

ST. CLARE'S, OXFORD

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST, 2012

COMPANIES HOUSE

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

ST. CLARE'S, OXFORD

FINANCIAL STATEMENTS

For the year ended 31 August, 2012

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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, 2012

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 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		7 December, 2011
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 Nicholas Morris	18 March, 2004	7 December, 2011	
Mr James Offen	21 November 2002		7 December, 2011
Mr Peter Oppenheimer	11 April, 1986		7 December, 2011
Dr Emanuela Tandello	7 December, 2011		
Mr Jens Tholstrup	22 March, 2006		7 December, 2011
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 (Oxon), BSc, PGCE, Cert TEFL
Vice Principal	Mr Tom Walsh, MA, 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 Handelsbanken, Seacourt Tower, 7 th Floor, West Way, Botley, Oxford, OX2 0JJ
<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>	Crowe Clark Whitehill LLP, Aquis House, 49-51 Blagrove Street, Reading, Berkshire, RG1 1PL
<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 Richard Dick (ex officio), Mr Paul Mason, Mr Nicholas Morris (resigned 7 December, 2011), Mr James Offen, and Mr Peter Oppenheimer.

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 deposit takers with a Standard and Poor's rating of at least A 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:

	2012 Student Wks No	2011 Student Wks No
Total weeks	16,390	16,594

Students on all courses came from 81 countries (2011: 69).

Public Benefit

27 students (2011: 27) on the International Baccalaureate received scholarships and bursaries amounting to £418,287 (2011: £470,047). Scholarships and bursaries were awarded on other courses for 5 places (2011: 6) amounting to £21,339 (2011: £27,673). 100 students (2011: 84) graduating this year obtained places to study at universities and no (2011: 3) 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.

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 crèche or teaching assistants for the North Oxford Association.

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

ST CLARE'S, OXFORD

REPORT OF THE GOVERNORS

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

	2012 £000	2011 £000
Surplus for the year	404	1,111
Net cash inflow from operating activities	1,872	2,361
Plus Returns on investment net costs of servicing finance	29	22
Less Capital expenditure net of proceeds on disposals	(341)	(1,536)
Increase in overall cash balances	1,560	847
Cash at the beginning of the year	4,357	3,510
Cash at the end of the year	5,917	4,357
Bank loans outstanding at the end of the year	-	-
Net funds at the end of the year	5,917	4,357

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 losses of £3,279 were generated (2011 profit of £19,484 was 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 systems 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.

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, OXFORD

REPORT OF THE GOVERNORS

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 cost of over £4 million 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 at least 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

The College continued the planned maintenance work on its properties in accordance with the priorities identified in the condition survey undertaken in 2010. There were no major redevelopment projects during the year. Plans for the proposed new classroom, laboratories and maintenance workshop building at 139-143 Banbury Road were developed further during the year, in order to address points made by the local planning authorities. It is hoped that planning consent will be given in November 2012, allowing work to begin in June 2013.

Plans for the future

St Clare's business of providing courses will continue in much the same way as in previous years. The College will continue to seek out new markets in order to keep the flow of student enrolments for all of its 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.

Provision of information to auditors

In so far as each of the Governors is aware

- there is no relevant audit information of which the charitable company's auditors 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 auditors are aware of that information.

Auditor

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe Clark Whitehill LLP as auditors to the company will be put to the Annual General Meeting.

BY ORDER OF THE BOARD



Richard Dick
Chairman
4 December, 2012

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.

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 2012 which comprise the Consolidated Statement of Financial Activities (incorporating the 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 the company's 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, the Governors (who are also the directors of the charitable company for the purpose of company 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Governors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 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 Report of the Governors 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

Alastair Lyon

Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Aquis House

49-51 Blagrove Street

Reading

Berkshire

RG1 1PL

7 January 2013

ST. CLARE'S, OXFORD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 August, 2012

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Total 2011 £000
INCOMING RESOURCES					
Income from Charitable Activities					
Fees receivable		12,745	-	12,745	12,398
Other income		247	-	247	175
Incoming Resources from Generating Funds					
Donations		-	-	-	1
Bank and other interest		29	-	29	33
Total incoming resources		13,021	-	13,021	12,607
RESOURCES EXPENDED					
Direct charitable activities	1	12,601	-	12,601	11,469
Governance costs	1	16	-	16	16
Other resources expended	1 & 2	-	-	-	11
Total resources expended	1	12,617	-	12,617	11,496
Net income for the year and net movement in funds	11	404	-	404	1,111
Balances brought forward at 1 September, 2011	11	16,066	16	16,082	14,971
Balances carried forward at 31 August, 2012	11	16,470	16	16,486	16,082

