole of which has been added to the General Purpose Fund. Approximately one third of this was generated by external activities, which include sports lettings and evening classes run in association with Bradford College; interest income on public and private funds was £56k. Depreciation charges exceeded capital grants by £297k and thus the net excess of income over expenditure was £3k.

The balance sheet discloses cash and bank balances of £1,173k. These funds are earmarked for various purposes, including the following:-

	<u>£k</u>
Student deposits for educational visits etc.	100
Capital commitments per note 18	21
Capital reserve for extending community facility	200
Long term capital reserve	400
One month's recurrent funding	320

PRINCIPAL ACTIVITY AND OBJECTIVES

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

The College continues to receive a high demand for the limited number of student places available with the ratio this year exceeding 4:1.

We are pleased to report that our students continued to achieve significant examination success. All 14 year old students were entered for the Key Stage 3 national tests, which are conducted in mathematics, science and English, again achieving the excellent standards of previous years.

At GCSE level, 76% of the students gained the nationally recognised benchmark of five or more A* - C grades; this is well above both the national average and other local schools.

The GNVQ average completion rate at 85% remained excellent, as did the advanced level achievement of merits and distinctions at 77%.

In the "A" level examinations our students again returned very good results with a 58% pass rate for A - C grades and an overall pass rate of 92%.

At the beginning of this academic year the College was granted Beacon School status by the Department for Education and Skills. This is a nationally recognised standard for excellence requiring us to support and assist other local schools through the sharing of good practice. The College is one of twelve Bradford schools, both primary and secondary, who now meet regularly and who are jointly compiling an action plan for the coming year.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 AUGUST 2001

Also this year, the College has successfully encouraged the formation of a Primary School Partnership group who have met regularly throughout the year with the College. The objective is to develop joint projects aimed at easing transition from Key Stage 2 to Key Stage 3. During the year we have developed CAD/CAM projects with a member of College staff visiting the primary schools, our College sixth form students have assisted on their school visits and our staff have developed an ICT passport aimed at creating such skills for primary school pupils in their final year.

REVIEW OF OTHER ACTIVITIES

For the third successive year the College was financially supported by the Department for Education and Skills by way of community funding for masterclass initiatives for gifted and talented children. During the year over 40 children from local primary schools attended ICT classes held over 30 weeks, each gaining an RSA qualification. Additionally, three subject based masterclasses were held in the summer term involving up to 50 local children who each received internal certification.

The College also held ICT classes throughout the year for 60 mature students, mainly from disadvantaged backgrounds, under the same community funding programme.

The College remained active in local partnerships with the South Bradford EAZ and with Bradford Trident, operator of the local New Deal for Communities programme.

The Governors continued support for the Government's Teacher Training Initiative to train ICT teachers on a year's placement from Bradford College; other close links with Bradford College, Bradford Foyer and the Bradford Northern Housing Association have been maintained.

The College was first granted a Chartermark for quality public service in 1995 which was renewed in 1998 for three years; Governors were delighted when at the end of this financial year the Chartermark was re-awarded for the second time.

DIXONS GROUP PLC

The Governors once again place on record their grateful acknowledgement of the substantial ongoing support from Dixons Group plc. Support, both financial and non-financial, is received for many activities benefiting students and staff alike, who also receive professional guidance from those executives who are members of the Governing Body.

FIXED ASSETS

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

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 AUGUST 2001

GOVERNORS

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

The College Governors are assisted by a Finance Committee; at the year end its members were:-

Guy Kitchen (Chairman)
Sir Stanley Kalms
Sir James Hill
Geoffrey Budd
John Davies

Jeremy Darroch
Peter Flesher
Tim Ratcliffe
Jo Williams

STATUS

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

AUDITORS

PKF is eligible for re-appointment as auditor to Dixons City Technology College Charitable Trust and a resolution proposing its re-appointment will be proposed at the AGM.

By order of the Board of Governors



G D Budd
Secretary

13 December 2001

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 Skills 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.

The Governors are responsible for ensuring that the Governors' Report is prepared in accordance with company law in the United Kingdom.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST**

YEAR ENDED 31 AUGUST 2001

We have audited the financial statements of Dixons City Technology College Charitable Trust for the year ended 31 August 2001 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes.

