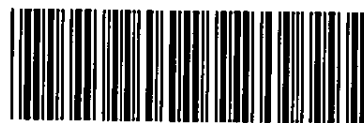


ST. CLARE'S, OXFORD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST, 2010

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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, 2010

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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, 2010

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 Jesmond Blumenfeld	25 November, 1997	10 June 2010	
Mr David Christie	7 December, 2006		10 December 2009
Mr John Church	14 June, 2007		10 December 2009
Mr Richard Dick	22 March, 2001		17 March, 2005
Dr Yao-Su Hu	5 June, 2003		12 March, 2009
Miss Irina Kirillova	1 July, 1994		13 December, 2007
Ms Ann Lewis	23 November, 2000		13 December, 2007
Mr Paul Mason	11 March, 2010		
Mr Dermot McMeekin	13 December, 2007		
Mr Nicholas Morris - Chairman	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		12 March, 2009

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, 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 Allied Irish Bank (GB), 51 Belmont Road, Uxbridge, Middlesex, UB8 1RZ Bank of Scotland, 600 Gorgie Road, Edinburgh, EH11 3XP Abbey, 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 Darbys LLP, 52 New Inn Hall Street, Oxford, OX1 2DN
<u>Auditor</u>	Grant Thornton UK LLP, 1 Westminster Way, Oxford, OX2 0PZ
<u>Surveyors</u>	Marriotts, 29 Beaumont Street, Oxford, OX1 2NP
<u>Insurance Brokers</u>	Honour Point Limited, 88 Hagley Road, Edgbaston, Birmingham, B16 8LU

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. 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 on a regular basis, but may meet more frequently if required. The Board of Governors has two Committees: Finance, Personnel & General Purposes, and Strategic Development. The Committees meet three or four times a year, depending on the amount of business to be discussed. The Governors who served on the Committees during the year are:

Finance, Personnel & General Purposes - Mr John Church, Mr Jesmond Blumenfeld (retired 10 June 2010), Mr Paul Mason (appointed 11 March, 2010), Mr Dermot McMeekin, Mr Nicholas Morris, Mr James Offen, and Mr Peter Oppenheimer.

Strategic Development - Mr Jesmond Blumenfeld (retired 10 June 2010), Ms Ann Lewis, Mr Dermot McMeekin, Mr Nicholas Morris, Mr James Offen and Mr Peter Oppenheimer.

The first named person in each Committee is or was the Chairman of that Committee.

The Board also has an Academic Forum which meets three times a year 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 College is delegated to the Principal and Bursar. The Governors receive regular papers giving details of the College'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, Abbey, CAF Bank, Bank of Scotland, NatWest, and Allied Irish Bank (GB) as authorised by the Finance, Personnel & General Purposes Committee.

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:

	2010 Student Wks No	2009 Student Wks No
International Baccalaureate and other pre-university courses	8,788	8,984
English as a Foreign Language	2,114	2,212
Liberal Arts	557	810
Other academic year courses	1,252	1,229
Summer courses for students under 16	518	543
Summer courses for students of 16 to 18	1,994	1,970
IB Institute	566	361
	<u>15,789</u>	<u>16,109</u>

Students on all courses came from 73 countries (2009: 78)

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. 2010: 53.24% (2009: 52.99%)

Public Benefit

25 students (2009: 24) on the International Baccalaureate received scholarships and bursaries amounting to £374,662 (2009: £386,762). Scholarships and bursaries were awarded on other courses for 4 places (2009: 12) amounting to £21,869 (2009: £28,628). 92 students (2009: 80) graduating this year obtained places to study at universities and 1 (2009: 2) 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 the College 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 'Concerns about the Global Economy' and 82 (2009: 43) students from a range of schools attended. IBSCA's membership is mainly state schools and St Clare's subsidises their participation in the conference.

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

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

	2010 £000	2009 £000
Surplus for the year	989	980
Net cash inflow from operating activities	2,213	1,277
Less		
Costs of servicing finance net of returns on investment	(9)	(9)
Repayment of loans	(344)	(433)
Capital expenditure net of proceeds on disposals	(1,307)	(713)
Increase in overall cash balances	553	122
Cash at the beginning of the year	2,957	2,835
Cash at the end of the year	3,510	2,957
Bank loans outstanding at the end of the year	-	(344)
Net funds at the end of the year	3,510	2,613

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 £16,374 (2009 £11,473) were gift aided to the Company

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. During the year the Governors introduced 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 and a fixed rate loan for its debt. Fees due from individual students and agents are relatively small by comparison with the College'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 12 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 Company'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. Other funds are held on deposit to cover seasonal variations in cash flow or a temporary fall in income. Funds of an average of two months' operating costs are held for these purposes. In addition, funds are held for redevelopment and refurbishment of the portfolio of properties.