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		404	-	404	1,111
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		457	-	457	1,164

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

ST CLARE'S, OXFORD
COMPANY REGISTRATION NUMBER 01986868

BALANCE SHEETS
As at 31 August, 2012

	Notes	Consolidated		Company	
		2012	2011	2012	2011
		£000	£000	£000	£000
FIXED ASSETS					
Investments	4	-	-	-	-
Intangible assets	5	21	92	21	92
Tangible assets	6	17,874	17,963	17,935	18,027
		<u>17,895</u>	<u>18,055</u>	<u>17,956</u>	<u>18,119</u>

CURRENT ASSETS AND LIABILITIES

Stocks	7	56	55	56	55
Debtors	8	747	672	759	679
Cash at bank and in hand		5,917	4,357	5,900	4,344
Total current assets		<u>6,720</u>	<u>5,084</u>	<u>6,715</u>	<u>5,078</u>
Creditors falling due within one year	9	7,807	6,769	7,803	6,763
Net current liabilities		<u>(1,087)</u>	<u>(1,685)</u>	<u>(1,088)</u>	<u>(1,685)</u>
Total assets less current liabilities		<u>16,808</u>	<u>16,370</u>	<u>16,868</u>	<u>16,434</u>
Creditors falling due after more than one year		(322)	(288)	(322)	(288)
Net assets		<u>16,486</u>	<u>16,082</u>	<u>16,546</u>	<u>16,146</u>

FINANCED BY:

Capital reserve	11 & 12	1,313	1,313	1,313	1,313
Revaluation reserve	11 & 12	5,253	5,306	5,253	5,306
General Fund	11 & 12	9,904	9,447	9,964	9,511
Unrestricted funds		<u>16,470</u>	<u>16,066</u>	<u>16,530</u>	<u>16,130</u>
Restricted funds	11 & 12	16	16	16	16
Total funds		<u>16,486</u>	<u>16,082</u>	<u>16,546</u>	<u>16,146</u>

The Financial Statements were approved by the Board of Governors on 4 December, 2012


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, 2012

	2012 £000	2011 £000
CHANGES IN CASH BALANCES		
Net cash inflow from operating activities	1,879	2,361
Returns on investments and servicing of finance		
Interest received	29	33
Interest paid	-	(11)
Net cash inflow from returns on investments and servicing of finance	29	22
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(348)	(1,536)
Net cash inflow before financing	1,560	847
Financing		
Repayment of borrowings	-	-
Increase in cash balances	1,560	847

RECONCILIATIONS

Net incoming resources to net cash flow from operations			
Net incoming resources	404		1,111
Net interest	(29)		(22)
Operating surplus	375		1,089
Depreciation and amortisation charge	508		482
Increase in stocks	(1)		(2)
(Increase)/decrease in debtors	(75)		437
Increase in creditors	1,072		355
Net cash inflow from operating activities	1,879		2,361
Net cash flow to movement in net funds			
Movement in net funds during the year	1,560		847
Net funds as at 1 September, 2011	4,357		3,510
Net funds as at 31 August, 2012	5,917		4,357
Changes in net funds			
	Balance as at 01 09 11 £000	Movement for the year £000	Balance as at 31 08 12 £000
Cash in hand and at bank	4,357	1,560	5,917
Total net funds	4,357	1,560	5,917

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, 2012

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.

St Clare's has cash resources and has no requirement for external funding. The Governors have a reasonable expectation that St Clare's has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting in preparing the annual financial statements.

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. No profit and loss account is presented for St Clare's, Oxford as permitted by Section 408 of the Companies Act 2006.

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'.

ST CLARE'S, OXFORD

STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 August, 2012

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% - 3.3%
Other fixed assets	25%
Fixtures & fittings	25%

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 by 2013.

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.