Respective responsibilities of governors and auditors

The responsibilities of the governors (who also act as trustees for the charitable activities of Dixons City Technology College Charitable Trust for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Governors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 not 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 the Governors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 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 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.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

5 TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total 2001 £	Total 2000 £
Direct provision of education	2,343,069	383,801	332,456	3,059,326	2,978,340
Support costs	337,985	14,193	42,216	394,394	313,903
Educational management and administration	320,267	18,921	191,438	530,626	490,811
Premises	107,456	-	218,454	325,910	267,428
	<u>3,108,777</u>	<u>416,915</u>	<u>784,564</u>	<u>4,310,256</u>	<u>4,050,482</u>
				2001 £	2000 £

6 EXCESS OF INCOME OVER EXPENDITURE

Excess of income over expenditure is after charging the following:

Depreciation	416,915	521,637
Educational supplies and services	228,276	227,498
Occupancy costs	150,266	138,707
Maintenance costs	68,189	50,148
Supplies and services	191,458	201,069
Operating lease rentals	-	5,536
Auditors' remuneration	<u>7,873</u>	<u>7,808</u>

7 STAFF COSTS

Wages and salaries	2,719,685	2,490,873
Social security costs	213,085	177,944
Other pension costs	<u>176,007</u>	<u>157,852</u>
	<u>3,108,777</u>	<u>2,826,669</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

7 STAFF COSTS (continued)

The average number employed during the year was:

	2001 Number	2000 Number
Teaching including technicians	105	99
Management	4	4
Administration	14	12
Premises	3	3
Hourly paid	<u>21</u>	<u>22</u>
	<u>147</u>	<u>140</u>

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

£40,001 - £50,000	2	1
£50,001 - £60,000	2	2
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</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 £1,995.

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 2001 was £345.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

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 2000	8,679,646	662,306	1,801,177	883,320	22,500	12,048,949
Additions	17,324	-	24,112	180,085	-	221,521
At 31 August 2001	<u>8,696,970</u>	<u>662,306</u>	<u>1,825,289</u>	<u>1,063,405</u>	<u>22,500</u>	<u>12,270,470</u>
Accumulated depreciation:						
At 1 September 2000	1,698,343	635,754	1,438,600	632,100	1,406	4,406,203
Charge for year	137,382	4,427	113,429	156,404	5,273	416,915
At 31 August 2001	<u>1,835,725</u>	<u>640,181</u>	<u>1,552,029</u>	<u>788,504</u>	<u>6,679</u>	<u>4,823,118</u>
Net book value:						
At 31 August 2001	<u>6,861,245</u>	<u>22,125</u>	<u>273,260</u>	<u>274,901</u>	<u>15,821</u>	<u>7,447,352</u>
At 31 August 2000	<u>6,981,303</u>	<u>26,552</u>	<u>362,577</u>	<u>251,220</u>	<u>21,094</u>	<u>7,642,746</u>

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

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

10 TANGIBLE FIXED ASSETS (continued)

Source of funding for assets acquired since date of incorporation.

	Freehold land and buildings £	Plant and machinery £	Furniture and equipment £	Computer equipment and software £	Motor vehicles £	Total £
Capital grants	6,244,760	517,111	1,013,387	328,171	-	8,103,429
Private sector	2,452,210	145,195	788,957	585,110	22,500	3,993,972
Other DfES grants	-	-	22,945	150,124	-	173,069
	<u>8,696,970</u>	<u>662,306</u>	<u>1,825,289</u>	<u>1,063,405</u>	<u>22,500</u>	<u>12,270,470</u>

The net book value at 31 August 2001 represents fixed assets used for:

Direct charitable purposes:

Educational provision	6,258,147	21,621	242,603	272,183	-	6,794,554
Support services	327,332	-	12,453	1,184	-	340,969

Other purposes:

Management and administration	<u>275,766</u>	<u>504</u>	<u>18,204</u>	<u>1,534</u>	<u>15,821</u>	<u>311,829</u>
	<u>6,861,245</u>	<u>22,125</u>	<u>273,260</u>	<u>274,901</u>	<u>15,821</u>	<u>7,447,352</u>

11 DEBTORS

	2001 £	2000 £
Other debtors	<u>68,788</u>	<u>35,225</u>

12 OTHER CREDITORS

Other taxation and social security	65,971	57,795
Other creditors	<u>159,548</u>	<u>104,882</u>
	<u>225,519</u>	<u>162,677</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

13 RESTRICTED FUNDS

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

	Balance at 31 August 2000 £	Incoming resources £	Expenditure gains/losses and transfers £	Balance at 31 August 2001 £
APG revenue	409,724	3,676,323	(3,700,665)	385,382
Threshold	-	68,000	(68,000)	-
Virtual classroom project	145	21,958	(23,045)	(942)
Masterclass / Community	1,318	21,000	(20,494)	1,824
Direct DfES Funding	-	70,000	-	70,000
Beacon School	-	39,000	(42,688)	(3,688)
Restricted fixed asset fund	7,399,444	294,315	(416,915)	7,276,844
	<u>7,810,631</u>	<u>4,190,596</u>	<u>(4,271,807)</u>	<u>7,729,420</u>

The movement on the restricted general fund amounted to £(81,212).