Property

There have been no changes to the College'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 127 Banbury Road took place during the year and was occupied by students in August 2010. Plans for the refurbishment of 14 & 16 Lathbury Road were finalised in the year, with work commencing in October 2010. This is expected to be completed in July 2011.

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 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

There were no transactions with Governors or other connected persons during the year.

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



Nicholas Morris
Chairman
9 December, 2010

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) 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 Financial Statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Financial Statements are required by law to 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 judgements and estimates that are reasonable and prudent
- state whether applicable 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 disclose with reasonable accuracy at any time the financial position of the charitable 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 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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable 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 group and parent charitable company Financial Statements (the 'Financial Statements') of St Clare's, Oxford for the year ended 31 August 2010 which comprise the principal accounting policies, the group statement of financial activities, the group and charitable company balance sheets, the group cash flow statement and the related notes. These Financial Statements have been prepared under the accounting policies set out therein.

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

The Governors' (who are also the directors of St Clare's, Oxford for the purposes of company law) responsibilities for preparing the Report of the Governors and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the Financial Statements give a true and fair view are set out in the Statement of Governors' Responsibilities.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Financial Statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether the information given in the Report of the Governors is consistent with those Financial Statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's Financial Statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Governors' remuneration specified by law are not made.

We read the Report of the Governors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Governors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the group's and charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

ST. CLARE'S, OXFORD

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

Opinion

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, 2010 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the Financial Statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the Financial Statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Governors is consistent with the Financial Statements for the year ended 31 August, 2010

Grant Thornton UK LLP

Janet E Crookes
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
OXFORD

Date *13 December 2010*

ST CLARE'S, OXFORD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
For the year ended 31 August, 2010

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total 2010 £000	Total 2009 £000
INCOMING RESOURCES					
Income from Charitable Activities					
Fees receivable		11,279	-	11,279	11,167
Other income		212	-	212	198
Incoming Resources from Generating Funds					
Donations		-	1	1	9
Bank and other interest		19	-	19	42
Total incoming resources		11,510	1	11,511	11,416
RESOURCES EXPENDED					
Cost of generating funds	1	-	-	-	-
Direct charitable activities	1	10,468	-	10,468	10,407
Governance costs	1	26	-	26	27
Other resources expended	1 & 2	28	-	28	51
Total resources expended	1	10,522	-	10,522	10,485
Profit on disposal of fixed assets		-	-	-	49
Net income for the year and net movement in funds	12	988	1	989	980
Balances brought forward at 1 September, 2009	12	13,967	15	13,982	13,002
Balances carried forward at 31 August, 2010	12	14,955	16	14,971	13,982

All incoming resources and resources expended derive from continuing activities

HISTORICAL COST SURPLUSES AND DEFICITS

Reported surplus for the year	988	1	989	980
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	1,041	1	1,042	1,033

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

ST CLARE'S, OXFORD

BALANCE SHEETS

As at 31 August, 2010

	Notes	Consolidated		Company	
		2010	2009	2010	2009
		£000	£000	£000	£000
FIXED ASSETS					
Investments	4	-	-	-	-
Intangible assets	5	163	234	163	234
Tangible assets	6	16,838	15,921	16,879	15,939
		<u>17,001</u>	<u>16,155</u>	<u>17,042</u>	<u>16,173</u>
CURRENT ASSETS AND LIABILITIES					
Stocks	7	53	45	53	45
Debtors	8	1,109	1,196	1,126	1,165
Cash at bank and in hand		3,510	2,957	3,489	2,953
Total current assets		<u>4,672</u>	<u>4,198</u>	<u>4,668</u>	<u>4,163</u>
Creditors falling due within one year	9	6,702	6,371	6,698	6,336
Net current liabilities		<u>(2,030)</u>	<u>(2,173)</u>	<u>(2,030)</u>	<u>(2,173)</u>
Total assets less current liabilities		<u>14,971</u>	<u>13,982</u>	<u>15,012</u>	<u>14,000</u>
Creditors falling due after more than one year	10	-	-	-	-
Net assets		<u>14,971</u>	<u>13,982</u>	<u>15,012</u>	<u>14,000</u>
FINANCED BY:					
Capital reserve	12 & 13	1,313	1,313	1,313	1,313
Revaluation reserve	12 & 13	5,359	5,412	5,359	5,412
General Fund	12 & 13	8,283	7,242	8,324	7,260
Unrestricted funds		<u>14,955</u>	<u>13,967</u>	<u>14,996</u>	<u>13,985</u>
Restricted funds	12 & 13	16	15	16	15
Total funds		<u>14,971</u>	<u>13,982</u>	<u>15,012</u>	<u>14,000</u>

