

Company Number: 2303464

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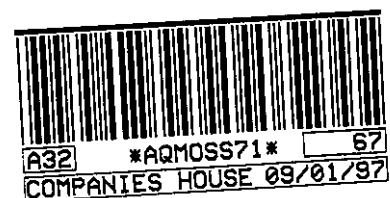
Charity Number: 328080

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

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

PANNELL KERR FORSTER
Chartered Accountants



DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

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DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 AUGUST 1996

Governors	Dr Edward Simpson CB (Chairman) Sir Stanley Kalms Richard Andrews Anthony Bishop (appointed 20.6.96) Peter Flesher John Hanson Pat Inglis Guy Kitchen Marion le Pla (appointed 1.12.95) David Longbottom Nina Lowe Dr Janice McCurrie (appointed 20.6.96) Gita North Tim Ratcliffe John Ridings Professor Imad Torsun (appointed 1.2.96) Jo Williams
Secretary	Geoffrey Budd
Registered Office	Dixons House Maylands Avenue Hemel Hemstead Herts 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 1996

The Governors submit their annual report and the audited financial statements of the College for the year ended 31 August 1996.

RESULTS FOR THE YEAR

The excess of income over expenditure for the year was £81,535; £10,000 has been transferred to the premises fund to continue the development of the College. The resulting surplus of £71,535 has been added to the general purpose fund.

PRINCIPAL ACTIVITIES AND OBJECTIVES

The principal activities and objectives of the College are the advancement of public education.

REVIEW OF RESULTS AND FUTURE DEVELOPMENTS

The College admitted its second year of Post-16 students in September 1995 and now has a student role of over 980.

There were no major capital projects during the past year although the College made further investments in Information Technology.

The Governors were highly satisfied with all aspects of the performance and demeanour of students and staff. Successful examination results were again achieved by the students. They are also satisfied with the funding position as at 31 August 1996 and consider the College is soundly based for the new year.

During the forthcoming year the College plans to invest in distance learning and video conferencing although plans are as yet at an early stage. It is intended to continue with the annual replacement of computers to maintain student-per-computer ratio.

FIXED ASSETS

Details of changes in fixed assets are given in note 11 to the financial statements.

GOVERNORS

The Governors who held office at the end of the year are set out on page 1. During the year Ashraf Mohamed, Professor Laurie Clancy and Gwen Rhys retired as Governors.

The College Governors function with a Finance Committee. At the year end the Finance Committee members were:-

Dr Edward Simpson CB (Chairman)
Sir Stanley Kalms
Richard Andrews
Peter Flesher
Guy Kitchen
David Longbottom
Gita North
Tim Ratcliffe
John Ridings

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 AUGUST 1996

STATUS

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

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



Secretary
G Budd

Date: 12 December 1996

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;
- 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.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 AUGUST 1996

**PANNELL
KERR
FORSTER**
CHARTERED ACCOUNTANTS

We have audited the Financial Statements on pages 6 to 20 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 1996, 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.

In our opinion the College is entitled for the year ended 31 August 1996 to the exemption conferred by S248 of the Companies Act 1985 from the requirements to prepare group accounts.

Leeds

18 December 1996
18 December 1996

Pannell Kerr Forster
Chartered Accountants
Registered Auditors
PANNELL KERR FORSTER

