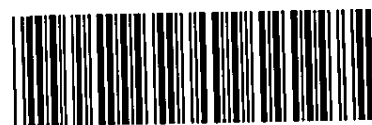


ST. CLARE'S, OXFORD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST, 2011

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COMPANIES HOUSE

St Clare's, Oxford
Company number 1986868
Registered as a Charity 294085

ST. CLARE'S, OXFORD

FINANCIAL STATEMENTS For the year ended 31 August, 2011

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ST. CLARE'S, OXFORD

REPORT OF THE GOVERNORS

The Governors present their report and the audited Financial Statements for the year ended 31 August, 2011

Reference and Administrative Details of the Charity, its Trustees and Advisers

St Clare's, Oxford (St Clare's) is a Company limited by guarantee, registered number 1986868 and registered as a charity, number 294085 The address and registered office is 139 Banbury Road, Oxford, OX2 7AL

Governors

The Governors of St Clare's, who are also the Trustees of the Charity and the Directors of the Company, are members of the Company but, as there is no share capital, none have any interest in the Company as defined by the Companies Act 2006 The Governors who served during the year or were appointed or resigned subsequently are

<i>Governor</i>	<i>Appointed</i>	<i>Resigned/Retired</i>	<i>Last Reappointment</i>
Mr David Christie	7 December, 2006	9 June 2011	
Mr John Church	14 June, 2007		10 December 2009
Mr Richard Dick - Chairman	22 March, 2001		9 December, 2010
Dr Yao-Su Hu	5 June, 2003		12 March, 2009
Miss Irina Kirillova	1 July, 1994		9 December, 2010
Ms Ann Lewis	23 November, 2000		9 December, 2010
Mr Paul Mason	11 March, 2010		9 December, 2010
Mr Dermot McMeekin	13 December, 2007	9 December 2010	
Mr Nicholas Morris	18 March, 2004		12 March, 2009
Mr James Offen	21 November 2002		12 March, 2009
Mr Peter Oppenheimer	11 April, 1986		10 December 2009
Mr Jens Tholstrup	22 March, 2006		10 December 2009
Mr Laurence Whitehead	22 March, 2001		9 December, 2010

Key Personnel

The key personnel who served during the year were

Principal	Mrs Paula Holloway, MSc, BSc, PGCE, Cert TEFL, Cert Applied Linguistics
Vice Principal	Mr Tom Walsh, BA, Higher DipEd (Dublin)
Bursar and Company Secretary	Mr Nick Paladina, MA (Oxon), FCA

Advisers

<u>Bankers</u>	Barclays Bank plc, Oxford Corporate Banking Centre, PO Box 858, Oxford, OX2 0XP CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ Bank of Scotland, 600 Gorgie Road, Edinburgh, EH11 3XP Santander, Abbey National House, 301 St Vincent Street, Glasgow, G2 5NT NatWest, Willow Court, Minns Business Park, 7 West Way, Oxford, OX2 0JB
<u>Solicitors</u>	Lewis Silkin, King Charles House, Park End Street, Oxford, OX1 1JD White & Black, The Great Barn, Oxford Road, Old Chalford, OX7 5QR Plainlaw, 11a West Way, Oxford, OX2 0JB
<u>Auditor</u>	Grant Thornton UK LLP, 3140 Rowan Place, John Smith Drive, Oxford Business Park South, Oxford, Oxfordshire, OX4 2WB
<u>Surveyors</u>	Marriotts, 29 Beaumont Street, Oxford, OX1 2NP
<u>Insurance Brokers</u>	Honour Point Limited, 88 Hagley Road, Edgbaston, Birmingham, B16 8LU

ST. CLARE'S, OXFORD

REPORT OF THE GOVERNORS

Structure, Governance and Management

Structure

St Clare's was founded in 1953. It was formed into a trust on 8 March, 1962 and registered as a charity on 13 December, 1985. The company limited by guarantee was incorporated on 6 February, 1986.

Subsidiary company

St Clare's Services Limited was incorporated on 30 April, 2008. The subsidiary was formed to manage the property developments of St Clare's, and will Gift Aid any profit it makes to St Clare's (see note 4 to the Financial Statements). St Clare's owns 100% of the subsidiary's share capital, and these Financial Statements present the consolidated results of both entities.