The Financial Statements were approved by the Board of Governors on 9 December, 2010



Nicholas Morris
Chairman

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, 2010

	2010 £000	2009 £000
CHANGES IN CASH BALANCES		
Net cash inflow from operating activities	2,213	1,277
Returns on investments and servicing of finance		
Interest received	19	42
Interest paid	(28)	(51)
Net cash outflow from returns on investments and servicing of finance	(9)	(9)
Investing activities		
Payments to acquire tangible fixed assets	(1,307)	(762)
Proceeds on disposal of tangible fixed assets	-	49
Net cash inflow before financing	897	555
Financing		
Repayment of borrowings	(344)	(433)
Increase in cash balances	553	122

RECONCILIATIONS

Net incoming resources to net cash flow from operations		
Net incoming/(outgoing) resources	989	980
Net interest	9	9
Profit on disposal of fixed assets	-	(49)
Operating surplus	998	940
Depreciation and amortisation charge	461	473
Increase in stocks	(8)	(7)
Decrease/(increase) in debtors	87	(171)
Increase in creditors	675	42
Net cash inflow from operating activities	2,213	1,277
Net cash flow to movement in net funds		
Movement in net funds during the year	897	555
Net funds as at 1 September, 2009	2,613	2,058
Net funds as at 31 August, 2010	3,510	2,613

Changes in net funds

	Balance as at 01 09 09 £000	Movement for the year £000	Balance as at 31 08 10 £000
Cash in hand and at bank	2,957	553	3,510
Bank loans	(344)	344	-
Total net funds	2,613	897	3,510

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, 2010

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

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 the College 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, 2010

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 the company to the expenditure.

Foreign Currencies

The College 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 – The College 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 or appropriate 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.

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 the company 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 the Company'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 12 to the Financial Statements.

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2010

1. GROUP RESOURCES EXPENDED

	Staff Costs £000	Other £000	Depreciation & amortisation £000	Total 2010 £000	Total 2009 £000
Cost of generating funds					
Staff costs	-	-	-	-	-
Printing, advertising, and mailing	-	-	-	-	-
	-	-	-	-	-
Direct charitable activities					
Teaching costs	3,192	354	2	3,548	3,460
Catering and other domestic costs	1,286	701	22	2,009	1,971
Premises	216	1,931	260	2,407	2,329
Support costs	908	1,024	175	2,107	2,232
Scholarships	-	397	-	397	415
	5,602	4,407	459	10,468	10,407
Governance costs					
Governors' expenses	-	1	-	1	2
Auditors' fees	-	14	-	14	14
Pension costs to former employees	-	11	-	11	11
	-	26	-	26	27
Other resources expended					
Interest	-	28	-	28	51
Total resources expended 2010	5,602	4,461	459	10,522	10,485
Totals 2009	5,556	4,457	472	10,485	

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

	2010 £000	2009 £000
The net incoming resources are stated after		
Auditors' remuneration		
Audit services	14	13
Non audit services	4	1
Depreciation and amortisation		
Intangible fixed assets	71	71
Tangible fixed assets, owned	390	401
Hire of plant and machinery under operating leases	96	82
Other operating lease rentals	275	230

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2010

2 GROUP INTEREST PAYABLE

	2010 £000	2009 £000
On loans repayable wholly or partly in more than five years	7	34
Other interest payable and similar charges	21	17
	<u>28</u>	<u>51</u>