ST. CLARE'S, OXFORD

STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 August, 2012

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, 2012

1 GROUP RESOURCES EXPENDED

	Staff Costs £000	Other £000	Depreciation & amortisation £000	Total 2012 £000	Total 2011 £000
Direct charitable activities					
Teaching costs	3,469	1,857	2	5,328	3,792
Catering and other domestic costs	1,074	1,532	260	2,866	2,114
Premises	474	1,396	74	1,944	2,672
Support costs	1,200	650	172	2,022	2,487
Scholarships	-	441	-	441	404
	6,217	5,876	508	12,601	11,469
Governance costs					
Governors' expenses	-	1	-	1	1
Auditors' fees	-	15	-	15	15
	-	16	-	16	16
Other resources expended					
Interest	-	-	-	-	11
Total resources expended 2012	6,217	5,903	508	12,617	11,496
Totals 2011	5,930	5,084	482	11,496	-

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

	2012 £000	2011 £000
The net incoming resources are stated after		
Auditors' remuneration		
Audit services	12	15
Non audit services	3	3
Depreciation and amortisation		
Intangible fixed assets	71	71
Tangible fixed assets owned	437	411
Hire of plant and machinery under operating leases	89	110
Other operating lease rentals	257	257

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2012

2 GROUP INTEREST PAYABLE

	2012	2011
	£000	£000
Other interest payable and similar charges	-	11
	-	11

3 GROUP GOVERNORS AND EMPLOYEES

	2012	2011
	£000	£000
Staff costs during the year were as follows		
Wages and salaries	5,188	4,957
Social Security costs	451	426
Other pension costs	469	433
	6,108	5,816
Other staff costs	109	114
	6,217	5,930
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	236	231
The number of employees whose emoluments exceeded £60,000 was		
£60,001 - £70,000	3	3
£70,001 - £80,000	1	2
£80,001 - £90,000	1	-
£100,000 - £110,000	1	1

4 INVESTMENTS

	Group		Company	
	2012	2011	2012	2011
	£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. There were no profits this year (2011: £19,484).

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2012

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 Gladysic Limited	27 03 99	646
Legal and accounting fees and Land Registry fees	27 03 99	62
Cost at 31 August, 2012		708
Cost at 31 August, 2011		708
Amortisation		
	2012	2011
	£000	£000
At 1 September 2011	616	545
Provided in the year	71	71
At 31 August 2012	687	616
Net book amount at 31 August, 2012	21	92

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, 2011	19,950	278	1,536	24	422	22,210
Additions	33	-	206	-	109	348
Disposals	-	-	(11)	(20)	-	(31)
Transfer	213	-	-	-	(213)	-
At 31 August, 2012	20,196	278	1,731	4	318	22,527
Depreciation						
At 1 September, 2011	2,788	246	1,189	24	-	4,247
Provided in the year	301	5	131	-	-	437
Disposals	-	-	(11)	(20)	-	(31)
At 31 August, 2012	3,089	251	1,309	4	-	4,653
Net book amount						
At 31 August, 2012	17,107	27	422	-	318	17,874
At 31 August 2011	17,162	32	347	-	422	17,963

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August 2012

6 TANGIBLE FIXED ASSETS CONTINUED

Fixtures & Fittings include assets costing £1,206,156 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

	2012 £000	2011 £000
Cost	14,731	14,687
Accumulated depreciation	(2,556)	(2,463)
Net book amount at 31 August, 2012	12,175	12,224

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 2011	20,021	278	1,536	24	415	22,274
Additions	33	-	206	-	109	348
Disposals	-	-	(11)	(20)	-	(31)
Transfers	206	-	-	-	(206)	-
At 31 August, 2012	20,260	278	1,731	4	318	22,591
Depreciation						
At 1 September, 2011	2,788	246	1,189	24	-	4,247
Provided in the year	304	5	131	-	-	440
Disposals	-	-	(11)	(20)	-	(31)
At 31 August, 2012	3,092	251	1,309	4	-	4,656
Net book amount						
At 31 August, 2012	17,168	27	422	-	318	17,935
At 31 August, 2011	17,233	32	347	-	415	18,027

Fixtures & Fittings include assets costing £1,206,156 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

	2012 £000	2011 £000
Cost	14,795	14,751
Accumulated depreciation	(2,559)	(2,463)
Net book amount at 31 August, 2012	12,235	12,288

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2012

7 STOCKS

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
General consumables	56	55	56	55

8 DEBTORS

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
Trade debtors	434	435	434	435
Prepayments and accrued income	313	237	313	236
Amounts owed by Group undertakings	-	-	12	8
	747	672	759	679

9 CREDITORS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
Trade creditors	347	502	347	501
Social Security and other taxes	209	211	209	211
Other creditors	36	101	36	101
Payments on account	245	945	245	945
Accruals	759	211	755	206
Fees and deposits received in advance	6,211	4,799	6,211	4,799
	7,807	6,769	7,803	6,763

10 CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£000	£000	£000	£000
Fees and deposits received in advance	322	288	322	288
	322	288	322	288

ST CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August 2012

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 £277,606 (2011: £267,980) and £191,136 (2011: £164,305) 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 TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to St Clare's. As required by FRS17 "Retirement Benefits", St Clare's accounts for this scheme as if it were a defined contribution scheme.