Governance and Management

Under the Company's Articles of Association the number of Governors shall not be less than five nor more than twenty. New Governors are appointed at a full Governors' meeting and serve until the next Annual General Meeting, when they are eligible for re-election. At each Annual General Meeting one-third of the Governors currently serving, or the nearest number to one-third, retire, the Governors retiring being those who have been longest in office since their election or last re-appointment. A retiring Governor is eligible for re-appointment.

New Governors are asked to join St Clare's by general agreement of the serving Governors. St Clare's particularly wants to appoint people with experience in education, finance, property and general management. New Governors are given briefings on the operations of St Clare's and receive a selection of printed material to assist them in their understanding of the College's operations and its current position.

The Governors meet three times a year but may meet more frequently if required. The Board of Governors has one Committee, Finance, Personnel & General Purposes. The Committee meets four times a year. The Governors who served on the Committee during the year are:

Finance, Personnel & General Purposes - Mr John Church (Committee Chairman), Mr Paul Mason, Mr Dermot McMeekin (resigned 9 December 2010), Mr Nicholas Morris, Mr James Offen, and Mr Peter Oppenheimer. The Strategic Development Committee was dissolved in March 2011. Its terms of reference were incorporated into those of the Finance, Personnel and General Purposes Committee.

The Board also has an Academic Forum which meets three times a year (immediately prior to the full Governors meeting) to discuss educational matters presented by members of the senior management of St Clare's.

Decisions and powers

The Governors determine the general policy of St Clare's and approve the College's business plan, the five-year financial plans and the annual operating budget. The day-to-day management of the St Clare's is delegated to the Principal and Bursar. The Governors receive regular papers giving details of the St Clare's performance against its targets, which are monitored at Board and Committee meetings.

The Memorandum and Articles of Association permit moneys to be invested in such investments, securities or property as may be thought fit. Surplus cash is placed on deposit with Barclays Bank plc, Santander, CAF Bank, Bank of Scotland and NatWest as authorised by the Finance, Personnel & General Purposes Committee.

ST. CLARE'S, OXFORD

REPORT OF THE GOVERNORS

Objectives and Activities

Objectives

The objects set out in the Company's Memorandum of Association are to

- advance international education and understanding,
- acquire, establish, maintain and carry on schools, nursery schools, kindergartens, colleges and educational institutions

Activities

The principal activity of St Clare's is the operation of educational courses in Oxford. The main courses offered are for the International Baccalaureate Diploma, English as a Foreign Language, Liberal Arts at university level for visiting students, mainly from the United States, and short summer courses in English. In addition, courses are offered for teachers, and English language testing, and consultancy work is undertaken.

Achievements and Performance

The Banbury Road Campus is the principal base for courses for pre-university students aged 16-19. The Bardwell Road Centre is the principal base for courses for students aged over 18. Overall bookings on all courses run during the year were as follows:

	2011 Student Wks No	2010 Student Wks No
Total weeks	16,594	15,789

Students on all courses came from 69 countries (2010: 73).

St Clare's aims to achieve annual bookings of at least 15,000 student weeks, and to maintain staff costs within the range of 50% to 55% of total expenditure. 2011: 50.64% (2010: 53.24%).

Public Benefit

29 students (2010: 25) on the International Baccalaureate received scholarships and bursaries amounting to £377,842 (2010: £374,662). Scholarships and bursaries were awarded on other courses for 6 places (2010: 4) amounting to £27,673 (2010: £21,869). 84 students (2010: 92) graduating this year obtained places to study at universities and 3 (2010: 1) students went on to other courses in further education.

All awards of scholarships and bursaries are means tested. For the International Baccalaureate, St Clare's invites applications for awards, and candidates attend a day at St Clare's during which they are tested for academic ability, all round suitability for the demands of the two year programme, and life in a college with students from a variety of national backgrounds. Parents or other representatives of the candidates are interviewed on their financial position. Awards are made on the basis of students' performances during the scholarship day, school reports and an assessment of the maximum amount which parents can afford to pay towards the fees.

Each year in June, St Clare's hosts a student conference for IBSCA (International Baccalaureate Schools and Colleges Association). This year's conference was entitled 'China in the Future' and 35 (2010: 82) students from a range of schools attended. IBSCA's membership is mainly state schools and St Clare's subsidises their participation in the conference.

ST CLARE'S, OXFORD

REPORT OF THE GOVERNORS

All students on the International Baccalaureate are required to participate in the CAS Programme (Creativity, Activity & Service) and to complete a minimum of fifty hours of Service in the two year course. The programme is carried out under guidelines provided by the International Baccalaureate Organization (IBO). Students are able to choose Service activities within or outside St Clare's – recycling, the Student Council, teaching languages to other students, voluntary work in a charity shop, exercise for children, visiting the elderly, conservation, working in a primary school library and creche or teaching assistants for the North Oxford Association.