3 GROUP GOVERNORS AND EMPLOYEES

	2010 £000	2009 £000
Staff costs during the year were as follows		
Wages and salaries	4,696	4,650
Social Security costs	393	392
Other pension costs	405	397
	<u>5,494</u>	<u>5,439</u>
Other staff costs	108	117
	<u>5,602</u>	<u>5,556</u>
Governors' expenses for travel and accommodation	1	2
Governors are not remunerated for their services	No	No
The average number of employees during the year was	222	226
The number of employees whose emoluments exceeded £40,000 was		
£40,001 - £50,000	18	16
£50,001 - £60,000	3	2
£60,001 - £70,000	2	3
£70,001 - £80,000	2	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,000 - £110,000	1	1

4 INVESTMENTS

	Group		Company	
	2010 £000	2009 £000	2010 £000	2009 £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 £16,374 (2009 £11,473).

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2010

5. PURCHASED GOODWILL

Group and Company	Date of acquisition	Goodwill at original cost
		£000
Goodwill relates to the following acquisition		
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, 2010		708
Cost at 31 August, 2009		708
Amortisation		
	2010	2009
	£000	£000
At 1 September, 2009	474	403
Provided in the year	71	71
At 31 August, 2010	545	474
Net book amount at 31 August, 2010	163	234

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, 2009	17,249	278	1,782	24	529	19,862
Additions	42	-	111	-	1,154	1,307
Disposals	-	-	(495)	-	-	(495)
Transfer	1,308	-	-	-	(1,308)	-
At 31 August, 2010	18,599	278	1,398	24	375	20,674
Depreciation						
At 1 September, 2009	2,267	217	1,434	23	-	3,941
Provided in the year	243	22	124	1	-	390
Disposals	-	-	(495)	-	-	(495)
At 31 August, 2010	2,510	239	1,063	24	-	3,836
Net book amount						
At 31 August, 2010	16,089	39	335	-	375	16,838
At 31 August, 2009	14,982	61	348	1	529	15,921

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2010

6 TANGIBLE FIXED ASSETS CONTINUED

Fixtures & Fittings include assets costing £ 938,221 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

	2010 £000	2009 £000
Cost	13,289	12,093
Accumulated depreciation	(2,239)	(2,052)
Net book amount at 31 August, 2010	11,050	10,041

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, 2009	17,256	278	1,782	24	540	19,880
Additions	42	-	111	-	1,177	1,330
Disposals	-	-	(495)	-	-	(495)
Transfers	1,308	-	-	-	(1,308)	-
At 31 August, 2010	18,606	278	1,398	24	409	20,715
Depreciation						
At 1 September, 2009	2,267	217	1,434	23	-	3,941
Provided in the year	243	22	124	1	-	390
Disposals	-	-	(495)	-	-	(495)
At 31 August, 2010	2,510	239	1,063	24	-	3,836
Net book amount						
At 31 August, 2010	16,096	39	335	-	409	16,879
At 31 August, 2009	14,989	61	348	1	540	15,939

The classification of freehold property was reviewed during the year and Assets under Construction have been separated and reclassified from within freehold land and property accordingly, which total £540,886 at 31 August, 2010 and £206,274 brought forward as at 31 August, 2009

Fixtures & Fittings include assets costing £1,171,408 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

	2010 £000	2009 £000
Cost	13,330	12,111
Accumulated depreciation	(2,239)	(2,052)
Net book amount at 31 August, 2010	11,091	10,059

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2010

7 STOCKS

	Group		Company	
	2010	2009	2010	2009
	£000	£000	£000	£000
General consumables	53	45	53	45

8 DEBTORS

	Group		Company	
	2010	2009	2010	2009
	£000	£000	£000	£000
Trade debtors	826	971	826	971
Prepayments and accrued income	283	225	232	189
Inter-group account	-	-	68	5
	1,109	1,196	1,126	1,165

9 CREDITORS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£000	£000	£000	£000
Bank loans	-	344	-	344
Trade creditors	308	369	308	362
Social Security and other taxes	167	131	167	131
Other creditors	385	566	385	566
Accruals	224	101	220	73
Fees and deposits received in advance	5,618	4,860	5,618	4,860
	6,702	6,371	6,698	6,336

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2010

10. CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£000	£000	£000	£000
Bank loans	-	-	-	-

The final instalment of a loan from Barclays Bank Plc was paid in April 2010. This loan had been for £2,265,000 and was secured by charges over 131,139, 141, 143, and 382 Banbury Road and 3 Bardwell Road. No amounts remain due to Barclays Bank Plc.