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 1996

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment funds (private) £	Endowment funds (public) £	Total 1996 £	Total 1995 £
Incoming resources							
Grants receivable		-	3,021,912	-	106,478	3,128,390	2,506,954
Donations and gifts	4	-	-	141,833	-	141,833	122,726
Less: transferred to capital fund	15	-	-	(141,833)	(106,478)	(248,311)	124,798
Investment income	5	10,824	13,084	-	-	23,908	22,857
Other income	5	71,218	-	-	-	71,218	52,974
Amortisation transfer	15	-	-	89,852	359,408	449,260	485,875
Total incoming resources		82,042	3,034,996	89,852	359,408	3,566,298	3,316,184
Resources expended							
Direct charitable expenditure:							
Provision of education		6,291	2,360,496	-	-	2,366,787	2,107,335
Support costs		-	266,046	-	-	266,046	274,722
Other expenditure:							
Educational, management & Administration		-	568,445	-	-	568,445	662,290
Premises		-	283,485	-	-	283,485	201,797
Total Resources expended	6	6,291	3,478,472	-	-	3,484,763	3,246,144
Net Incoming/(Outgoing)							
Resources before transfers		75,751	(443,476)	89,852	359,408	81,535	70,040
Amortisation transfer	15	-	449,260	(89,852)	(359,408)	-	-
Net Movement in Funds		75,751	5,784	-	-	81,535	70,040
Fund balances brought forward at 1 September 1995							
		124,179	5,218	-	-	129,397	59,357
Fund balances carried forward at 31 August 1996	16/ 17	199,930	11,002	-	-	210,932	129,397

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 1996

	Notes	1996 £	1995 £
INCOME			
Annual per capita grant	2	3,021,912	2,665,274
Earmarked annual grant	3	-	55,800
Other DfEE grants	3	-	33,404
Other income	5	95,126	75,831
Deferred capital grant	15	449,260	485,875
		<u>3,566,298</u>	<u>3,316,184</u>
EXPENDITURE			
Annual per capita grant related expenditure	2	2,979,313	2,634,502
Earmarked annual grant related expenditure		-	55,800
Other DfEE grant related expenditure		-	32,588
Private sector income related expenditure		21,940	6,358
Other expenditure		483,510	516,896
		<u>3,484,763</u>	<u>3,246,144</u>
EXCESS OF INCOME OVER EXPENDITURE - BEFORE TRANSFERS	20	<u>81,535</u>	<u>70,040</u>
TRANSFERS TO:			
GENERAL PURPOSE FUND: Restricted	16	5,784	(10,238)
Unrestricted	17	65,751	60,278
		71,535	50,040
PREMISES FUND	17	10,000	20,000
		<u>81,535</u>	<u>70,040</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 20 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 1996 and 1995 relate to continuing operations.

The College 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.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

BALANCE SHEET

31 AUGUST 1996

	Notes	1996	1995
		£	£
TANGIBLE FIXED ASSETS	11	8,691,636	9,010,925
CURRENT ASSETS			
Stock	12	7,778	2,844
Debtors	13	14,318	30,333
Prepayments and accrued income		49,555	42,768
Cash at bank and in hand		<u>577,613</u>	<u>327,640</u>
		<u>649,264</u>	<u>403,585</u>
LESS: CURRENT LIABILITIES			
Amounts falling due within one year			
Trade creditors		68,336	142,970
Other creditors	14	96,258	102,642
Accruals and deferred income		<u>211,398</u>	<u>84,576</u>
		<u>375,992</u>	<u>330,188</u>
NET CURRENT ASSETS		273,272	73,397
DEFERRED INCOME	15	<u>(8,753,976)</u>	<u>(8,954,925)</u>
NET ASSETS		<u>210,932</u>	<u>129,397</u>
FINANCED BY:			
FUNDS			
Restricted funds	16	11,002	5,218
Unrestricted fund	17	149,930	84,179
Premises fund	17	<u>50,000</u>	<u>40,000</u>
	20	<u>210,932</u>	<u>129,397</u>

Approved on behalf of the Board on *12 December 1996* . 12 December 1996

Edward H Simpson

Governor

Edward H. Simpson

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST**CASH FLOW STATEMENT****YEAR ENDED 31 AUGUST 1996**