St Clare's provides accommodation for two language schools operating classes on Saturday mornings.

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Financial Review

St Clare's consolidated financial results for the year were as follows

	2011 £000	2010 £000
Surplus for the year	1,111	989
Net cash inflow from operating activities	2,361	2,213
Less: Costs of servicing finance net of returns on investment	22	(9)
Repayment of loans	-	(344)
Capital expenditure net of proceeds on disposals	(1,536)	(1,307)
Increase in overall cash balances	847	553
Cash at the beginning of the year	3,510	2,957
Cash at the end of the year	4,357	3,510
Bank loans outstanding at the end of the year	-	-
Net funds at the end of the year	4,357	3,510

As a registered charity St Clare's is generally exempt from Corporation Tax on its income and gains under Part 11 of CTA 2010 and S256 TCGA 1992.

The charity's wholly owned trading subsidiary, St Clare's Services Limited, was set up as an efficient way to manage and control construction services on the charity's properties. Total profits generated of £19,484 (2010 £16,374) were gift aided to the St Clare's.

Risks

The Governors have reviewed the major strategic, business and operational risks to which St Clare's is exposed, and systems have been introduced for continual assessment of those risks. The risk register and procedures for regular monitoring have been established in order to minimise exposure to risk. Regular reports are made to the Governors. There is a Business Continuity Plan in the event of a major disaster affecting St Clare's students, staff or buildings.

The Governors have also reviewed the financial risks to which St Clare's is exposed. St Clare's uses various instruments to maintain its financial position and fund its operational needs, including fees receivable from students. Fees due from individual students and agents are relatively small by comparison with St Clare's aggregate annual turnover and the financial risk associated with them is assessed to be significantly less than the impact of changes driven by the market or of upheavals caused by epidemic, war and terrorism.

ST. CLARE'S, OXFORD

REPORT OF THE GOVERNORS

Resources

Note 11 to the Financial Statements sets out the restricted and unrestricted funds and the assets attributable thereto. These assets are sufficient to meet St Clare's obligations on a fund by fund basis.

The College's tangible assets are held for use by St Clare's. The reserves are chiefly invested in properties used for the purposes of teaching and providing residential accommodation for students.

St Clare's has made a surplus for the year which together with those funds accumulated in prior years will finance two major property projects that will take place in the next two to three years at a value of £3-4m each, the first of which is outlined (in Property) below.

Other funds are held on deposit to cover seasonal variations in cash flow or a temporary fall in income. Cash holdings of an average of two months' operating costs are held for these purposes.

Property

There have been no changes to the St Clare's portfolio of properties during the year.

During the year St Clare's has continued to implement its property plan agreed in 2007. The refurbishment of 14 and 16 Lathbury Road took place during the year and was occupied by students in September 2011. Discussions of plans for a new set of classrooms, laboratories and a maintenance workshop on the site at 139-143 Banbury Road were begun with architects during the year. A scheme has been drawn up with the aim of submitting an application for planning consent during autumn 2011. If the scheme is undertaken, it is hoped to commence work in the early summer of 2012, with a view to completing early in the summer of 2013.

Plans for the future

St Clare's business of providing courses will continue in much the same way as in previous years. St Clare's will continue to seek out new markets in order to keep the flow of student enrolments for Pre-University courses as high as possible. Work will continue, as appropriate, to revise the content of certain courses so as to keep them in line with market expectations and developments in education. St Clare's will continue to promote the concept of Global Citizenship with its staff and students and within the wider community.

Transactions with Governors and other connected persons

Transactions with Governors or other connected persons during the year are set out in note 16 to the financial statements.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

BY ORDER OF THE BOARD



Richard Dick
Chairman
7 December, 2011

ST. CLARE'S, OXFORD

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of St Clare's, Oxford for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and regulations

Company law requires the Governors to prepare financial statements for each financial year. Under that law the Governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Governors is aware

- there is no relevant audit information of which the charitable company's auditor are unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor are aware of that information.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ST. CLARE'S, OXFORD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CLARE'S, OXFORD

We have audited the financial statements of St Clare's, Oxford for the year ended 31 August 2011 which comprise Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Governors and Auditors