	2010	2009
	£000	£000
Bank borrowings are repayable as follows		
Within one year	-	344
After one and within two years	-	-
After two and within five years	-	-
	-	344

The total value of bank loans repayable by instalments, any part of which falls due within five years, is

-	344
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11. PENSION COSTS

The Company operates both defined benefit and defined contribution pension schemes for academic and administrative staff respectively. During the year pension costs of £259,923 (2009 £254,184) and £145,235 (2009 £143,346) were incurred relating to the schemes respectively. The assets of these schemes are administered by Trustees in funds independent from the assets of the Company.

The College participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its academic staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the College. Taking advantage of the provision in FRS 17, which allows the Company 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 valuation of the Scheme by the Government Actuary as at 31st March, 2008 was expected to be issued early in 2010 but has yet to be published. It is at that point that the cap on employers' contribution should be implemented.

Pension payments of £11,163 (2009 £11,073) were paid to former employees whose pension costs are borne by the company 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, 2010

12. GROUPE FUNDS

	Balance at 01 09 09	Incoming Resources	Resources Expended	Transfer between funds	Balance at 31 08 10
	£000	£000	£000	£000	£000
Unrestricted funds					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,412	-	-	(53)	5,359
General Fund	6,449	11,510	(10,522)	(255)	7,182
Repairs & Maintenance (Designated)	793	-	-	308	1,101
Total unrestricted funds	13,967	11,510	(10,522)	-	14,955
Restricted funds					
Building Fund	8	-	-	-	8
Scholarship Fund	7	1	-	-	8
	15	1	-	-	16
Total funds 2010	13,982	11,511	(10,522)	-	14,971
Total funds 2009	13,002	11,416	(10,436)	-	13,982

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 £300,000 plus notional interest of £8,000.

The funds are

- Capital Reserve - the balance of the accumulated surplus on the Income & Expenditure Account of St Clare's, Oxford 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 the Company's freehold properties
- General Fund - the accumulated surplus on the Company'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 2010	Net Assets 2009
	£000	£000	£000	£000	£000	£000
Unrestricted funds	17,001	4,656	(6,702)	-	14,955	13,971
Restricted funds	-	16	-	-	16	15
Total funds 2010	17,001	4,672	(6,702)	-	14,971	13,986
Total funds 2009	16,159	4,198	(6,371)	-	13,986	

ST. CLARE'S, OXFORD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2010

13 COMPANY FUNDS

	Balance at 01 09 09	Incoming Resources	Resources Expended	Transfer between funds	Balance at 31 08 10
	£000	£000	£000	£000	£000
Unrestricted funds					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,412	-	-	(53)	5,359
General Fund	6,467	11,526	(10,515)	(255)	7,223
Repairs & Maintenance (Designated)	793	-	-	308	1,101
Total unrestricted funds	13,985	11,526	(10,515)	-	14,996
Restricted funds					
Building Fund	8	-	-	-	8
Scholarship Fund	7	1	-	-	8
	15	1	-	-	16
Total funds 2010	14,000	11,527	(10,515)	-	15,012
Total funds 2009	13,004	11,427	(10,431)	-	14,000

14 CAPITAL COMMITMENTS

At 31 August 2010 there was a capital commitment of £1 4million for the refurbishment of 14/16 Lathbury Road (2009 £1 25million for the refurbishment of 127 Banbury) There were no other capital commitments as at 31 August, 2010 (2009 None)

15 LEASING COMMITMENTS

	2010 Land & Buildings £000	2010 Other £000	2009 Land & Buildings £000	2009 Other £000
In one year or less	-	-	11	-
Between one and five years	194	78	185	34
In five years or more	50	-	45	-
	244	78	241	34

16 CONTINGENT LIABILITIES AND ASSETS

At 31 August, 2010 there were no contingent liabilities or assets (2009 None)

17 RELATED PARTY TRANSACTIONS

The College is exempt from the requirement of FRS 8 to disclose transactions with its wholly owned subsidiary St Clare's Services Limited

Expenses were reimbursed to 4 Governors during the year, amounting to £676 (2009 £1,663) in respect of travel and subsistence

There were no other related party transactions during the year