	Notes	1996 £	1995 £
OPERATING ACTIVITIES			
RECEIPTS			
Recurrent grants received from DfEE:			
Annual per capita grant		3,049,712	2,665,274
Earmarked grant		-	55,800
Other receipts from DfEE		23,243	51,754
Other receipts		58,799	47,886
PAYMENTS			
Staff costs		(2,186,324)	(2,048,586)
Other operating expenses		<u>(770,582)</u>	<u>(589,399)</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES		174,848	182,729
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest received		<u>13,084</u>	<u>17,527</u>
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	19	187,932	200,256
INVESTING ACTIVITIES			
Receipts from sale of fixed assets		12,099	4,734
Purchase of fixed assets		(191,889)	(383,230)
FINANCING ACTIVITIES			
Capital grants from DfEE		106,478	143,408
Support from sponsors		<u>135,353</u>	<u>120,271</u>
NET INCREASE IN CASH AT BANK AND IN HAND		249,973	85,439
CASH AT BANK AND IN HAND BROUGHT FORWARD AT THE BEGINNING OF THE YEAR		<u>327,640</u>	<u>242,201</u>
CASH AT BANK AND IN HAND AT THE END OF THE YEAR		<u><u>577,613</u></u>	<u><u>327,640</u></u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

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.

(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 installed 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 1996

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. 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 company are provided by the Teachers Superannuation Scheme (TSS). The TSS is a national, statutory, contributory, unfunded final salary scheme administered by the Teachers Pension Agency, an executive 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 conditions. 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 company, being invested with insurance companies. The pension costs for that scheme represent the contributions payable by the company 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 1996

	1996	1995
	£	£
2 ANNUAL PER CAPITA GRANT (APG)		
APG income	3,021,912	2,665,274
Carry over brought forward from previous year	<u>5,218</u>	<u>15,446</u>
	3,027,130	2,680,720
Net APG expenditure	(2,979,313)	(2,634,502)
Transfer to Premises Fund from APG	(10,000)	(10,000)
Transfer to Capital Fund from APG	<u>(26,815)</u>	<u>(31,000)</u>
Current year carry over	<u>11,002</u>	<u>5,218</u>
Maximum permitted carry over (12%)	<u>362,629</u>	<u>319,833</u>
Excess APG to surrender	<u><u>NIL</u></u>	<u><u>NIL</u></u>
3 OTHER GOVERNMENT GRANTS		
Earmarked grant	-	55,800
Smallpiece teacher training grant	<u>-</u>	<u>33,404</u>
	<u><u>-</u></u>	<u><u>89,204</u></u>
4 PRIVATE SECTOR INCOME		
Donations (note 15)	<u><u>141,833</u></u>	<u><u>122,726</u></u>
5 OTHER INCOME		
Interest receivable (public)	13,084	16,713
Interest receivable (private)	10,824	6,144
Sundry income	<u>71,218</u>	<u>52,974</u>
	<u><u>95,126</u></u>	<u><u>75,831</u></u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

6 TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total 1996 £	Total 1995 £
Direct provision of education	1,664,715	439,994	262,078	2,366,787	2,107,335
Support costs	229,255	24,176	12,615	266,046	274,722
Educational, management and administration	339,600	19,340	209,505	568,445	662,290
Premises	84,138	-	199,347	283,485	201,797
	<u>2,317,708</u>	<u>483,510</u>	<u>683,545</u>	<u>3,484,763</u>	<u>3,246,144</u>

	1996 £	1995 £
7 EXCESS OF INCOME OVER EXPENDITURE		

Excess of income over expenditure is after charging the following:

Depreciation	483,510	485,875
Educational supplies and services	192,505	131,332
Occupancy costs	152,877	155,315
Maintenance costs	46,470	46,482
Supplies and services	173,827	121,822
Operating lease rentals	25,945	24,029
Auditors' remuneration	9,079	8,228
Miscellaneous	<u>82,842</u>	<u>152,748</u>

8 STAFF COSTS

Wages and salaries	2,024,497	1,831,307
Social security costs	139,338	144,687
Other pension costs	134,684	118,472
Health and accident insurance	<u>19,189</u>	<u>27,615</u>
	<u>2,317,708</u>	<u>2,122,081</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

8 STAFF COSTS (continued)

The average number employed during the year was:

	1996 Number	1995 Number
Teaching including technicians	84	72
Management	4	5
Administration	11	10
Premises	2	2
Hourly paid	<u>19</u>	<u>20</u>
	<u>120</u>	<u>109</u>

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

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

9 EMOLUMENTS OF GOVERNORS'

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

10 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 of £1,537.