As explained more fully in the Statement of Governors' Responsibilities set out on page 6, the Governors who are also the directors of the charitable company for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2011 and of the group's and the parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ST. CLARE'S, OXFORD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CLARE'S, OXFORD

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company's financial statements are not in agreement with the accounting records or returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Grant Thornton UK LLP

Janet Crookes
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford
[**Date**] 7 December 2011

ST CLARE'S, OXFORD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
For the year ended 31 August, 2011

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total 2011 £000	Total 2010 £000
INCOMING RESOURCES					
Income from Charitable Activities					
Fees receivable		12,398	-	12,398	11,279
Other income		175	-	175	212
Incoming Resources from Generating Funds					
Donations		1	-	1	1
Bank and other interest		33	-	33	19
Total incoming resources		12,607	-	12,607	11,511

RESOURCES EXPENDED					
Cost of generating funds	1	-	-	-	-
Direct charitable activities	1	11,458	-	11,458	10,468
Governance costs	1	27	-	27	26
Other resources expended	1 & 2	11	-	11	28
Total resources expended	1	11,496	-	11,496	10,522
Profit on disposal of fixed assets		-	-	-	-
Net income for the year and net movement in funds	11	1,111	-	1,111	989
Balances brought forward at 1 September, 2010	11	14,955	16	14,971	13,982
Balances carried forward at 31 August, 2011	11	16,066	16	16,082	14,971

All incoming resources and resources expended derive from continuing activities

Information up to and including net income and expenditure represents the information required by the Companies Act 2006. It excludes unrealised gains on investments in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" as revised in 2005

HISTORICAL COST SURPLUSES AND DEFICITS					
Reported surplus for the year		1,111	-	1,111	989
Difference between the historical cost depreciation charge and the depreciation charge based on revalued amounts		53	-	53	53
Historical cost surplus retained for the year		1,164	-	1,164	1,042

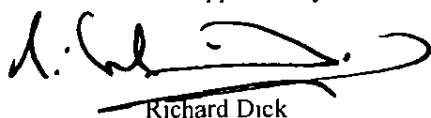
The accompanying accounting policies and notes form an integral part of these Financial Statements

ST CLARE'S, OXFORD

BALANCE SHEETS
As at 31 August, 2011

	Notes	Consolidated 2011 £000	2010 £000	Company 2011 £000	2010 £000
FIXED ASSETS					
Investments	4	-	-	-	-
Intangible assets	5	92	163	92	163
Tangible assets	6	17,963	16,838	18,027	16,879
		<u>18,055</u>	<u>17,001</u>	<u>18,119</u>	<u>17,042</u>
CURRENT ASSETS AND LIABILITIES					
Stocks	7	55	53	55	53
Debtors	8	672	1,109	679	1,126
Cash at bank and in hand		4,357	3,510	4,344	3,489
Total current assets		<u>5,084</u>	<u>4,672</u>	<u>5,078</u>	<u>4,668</u>
Creditors falling due within one year	9	7,057	6,702	7,051	6,698
Net current liabilities		<u>(1,973)</u>	<u>(2,030)</u>	<u>(1,973)</u>	<u>(2,030)</u>
Total assets less current liabilities		16,082	14,971	16,146	15,012
Creditors falling due after more than one year		-	-	-	-
Net assets		<u>16,082</u>	<u>14,971</u>	<u>16,146</u>	<u>15,012</u>
FINANCED BY:					
Capital reserve	11 & 12	1,313	1,313	1,313	1,313
Revaluation reserve	11 & 12	5,306	5,359	5,306	5,359
General Fund	11 & 12	9,447	8,283	9,511	8,324
Unrestricted funds		<u>16,066</u>	<u>14,955</u>	<u>16,130</u>	<u>14,996</u>
Restricted funds	11 & 12	16	16	16	16
Total funds		<u>16,082</u>	<u>14,971</u>	<u>16,146</u>	<u>15,012</u>

The Financial Statements were approved by the Board of Governors on 7 December, 2011


Richard Dick

Chairman


John Church

Governor

The accompanying accounting policies and notes form an integral part of these Financial Statements

ST. CLARE'S, OXFORD

CONSOLIDATED CASH FLOW STATEMENT For the year ended 31 August, 2011

	2011 £000	2010 £000
CHANGES IN CASH BALANCES		
Net cash inflow from operating activities	2,361	2,213
Returns on investments and servicing of finance		
Interest received	33	19
Interest paid	(11)	(28)
Net cash inflow/(outflow) from returns on investments and servicing of finance	22	(9)
Investing activities		
Payments to acquire tangible fixed assets	(1,536)	(1,307)
Proceeds on disposal of tangible fixed assets	-	-
Net cash inflow before financing	847	897
Financing		
Repayment of borrowings	-	(344)
Increase in cash balances	847	553