On 4 July 2012 the Chief Secretary to the Treasury confirmed that the Government will be taking forward legislation based on the reformed scheme design for the Teachers' Pension Scheme to be introduced in 2015 as set out in the Teachers' Pension Scheme – Proposed Final Agreement ("the TPS Agreement"). The TPS Agreement sets out the main parameters for both the provision of future pension benefits and the structuring of the future contributions to the TPS including the basis for increasing average employee contribution rates up to 2015.

Under the TPS Agreement, employer contribution rates from 1 April 2012 are continuing at 14.1% with employee rates varying between 6.4% and 8.8%. For subsequent years data and information is being collated to inform a Government review of the tiering structures in advance of the Department for Education consulting on contribution increases for 2013/14 onwards.

The government have set a gross cost ceiling for the main public service pension schemes of 21.7% with a net cost ceiling of 12.1% and an average employee contribution of 9.6%. The Government Actuary's Department has in a report dated 9 March 2012 concluded that the TPS Agreement scheme design is within this required cost ceiling. This conclusion is dependent on and sensitive to the data, methodology and assumptions adopted and further details on these are available in the full Government Actuary's report which is available on the Department for Education website.

Pension payments of £11,350 (2011: £11,255) 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, 2012

11 GROUP FUNDS

	Balance at 01 09 11	Incoming Resources	Resources Expended	Transfer between funds	Balance at 31 08 12
	£000	£000	£000	£000	£000
Unrestricted funds					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,306	-	-	(53)	5,253
General Fund	7,924	13,021	(12,617)	37	8,365
Repairs & Maintenance (Designated)	1,523	-	-	16	1,539
Total unrestricted funds	16,066	13,021	(12,617)	-	16,470
Restricted funds					
Building Fund	8	-	-	-	8
Scholarship Fund	8	-	-	-	8
	16	-	-	-	16
Total funds 2012	16,082	13,021	(12,617)	-	16,486
Total funds 2011	14,971	12,607	(11,496)	-	16,082

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 notional interest of £16k.

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 to a target fund balance of £1.5m. This will be annually increased by notional interest.
- 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 2012	Net Assets 2011
	£000	£000	£000	£000	£000	£000
Unrestricted funds	17,895	6,704	(7,807)	(322)	16,470	16,066
Restricted funds	-	16	-	-	16	16
Total funds 2012	17,895	6,720	(7,807)	(322)	16,486	16,082
Total funds 2011	18,055	5,084	(7,057)	-	16,082	-

ST CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2012

12 COMPANY FUNDS

	Balance at 01 09 11	Incoming Resources	Resources Expended	Transfer between funds	Balance at 31 08 12
	£000	£000	£000	£000	£000
Unrestricted funds					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,306	-	-	(53)	5,253
General Fund	7,988	13,021	(12,621)	37	8,425
Repairs & Maintenance (Designated)	1,523	-	-	16	1,539
Total unrestricted funds	16,130	13,021	(12,621)	-	16,530
Restricted funds					
Building Fund	8	-	-	-	8
Scholarship Fund	8	-	-	-	8
	16	-	-	-	16
Total funds 2012	16,146	13,021	(12,621)	-	16,546
Total funds 2011	15,012	12,626	(11,492)	-	16,146

13 CAPITAL COMMITMENTS

At 31 August 2012 there were no capital commitments (2011 there were no capital commitments)

14 LEASING COMMITMENTS

	2012 Land & Buildings £000	2012 Other £000	2011 Land & Buildings £000	2011 Other £000
In one year or less	-	48	-	1
Between one and five years	-	4	194	81
In five years or more	257	-	50	-
	257	52	244	78

15 CONTINGENT LIABILITIES AND ASSETS

At 31 August, 2012 there were no contingent liabilities or assets (2011 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 4 Governors during the year, amounting to £447 (2011 £467) in respect of travel and subsistence

There were no other related party transactions during the year