14 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 2000 £	Incoming Resources £	Transfers And Expenditure £	Balance at 31 August 2001 £
Premises fund	100,000	-	-	100,000
Unrestricted funds	362,721	297,570	(213,451)	446,840
	<u>462,721</u>	<u>297,570</u>	<u>(213,451)</u>	<u>546,840</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Fund £	Total £
Tangible fixed assets	-	170,491	7,276,861	7,447,352
Current assets	546,840	750,357	-	1,297,197
Current liabilities	-	(468,288)	-	(468,288)
	<u>546,840</u>	<u>452,560</u>	<u>7,276,861</u>	<u>8,276,261</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

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

	2001 £	2000 £
Excess of expenditure over income of revenue fund for the year	2,909	(62,246)
Capital grants	(91,267)	(157,134)
Interest receivable	(51,849)	(29,994)
Profit on sale of fixed assets	-	(4,446)
(Increase)/decrease in debtors	(32,459)	(13,016)
(Decrease)/increase in creditors	(7,613)	(66,331)
Depreciation charge	416,915	521,636
	<u>236,636</u>	<u>188,469</u>

17 RECONCILIATION OF MOVEMENT IN FUNDS

Excess of expenditure over income of revenue fund for the year	2,909	(62,246)
Balance at 1 September 2000	<u>8,273,352</u>	<u>8,335,598</u>
Balance at 31 August 2001	<u>8,276,261</u>	<u>8,273,352</u>

18 CAPITAL COMMITMENTS

Contracted but not provided for	<u>20,824</u>	<u>52,399</u>
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19 PENSION CONTRIBUTIONS

The Teaching Staff are members of The DfES 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 £176,007 (2000: £157,852). At 31 August 2001 contributions amounting to £23,218 (2000: £22,260) were payable to the scheme and are included in creditors.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

20 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 2001 there were 3 members (2000 - 3 members).

21 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 1998, and was struck off the register on 7 August 2001.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST (continued)**

YEAR ENDED 31 AUGUST 2001

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 2001, 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 Skills in respect of the 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 Skills 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 Skills and we have not identified any material weaknesses.

Leeds, UK
13 December 2001

 **PKF**
Registered Auditors

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2001

	Notes	Unrestricted Funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2001 £	Total 2000 £
Incoming resources						
Grants receivable		-	3,828,024	50,085	3,878,109	3,596,406
Donations and gifts	3	-	-	69,230	69,230	134,308
Investment income	4	31,417	24,732	-	56,149	38,374
Other income	4	266,153	43,524	-	309,677	219,148
Total incoming resources		<u>297,570</u>	<u>3,896,280</u>	<u>119,315</u>	<u>4,313,165</u>	<u>3,988,236</u>
Resources expended						
Direct charitable expenditure:						
Provision of education		38,451	2,637,074	383,801	3,059,326	2,978,340
Support costs		-	380,201	14,193	394,394	313,903
Other expenditure:						
Educational management and administration		-	511,705	18,921	530,626	490,811
Premises		-	325,910	-	325,910	267,428
Total resources expended	5	<u>38,451</u>	<u>3,854,890</u>	<u>416,915</u>	<u>4,310,256</u>	<u>4,050,482</u>
Net incoming/(outgoing) resources before transfers						
Transfer between funds		259,119 (175,000)	41,390 -	(297,600) 175,000	2,909 -	(62,246) -
Net movement in funds		84,119	41,390	(122,600)	2,909	(62,246)
Fund balances brought forward at 1 September 2000:						
		<u>462,721</u>	<u>411,187</u>	<u>7,399,444</u>	<u>8,273,352</u>	<u>8,335,598</u>
Fund balances carried forward at 31 August 2001	14/15	<u>546,840</u>	<u>452,577</u>	<u>7,276,844</u>	<u>8,276,261</u>	<u>8,273,352</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 9 and the overall financial position at the year end is summarised in the balance sheet on page 10.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 AUGUST 2001

	Notes	2001 £	2000 £
INCOME			
Annual per capita grant	2	3,598,343	3,497,980
Other DfES income		229,681	75,600
Other income	4	365,826	257,522
DfES capital		50,085	22,826
Sponsorship	3	69,230	134,308
		<u>4,313,165</u>	<u>3,988,236</u>
EXPENDITURE			
Annual per capita grant related expenditure	2	3,768,684	3,430,827
Other DfES grant related expenditure		86,206	75,046
Private sector income related expenditure		38,451	22,973
Depreciation		416,915	521,636
		<u>4,310,256</u>	<u>4,050,482</u>
EXCESS OF INCOME OVER EXPENDITURE/ (EXPENDITURE OVER INCOME) - BEFORE TRANSFERS	17	2,909	(62,246)
TRANSFERS TO:			
GENERAL PURPOSE FUND: Unrestricted	14	84,119	87,971
Restricted	13	41,390	16,525
		<u>125,509</u>	<u>104,496</u>
FIXED ASSET FUND	13	<u>(122,600)</u>	<u>(166,742)</u>
		<u>2,909</u>	<u>(62,246)</u>

The Income and Expenditure account is derived from the Statement of Financial Activities on page 8 which, together with the notes to the accounts on pages 12 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 income over expenditure for 2001 and expenditure over income for 2000 relate to continuing operations.

