

# **ST. CLARE'S, OXFORD**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

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

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## ST. CLARE'S, OXFORD

### FINANCIAL STATEMENTS

For the year ended 31 August 2014

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## REPORT OF THE GOVERNORS

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The Governors present their report and the audited Financial Statements for the year ended 31 August, 2014 under the Charities Act 2011 and the Companies Act 2006 thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year

### 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		4 December 2012
Mrs Moira Darlington	13 June, 2013		
Mr Richard Dick - Chairman	22 March, 2001		4 December 2012
Dr Yao-Su Hu	5 June, 2003		10 December 2013
Miss Irina Kirillova	1 July, 1994		4 December 2012
Ms Ann Lewis	23 November, 2000		4 December 2012
Mr Paul Mason	11 March, 2010		10 December 2013
Mr James Offen	21 November 2002		7 December 2011
Mr Peter Oppenheimer	11 April, 1986		10 December, 2013
Mr Jens Tholstrup	22 March, 2006		7 December 2011
Mr Laurence Whitehead	22 March, 2001		10 December 2013

#### *Key Personnel*

The key personnel who served during the year were

Principal	Mrs Paula Holloway, MSc, BSc, PGCE, Cert TEFL, Cert Applied Linguistics
Bursar and Company Secretary	Mr Nick Paladina, MA (Oxon), FCA, FRSA

#### *Advisers*

<u>Principal</u>	Barclays Bank plc, Oxford Corporate Banking Centre, PO Box 858, Oxford, OX2 0XP
<u>Bankers</u>	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
	Handelsbanken, Seacourt Tower, 7 <sup>th</sup> 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**

<b>DIRECTORS' REPORT</b>
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#### **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 3 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 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 St Clare's is delegated to the Principal and Bursar. The Governors receive regular papers giving details of 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 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.

### STRATEGIC REPORT

#### 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. Aggregated bookings on all courses run during the year were as follows:

	2014 Student Weeks	2013 Student Weeks
Total weeks	16,021	16,607

St Clare's, Oxford has had another very successful year. The College was founded in 1953 by Anne Dreydel and Pamela Morris who wished, amongst other things, to promote interaction between students from England and Europe after the Second World War. The College continues to support and give meaning to their ambitions by maintaining its mission of promoting international education and understanding. Currently, over 77 nationalities are represented at St Clare's and 24 different languages are taught.

The College operates a number of business streams on two sites. The PreIB and International Baccalaureate Diploma are taught at the IB World College on the Banbury Road site. Separately, courses for students aged 17+ are taught at the International College situated at Bardwell Road.

At the IB World College, students prepare for the International Baccalaureate Diploma which is taken in May of each year. Results for May 2014 were excellent, although the mean score was slightly lower than last year: four students achieved the perfect score of 45 points which is a record for St Clare's. In this context, it should be noted that, world-wide, only 0.2% of all students who take the IB Diploma each year achieve 45 points. Twenty-five percent of students achieved 40 points or more (the equivalent of 4 x grades A\* at A level). The percentage of students achieving over 35 points (the equivalent of 3 x grade A\* at A level) was 61%. 99% of students passed the IB Diploma against a world-wide average of 78%.

In the official government Performance Tables released in February each year, the College maintained its position as having the best Key Stage 5 (sixth form) results in Oxfordshire, using the average point score per student measure. Out of 4,630 secondary state and independent schools in England, St Clare's was ranked 8<sup>th</sup>. The schools ranked above St Clare's are selective state and independent schools. No other sixth form college is ranked higher than St Clare's.

## **ST. CLARE'S, OXFORD**

### **REPORT OF THE GOVERNORS**

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#### **Achievements and Performance (Continued)**

At the International College site on Bardwell Road, students take a variety of courses. These include English Language courses, the University Foundation Course, and English plus Academic Subjects. The College also runs semester programmes for undergraduate students mainly from the US. The University of Record for this course is the University of San Diego. Results have been very good at the International College although Performance Tables are not available to allow direct comparisons with other institutions.

The marketing department remains very active and two new Sales Managers have been recruited to promote English Language courses and summer programmes in particular. The College also runs a nine-week summer programme of English Language Courses and courses related to the IB Diploma.

Strong recruitment has allowed St Clare's to continue to act on the recommendations made in the Condition Survey as well as refurbishing its residences. During the year ending 31 August, 2014, the following major refurbishments took place:

The remaining half of the self-catering units in Logan House has been refurbished. The house provides self-catering accommodation for adult students who are studying English Language courses, students on semester programmes from the University of San Diego and University Foundation Course students.

Two residential houses have been refurbished at 195-97, Woodstock Road including the replacement of all windows. This house is used for PreIB students.

The Pamela Morris Building was officially opened on 25<sup>th</sup> September, 2014 having been available for students since the beginning of term. The new building includes three large science laboratories, three large classrooms, ancillary offices, storage space and prep rooms as well as much-needed accommodation for maintenance activities. Construction was completed on time and on budget.