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 year ended 31 August 1996 was £353.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

11 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and Machinery £	Furniture and equipment £	Computer equipment and software £	Motor vehicles £	Total £
Cost:						
At 1 September 1995	8,357,957	628,250	1,626,500	701,004	15,354	11,329,065
Additions	8,127	-	41,841	120,060	-	170,028
Disposals	(2,704)	-	(6,402)	(114,723)	-	(123,829)
At 31 August 1996	<u>8,363,380</u>	<u>628,250</u>	<u>1,661,939</u>	<u>706,341</u>	<u>15,354</u>	<u>11,375,264</u>
Accumulated Depreciation:						
At 1 September 1995	809,326	314,125	669,637	516,895	8,157	2,318,140
Charge for year	175,598	62,825	158,926	84,362	1,799	483,510
Disposals	-	-	(3,414)	(114,608)	-	(118,022)
At 31 August 1996	<u>984,924</u>	<u>376,950</u>	<u>825,149</u>	<u>486,649</u>	<u>9,956</u>	<u>2,683,628</u>
Net book value:						
At 31 August 1996	<u>7,378,456</u>	<u>251,300</u>	<u>836,790</u>	<u>219,692</u>	<u>5,398</u>	<u>8,691,636</u>
At 31 August 1995	<u>7,548,631</u>	<u>314,125</u>	<u>956,863</u>	<u>184,109</u>	<u>7,197</u>	<u>9,010,925</u>
Source of funding for assets acquired since date of incorporation.						
Capital grants	6,244,760	502,600	1,043,489	346,647	-	8,137,496
Private sector	2,118,620	125,650	595,505	222,048	15,354	3,077,177
Other DfEE grants	-	-	22,945	137,646	-	160,591
	<u>8,363,380</u>	<u>628,250</u>	<u>1,661,939</u>	<u>706,341</u>	<u>15,354</u>	<u>11,375,264</u>

The net book value at 31 August 1996 represents Fixed Assets used for:-

Direct charitable purposes:

Educational provision	6,714,456	251,300	794,790	152,692	-	7,913,238
Support services	369,000	-	21,000	52,000	-	442,000

Other purposes:

Management & administration	295,000	-	21,000	15,000	5,398	336,398
	<u>7,378,456</u>	<u>251,300</u>	<u>836,790</u>	<u>219,692</u>	<u>5,398</u>	<u>8,691,636</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

11 TANGIBLE FIXED ASSETS (continued)

		Freehold properties £
	Land and Buildings comprise:	
	Cost	8,363,380
	Depreciation	<u>(984,924)</u>
	At 31 August 1996	<u>7,378,456</u>
	At 31 August 1995	<u>7,548,631</u>

		1996 £	1995 £
12 STOCK			
	Stores	<u>7,778</u>	<u>2,844</u>

13 DEBTORS			
	Other debtors	13,261	25,863
	Due from subsidiary undertaking	<u>1,057</u>	<u>4,470</u>
		<u>14,318</u>	<u>30,333</u>

14 OTHER CREDITORS			
	Other taxation and social security	37,816	43,229
	Other creditors	<u>58,442</u>	<u>59,413</u>
		<u>96,258</u>	<u>102,642</u>