RECONCILIATIONS

Net incoming resources to net cash flow from operations		
Net incoming resources	1,111	989
Net interest	(22)	9
Profit on disposal of fixed assets	-	-
Operating surplus	1,089	998
Depreciation and amortisation charge	482	461
Increase in stocks	(2)	(8)
Decrease in debtors	437	87
Increase in creditors	355	675
Net cash inflow from operating activities	2,361	2,213
Net cash flow to movement in net funds		
Movement in net funds during the year	847	897
Net funds as at 1 September, 2010	3,510	2,613
Net funds as at 31 August, 2011	4,357	3,510

Changes in net funds

	Balance as at 01 09 10 £000	Movement for the year £000	Balance as at 31 08 11 £000
Cash in hand and at bank	3,510	847	4,357
Bank loans	-	-	-
Total net funds	3,510	847	4,357

The accompanying accounting policies and notes form an integral part of these Financial Statements

ST. CLARE'S, OXFORD

STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 August, 2011

The principal accounting policies have been applied consistently in dealing with items which are considered material in relation to St Clare's Financial Statements, and have remained unchanged from the previous year

Basis of Preparation

The Financial Statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities (revised February 2005) They are drawn up under the historical cost convention, except that freehold properties are shown at their 1996 valuation or subsequent historic cost

Basis of consolidation

The Financial Statements consolidate the results of the St Clare's and its wholly owned subsidiary St Clare's Services Limited on a line by line basis

Incoming Resources

Incoming resources comprise the amounts receivable for courses delivered by the balance sheet date and other supplies made during the financial year, donations received, and bank and other interest Donations are deferred only when the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use of the funds

Expenditure

Direct charitable expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent Irrecoverable VAT is included with the item of expense to which it relates Support costs incurred for the cost of generating funds, governance costs and other resources expended have not been allocated on the basis that they are small and would make little difference to the costs of those activities

Investments

Investments in subsidiaries are included in the company's accounts at cost

Fixed Assets

Tangible fixed assets are capitalised at cost where their acquisition value is greater than £500, and are stated at cost net of depreciation

Freehold land and buildings held in 1996 were valued by FPD Savills, Chartered Surveyors Those properties are included at the value derived at that date Additions to freehold land and buildings since that date are included at their original cost

Assets under construction,

Design fees, refurbishment and other professional and construction expenditure incurred on properties owned by St Clare's are classed as 'Assets under construction' until refurbishment work has been completed On completion of work the value of those costs is transferred to 'Freehold Land and Buildings' No depreciation is charged on additions to 'Assets under construction'

Depreciation is calculated to write down the cost or revaluation of all tangible fixed assets, other than freehold land, by equal annual instalments over their expected useful lives The depreciation rates applicable are

Leasehold property	Period of lease
Freehold buildings and extensions	2%
Other fixed assets	25%
Fixtures & fittings	25%

ST. CLARE'S, OXFORD

STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 August, 2011

Goodwill

Purchased goodwill is capitalised and amortised on a straight line basis over its estimated useful economic life. Goodwill has been assessed and the rate of amortisation was increased from 5% per annum to 10% per annum with effect from 1 September, 2007. Goodwill will be fully amortised within seven years by 2013, and will be reviewed on an annual basis.

Stocks

Stocks are stated at the lower of cost and net realisable value. Books purchased for the library are written off in the year of purchase.

Liabilities

Liabilities are recognised when there is a legal and constructive obligation committing St Clare's to the expenditure.

Foreign Currencies

St Clare's translates all fees invoiced in a foreign currency at a standard rate fixed for each term during the academic year. All differences between the standard rate and the actual rate ruling when fees are received are treated as exchange gains or losses in the year and are included in the General Fund. Foreign currency debtors and cash balances are translated at the rate prevailing at the end of the year.

Contributions to Pension Funds

Defined benefit scheme – St Clare's participates in the Teachers' Pension Scheme (England and Wales) for its academic staff. This is a multi-employer defined benefits pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the College. Therefore it is being accounted for as a defined contribution scheme as permitted by Financial Reporting Standard 17 Retirement Benefits.