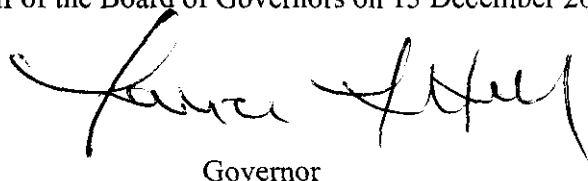
DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

BALANCE SHEET

31 AUGUST 2001

	Notes	2001 £	2000 £
TANGIBLE FIXED ASSETS	10	7,447,352	7,642,749
CURRENT ASSETS			
Debtors	11	68,788	35,225
Prepayments and accrued income		55,580	56,684
Cash at bank and in hand		<u>1,172,829</u>	<u>1,001,635</u>
		<u>1,297,197</u>	<u>1,093,544</u>
LESS: CURRENT LIABILITIES			
Amounts falling due within one year			
Trade creditors		157,513	147,828
Other creditors	12	225,519	162,677
Accruals and deferred income		<u>85,256</u>	<u>152,433</u>
		<u>468,288</u>	<u>462,938</u>
NET CURRENT ASSETS		<u>828,909</u>	<u>630,606</u>
NET ASSETS		<u>8,276,261</u>	<u>8,273,352</u>
FINANCED BY:			
FUNDS			
Restricted fixed assets funds	15	7,276,861	7,399,444
Restricted general fund	15	452,560	411,187
Unrestricted fund	14	446,840	362,721
Premises fund	14	<u>100,000</u>	<u>100,000</u>
	17	<u>8,276,261</u>	<u>8,273,352</u>

Approved on behalf of the Board of Governors on 13 December 2001



Governor

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2001

	Notes	2001 £	2000 £
OPERATING ACTIVITIES			
RECEIPTS			
Recurrent grants received from DfES:			
Annual per capita grant		3,598,343	3,497,980
Other receipts from DfES		273,205	117,778
Other receipts		323,685	120,543
PAYMENTS			
Staff costs		(3,139,892)	(2,832,097)
Other operating expenses		<u>(818,705)</u>	<u>(715,735)</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	16	236,636	188,469
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest received		51,849	29,994
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(208,558)	(138,888)
Receipts from sales of tangible fixed assets		<u>-</u>	<u>5,850</u>
		(208,558)	(133,038)
FINANCING			
Capital grants from DfES		22,037	22,825
Support from sponsors		<u>69,230</u>	<u>104,308</u>
		91,267	127,133
NET INCREASE IN CASH AT BANK AND IN HAND		171,194	212,558
CASH AT BANK AND IN HAND BROUGHT FORWARD AT THE BEGINNING OF THE YEAR		<u>1,001,635</u>	<u>789,077</u>
CASH AT BANK AND IN HAND AT THE END OF THE YEAR		<u>1,172,829</u>	<u>1,001,635</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

1 ACCOUNTING POLICIES

(a) **Accounting convention**

The accounts are prepared in accordance with the historical cost convention and also in accordance with DfES accounting requirements. DfES 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 the accruals basis.

(c) **Grants**

Revenue grants and capital grants are recognised in the income and expenditure account in the period in which they are receivable.

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% - 20% straight line
Plant and machinery	10%-20% 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 2001

1 ACCOUNTING POLICIES (continued)

(e) **Taxation**

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

(f) **Capital income**

Capital income by way of grants from the Government and by private donations are recognised in the income and expenditure account in the period in which they are received.

(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 Skills. Pension costs are assessed in accordance with the advice of the Government Actuary, which requires a review not less than every five years.

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.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2001

	2001	2000
	£	£
2 ANNUAL PER CAPITA GRANT (APG)		
APG income	3,598,343	3,497,980
Carry over brought forward from previous year	<u>156,183</u>	<u>89,030</u>
	3,754,526	3,587,010
Net APG expenditure	<u>(3,768,684)</u>	<u>(3,430,827)</u>
(Overspent)/underspent APG	<u>(14,158)</u>	<u>156,183</u>
Maximum permitted carry over (12% of APG)	<u>431,801</u>	<u>419,758</u>
3 PRIVATE SECTOR INCOME		
Capital sponsorship	<u>69,230</u>	<u>134,308</u>
4 OTHER INCOME		
Interest receivable (public)	24,732	20,264
Interest receivable (private)	31,417	18,110
Sundry income	<u>309,677</u>	<u>219,148</u>
	<u>365,826</u>	<u>257,522</u>