DIXON CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

15 DEFERRED INCOME

	Government Capital Grants £	Private sector capital sponsorship £	Other DfEE Grant £	Total £
TOTAL GRANTS				
At 1 September 1995	8,031,018	3,137,456	49,591	11,218,065
Income during year	106,478	141,833	-	248,311
At 31 August 1996	<u>8,137,496</u>	<u>3,279,289</u>	<u>49,591</u>	<u>11,466,376</u>
Amortisation:				
At 1 September 1995				2,263,140
Current charge in year				449,260
At 31 August 1996				<u>2,712,400</u>
Net deferred income:				
At 1 September 1995				<u>8,954,925</u>
At 31 August 1996				<u>8,753,976</u>

16 RESTRICTED FUNDS

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

	Balance at 31 August 1995 £	Incoming Resources £	Expenditure gains/losses and transfers £	Balance at 31 August 1996 £
APG	<u>5,218</u>	<u>3,021,912</u>	<u>3,016,128</u>	<u>11,002</u>

The movement on the restricted fund amounted to £5,784.

17 DESIGNATED FUNDS

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

	Balance at 31 August 1995 £	Incoming Resources £	Balance at 31 August 1996 £
Premises fund	40,000	10,000	50,000
Unrestricted funds	<u>84,179</u>	<u>65,751</u>	<u>149,930</u>
	<u>124,179</u>	<u>75,751</u>	<u>199,930</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Endowment Funds		Total
	£	£	Public	Private	£
Tangible Fixed assets	-	(62,340)	7,003,180	1,750,796	8,691,636
Current assets	199,930	449,334	-	-	649,264
Current liabilities	-	(375,992)	-	-	(375,992)
Deferred income	-	-	(7,003,180)	(1,750,796)	(8,753,976)
	<u>199,930</u>	<u>11,002</u>	<u>-</u>	<u>-</u>	<u>210,932</u>

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

	1996	1995
	£	£
Excess of income over expenditure of revenue fund for the year	298,518	190,311
Support from sponsors	(141,833)	(120,271)
Profit on sale of fixed assets	(6,292)	(1,943)
(Increase)/decrease in stock	(4,934)	792
Decrease in debtors	15,708	52,215
Increase in creditors	<u>26,765</u>	<u>79,152</u>
	<u>187,932</u>	<u>200,256</u>

20 RECONCILIATION OF MOVEMENT IN FUNDS

Excess of income over expenditure of revenue fund for the year	81,535	70,040
Balance at 1 September 1995	<u>129,397</u>	<u>59,357</u>
Balance at 31 August 1996	<u>210,932</u>	<u>129,397</u>

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

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YEAR ENDED 31 AUGUST 1996

21	CAPITAL COMMITMENTS	1996	1995
		£	£
	Contracted but not provided for	<u>5,018</u>	<u>4,205</u>

22 PENSION CONTRIBUTIONS

The Teaching Staff are members of The DfEE Teachers' Pensions Agency Teachers' Superannuation 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 £134,225 (1995: £117,935). At 31 August 1996 contributions amounting to £14,482 (1995: £13,671) were payable to the scheme and are included in creditors.

23 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 1996 there were 4 members (1995 - 4 members).

24	OPERATING LEASES	1996	1995
	The company had operating lease commitments to pay during the next year in respect of equipment leases:	£	£
	Expiring between two and five years:		
	Photocopying equipment	<u>21,598</u>	<u>20,570</u>

25 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 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.

During the year of trading to 31 August 1996, CTC Services (Bradford) Limited made a loss of £2,169 and at 31 August 1996 the company had a deficiency of net assets amounting to £19,815. The company ceased to trade with effect from 31 August 1996.

DIXONS CITY TECHNOLOGY COLLEGE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 1996

26 RELATED PARTY TRANSACTIONS

During the year £9,400 (including VAT) was paid by the College to KPMG Chartered Accountants in relation to professional advice on the Profit Related Pay Scheme. John Ridings, who is a governor and a member of the Finance Committee, is a partner in KPMG. John Ridings was not involved in the professional advice nor the agreement of fees relating to the advice which was provided on an arms length basis.