Defined contribution scheme - Pensions for other staff currently in employment are provided by means of a defined contribution scheme.

Both schemes are externally managed and the staff and St Clare's make contributions to both of them. The annual cost of these contributions is charged to the General Fund.

Pensions paid to former employees out of St Clare's own funds are charged to the General Fund. The number of former employees who are paid pensions is fixed and will not increase.

Education Scholarships

The value of scholarships awarded by St Clare's to its students is included in both fees receivable and direct charitable expenditure.

Leased assets

All leases are treated as operating leases and the payments made under them are charged to the General Fund on a straight-line basis over the term of the lease.

Funds

Funds are described in Note 11 to the Financial Statements.

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

1 GROUP RESOURCES EXPENDED

	Staff Costs £000	Other £000	Depreciation & amortisation £000	Total 2011 £000	Total 2010 £000
Cost of generating funds					
Staff costs	-	-	-	-	-
Printing, advertising, and mailing	-	-	-	-	-
	-	-	-	-	-
Direct charitable activities					
Teaching costs	3,405	385	3	3,793	3,548
Catering and other domestic costs	1,358	734	22	2,114	2,009
Premises	231	2,155	286	2,672	2,407
Support costs	925	1,379	171	2,475	2,107
Scholarships	-	404	-	404	397
	5,919	5,057	482	11,458	10,468
Governance costs					
Governors' expenses	-	1	-	1	1
Auditors' fees	-	15	-	15	14
Pension costs to former employees	-	11	-	11	11
	-	27	-	27	26
Other resources expended					
Interest	-	11	-	11	28
	-	-	-	-	-
Total resources expended 2011	5,919	5,095	482	11,496	10,522
Totals 2010	5,602	4,461	459	10,522	

Support costs incurred for the cost of generating funds, governance costs and other resources expended have not been allocated on the basis that they are small and would make little difference to the costs of those activities

Total resources expended include

	2011 £000	2010 £000
The net incoming resources are stated after		
Auditors' remuneration		
Audit services	15	14
Non audit services	3	4
Depreciation and amortisation		
Intangible fixed assets	71	71
Tangible fixed assets, owned	411	390
Hire of plant and machinery under operating leases	110	96
Other operating lease rentals	257	275

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

2 GROUP INTEREST PAYABLE

	2011	2010
	£000	£000
On loans repayable wholly or partly in more than five years	-	7
Other interest payable and similar charges	11	21
	<u>11</u>	<u>28</u>

3 GROUP GOVERNORS AND EMPLOYEES

	2011	2010
	£000	£000
Staff costs during the year were as follows		
Wages and salaries	4,957	4,696
Social Security costs	426	393
Other pension costs	422	405
	<u>5,805</u>	<u>5,494</u>
Other staff costs	114	108
	<u>5,919</u>	<u>5,602</u>
Governors' expenses for travel and accommodation	1	1
Governors are not remunerated for their services	No	No
The average number of employees during the year was	231	222
The number of employees whose emoluments exceeded £60,000 was		
£60,001 - £70,000	3	2
£70,001 - £80,000	2	2
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,000 - £110,000	1	1

4 INVESTMENTS

	Group		Company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Investments in subsidiary undertakings	-	-	-	-

St Clare's Services Limited (incorporated in the United Kingdom) was set up to manage and control construction services on the College's property developments. The £1 ordinary share capital is held by St Clare's, Oxford, and its results are included in the consolidated Financial Statements.

Any profits St Clare's Services Limited generates will be gifted to St Clare's, Oxford. Profits gifted this year were £19,484 (2010: £16,374).

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

5 PURCHASED GOODWILL

Group and Company	Date of acquisition	Goodwill at original cost
Goodwill relates to the following acquisition		£000
Trade and certain assets of the Oxford Academy from Gladysric Limited	27 03 99	646
Legal and accounting fees and Land Registry fees	27 03 99	62
Cost at 31 August, 2011		708
Cost at 31 August, 2010		708
Amortisation		
	2011	2010
	£000	£000
At 1 September, 2010	545	474
Provided in the year	71	71
At 31 August, 2011	616	545
Net book amount at 31 August, 2011	92	163

The rate of amortisation was increased from 5% per annum to 10% per annum with effect from 1 September, 2007. Goodwill will be fully amortised in 2013.

6 TANGIBLE FIXED ASSETS

Group	Freehold Land & Buildings £000	Leasehold Property £000	Fixtures & Fittings £000	Motor Vehicles £000	Assets Under Construction £000	Total Tangible Assets £000
Cost or Valuation						
At 1 September, 2010	18,599	278	1,398	24	375	20,674
Additions	29	-	138	-	1,369	1,536
Disposals	-	-	-	-	-	-
Transfer	1,322	-	-	-	(1,322)	-
At 31 August, 2011	19,950	278	1,536	24	422	22,210
Depreciation						
At 1 September, 2010	2,510	239	1,063	24	-	3,836
Provided in the year	278	7	126	-	-	411
Disposals	-	-	-	-	-	-
At 31 August, 2011	2,788	246	1,189	24	-	4,247
Net book amount						
At 31 August, 2011	17,162	32	347	-	422	17,963
At 31 August, 2010	16,089	39	335	-	375	16,838

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

6 TANGIBLE FIXED ASSETS CONTINUED

Fixtures & Fittings include assets costing £1,128,238 which have been fully depreciated

In 1996 FPD Savills, Chartered Surveyors, valued freehold land & buildings held at that date on the basis of existing use assuming vacant possession. Had the valuation not been made freehold land & buildings would have been included on the historical cost basis at the following amounts

	2011 £000	2010 £000
Cost	14,687	13,289
Accumulated depreciation	(2,463)	(2,239)
Net book amount at 31 August, 2011	12,224	11,050

Company	Freehold Land & Buildings £000	Leasehold Property £000	Fixtures & Fittings £000	Motor Vehicles £000	Assets Under Construction £000	Total Tangible Assets £000
Cost or Valuation						
At 1 September, 2010	18,606	278	1,398	24	409	20,715
Additions	29	-	138	-	1,392	1,559
Disposals	-	-	-	-	-	-
Transfers	1,386	-	-	-	(1,386)	-
At 31 August, 2011	20,021	278	1,536	24	415	22,274
Depreciation						
At 1 September, 2010	2,510	239	1,063	24	-	3,836
Provided in the year	278	7	126	-	-	411
Disposals	-	-	-	-	-	-
At 31 August, 2011	2,788	246	1,189	24	-	4,247
Net book amount						
At 31 August, 2011	17,233	32	347	-	415	18,027
At 31 August, 2010	16,096	39	335	-	409	16,879

Fixtures & Fittings include assets costing £1,128,238 which have been fully depreciated

In 1996 FPD Savills, Chartered Surveyors, valued freehold land & buildings held at that date on the basis of existing use assuming vacant possession. Had the valuation not been made freehold land & buildings would have been included on the historical cost basis at the following amounts

	2011 £000	2010 £000
Cost	14,751	13,330
Accumulated depreciation	(2,463)	(2,239)
Net book amount at 31 August, 2011	12,288	11,091

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

7 STOCKS

	Group		Company	
	2011	2010	2011	2010
	£000	£000	£000	£000
General consumables	55	53	55	53

8 DEBTORS

	Group		Company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Trade debtors	435	826	435	826
Prepayments and accrued income	237	283	236	232
Amounts owed by Group undertakings	-	-	8	68
	672	1,109	679	1,126

9 CREDITORS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Trade creditors	502	308	501	308
Social Security and other taxes	211	167	211	167
Other creditors	101	82	101	82
Payments on account	945	303	945	303
Accruals	211	224	206	220
Fees and deposits received in advance	5,087	5,618	5,087	5,618
	7,057	6,702	7,051	6,698

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

10 PENSION COSTS

St Clare's operates both defined benefit and defined contribution pension schemes for academic and administrative staff respectively. During the year pension costs of £267,980 (2010 £259,923) and £153,050 (2010 £145,235) were incurred relating to the schemes respectively. The assets of these schemes are administered by Trustees in funds independent from the assets of the St Clare's.

St Clare's participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its academic staff. This is a multi-employer defined benefit pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to St Clare's. Taking advantage of the provision in Financial Reporting Standard 17 Retirement Benefits, which allows St Clare's to account for this scheme as a defined contribution scheme, the pension costs charged against operating profit are the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the Scheme by the Government Actuary issued in October 2006 relating to the period 1st April, 2001 to 31st March, 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceed the value of the Scheme's assets (estimated future contributions together with the proceeds from notional investments held at the valuation date) by 2%.

From 1st January, 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance the Scheme's assets and liabilities within 15 years as required by the regulations), a total contribution rate of 20.5%. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced – effective for the first time for the 2009 valuation – a 14% cap on employer contributions payable.

The Teachers' Pension Scheme is subject to a valuation by the scheme actuary every four years. The Government Actuary's Department has been working on the current valuation (as at 31 March 2008) but this has been suspended pending the final report by the IPSPC and full consideration of the Spending Review announcements.

Pension payments of £11,255 (2010 £11,163) were paid to former employees whose pension costs are borne by St Clare's and charged to the General Fund. Of these pensions, one is increased by three percent per annum and the others are increased at the discretion of the Governors.

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

11 GROUP FUNDS

	Balance at 01 09 10	Incoming Resources	Resources Expended	Transfer between funds	Balance at 31 08 11
	£000	£000	£000	£000	£000
Unrestricted funds					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,359	-	-	(53)	5,306
General Fund	7,182	12,607	(11,496)	(369)	7,924
Repairs & Maintenance (Designated)	1,101	-	-	422	1,523
Total unrestricted funds	14,955	12,607	(11,496)	-	16,066
Restricted funds					
Building Fund	8	-	-	-	8
Scholarship Fund	8	-	-	-	8
	16	-	-	-	16
Total funds 2011	14,971	12,607	(11,496)	-	16,082
Total funds 2010	13,982	11,511	(10,522)	-	14,971

The transfer from the revaluation reserve to the General Fund represents the difference between depreciation calculated on historical cost and at valuation. The transfer to the Designated Fund for Repairs & Maintenance for the year amounts to £400,000 plus notional interest of £22,158.

The funds are

- Capital Reserve - the balance of the accumulated surplus on the Income & Expenditure Account of St Clare's as at 31 August, 1986 when the College's operations as a charitable trust were taken over by the Company. The balance on the Capital Reserve has not altered since that date.
- Revaluation Reserve - the balance of the unamortised surplus on the revaluation of St Clare's freehold properties.
- General Fund - the accumulated surplus on St Clare's operations since it took over the business of St Clare's on 1 September, 1986.
- Designated Fund for Repairs & Maintenance - to finance projects for repair and renovation of St Clare's properties, funded by annual appropriations, including notional interest, from the General Fund up to a target fund balance of £1.5m.
- Scholarship Fund - funds donated for providing scholarships to students.
- Building Fund - funds donated to support development work on St Clare's building programme.

Analysis of net assets between funds

	Fixed Assets	Current Assets	Current Liabilities	Creditors over 1 year	Net Assets 2011	Net Assets 2010
	£000	£000	£000	£000	£000	£000
Unrestricted funds	18,055	5,068	(7,057)	-	16,066	14,955
Restricted funds	-	16	-	-	16	16
Total funds 2011	18,055	5,084	(7,057)	-	16,082	14,971
Total funds 2010	17,001	4,672	(6,702)	-	14,971	

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2011

12 COMPANY FUNDS

	Balance at 01 09 10	Incoming Resources	Resources Expended	Transfer between funds	Balance at 31 08 11
	£000	£000	£000	£000	£000
Unrestricted funds					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,359	-	-	(53)	5,306
General Fund	7,223	12,626	(11,492)	(369)	7,988
Repairs & Maintenance (Designated)	1,101	-	-	422	1,523
Total unrestricted funds	14,996	12,626	(11,492)	-	16,130
Restricted funds					
Building Fund	8	-	-	-	8
Scholarship Fund	8	-	-	-	8
	16	-	-	-	16
Total funds 2011	15,012	12,626	(11,492)	-	16,146
Total funds 2010	14,000	11,527	(10,515)	-	15,012

13 CAPITAL COMMITMENTS

At 31 August 2011 there were no capital commitments (2010 £14million for the refurbishment of 14/16 Lathbury Road)

14 LEASING COMMITMENTS

	2011 Land & Buildings £000	2011 Other £000	2010 Land & Buildings £000	2010 Other £000
In one year or less	-	1	-	-
Between one and five years	194	81	194	78
In five years or more	50	-	50	-
	244	82	244	78

15 CONTINGENT LIABILITIES AND ASSETS

At 31 August, 2011 there were no contingent liabilities or assets (2010 None)

16 RELATED PARTY TRANSACTIONS

St Clare's is exempt from the requirement of Financial Reporting Standard 8, Related Party Disclosures, to disclose transactions with its wholly owned subsidiary St Clare's Services Limited

Expenses were reimbursed to 5 Governors during the year, amounting to £467 (2010 £676) in respect of travel and subsistence

There were no other related party transactions during the year