The College has also used surpluses to increase the number of scholarships and bursaries offered to 31 in line with its long-term aspirations to help more young people have access to the College. All scholarships and bursaries are means tested.

As in the previous six years, all employees have been given a pay increase, this year, the general award was 2.5% which contrasts positively with that offered to teachers in the state sector. It also contrasts positively with awards for non-teaching staff in Oxford and the local area.

St Clare's remains a good place to work both because of the terms and conditions which it offers employees but also because of the positive workplace environment which the College promotes. Staff turnover is low and, despite the expense of living in Oxford, excellent quality teachers and other staff have been recruited to replace those who leave.

In short, the College has had another good year.

## ST. CLARE'S, OXFORD

### REPORT OF THE GOVERNORS

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#### Achievements and Performance (Continued)

##### Public Benefit

32 students (2013 27) on the International Baccalaureate received scholarships and bursaries amounting to £565,191 (2013 £418,287) Scholarships and bursaries were awarded on other courses for 3 places (2013 5) amounting to £16,530 (2013 £21,339) 112 students (2013 100) graduating this year obtained places to study at universities and 8 (2013 13) students commenced a gap year before going on to university

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

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

	2014 £000	2013 £000
Surplus for the year	313	562
Net cash inflow from operating activities	725	502
Plus Returns on investment net costs of servicing finance	14	26
Less Capital expenditure net of proceeds on disposals	(3,738)	(930)
Decrease in overall cash balances	(2,999)	(402)
Cash at the beginning of the year	5,515	5,917
Cash at the end of the year	2,516	5,515
Bank loans outstanding at the end of the year	-	-
Net funds at the end of the year	2,516	5,515

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 of £1,338 were generated and gift aided to the St Clare's (2013 profit of £110)

## **ST. CLARE'S, OXFORD**

### **REPORT OF THE GOVERNORS**

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#### ***Principal Risks and Uncertainties***

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.

#### ***Reserves***

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, consequently, and in keeping with other schools, the College has no free reserves (as defined by the Charity Commission). The College would seek to hold reserves equivalent to one term's operating costs subject to the prior demands to maintain the College's facilities to an appropriate standard.

St Clare's has made a surplus for the year. In line with the policy in recent years, this will be used to partially finance the redevelopment of 121 Banbury Road that is taking place over the forthcoming year.

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. The new classroom, laboratories and maintenance workshop building at 139-143 Banbury Road (the Pamela Morris Building) was completed on time in August 2014 and was occupied from the beginning of the new academic year. Construction work on the development of student accommodation and a new art teaching facility at 121 Banbury Road began in June 2014 for completion by the start of the 2015/16 academic year.

#### ***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.



## **ST CLARE'S, OXFORD**

### **REPORT OF THE GOVERNORS**

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#### **Provision of information to auditors**

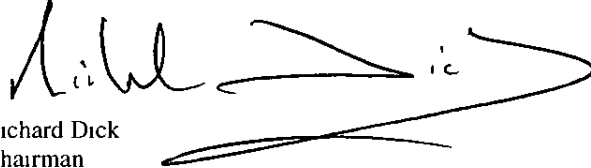
In so far as each of the Governors is aware

- there is no relevant audit information of which the charitable company's 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

#### **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

The Report of the Governors, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 11 December 2014 including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by

A handwritten signature in black ink, appearing to read 'Richard Dick', with a long, sweeping horizontal stroke extending to the right.

Richard Dick  
Chairman

11 December 2014

## **ST. CLARE'S, OXFORD**

### **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

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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**

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We have audited the financial statements of St Clare's, Oxford for the year ended 31 August 2014 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.

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 Strategic report and the Report of the Governors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 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 Strategic Report and 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**

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**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

Senior Statutory Auditor

For and on behalf of

**Crowe Clark Whitehill LLP**

Statutory Auditor

Aquis House

49-51 Blagrove Street

Reading

Berkshire

RG1 1PL

19 January 2015

# ST. CLARE'S, OXFORD

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

For the year ended 31 August, 2014

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
<b>INCOMING RESOURCES</b>					
Income from Charitable Activities					
Fees receivable		13,240	-	13,240	13,358
Other income		713	-	713	732
Incoming Resources from Generating Funds					
Bank and other interest		14	-	14	26
Profit from sale of fixed assets		-	-	-	4
Total incoming resources		13,967	-	13,967	14,120
<b>RESOURCES EXPENDED</b>					
Direct charitable activities	1	13,632	-	13,632	13,540
Governance costs	1	22	-	22	18
Total resources expended	1	13,654	-	13,654	13,558
Net income for the year and net movement in funds	11	313	-	313	562
Balances brought forward at 1 September, 2013	11	17,032	16	17,048	16,486
Balances carried forward at 31 August, 2014	11	17,345	16	17,361	17,048

*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*

<b>HISTORICAL COST SURPLUSES AND DEFICITS</b>					
Reported surplus for the year		313	-	313	562
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		366	-	366	615

*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, 2014

	Notes	Consolidated 2014 £000	2013 £000	Company 2014 £000	2013 £000
<b>FIXED ASSETS</b>					
Investments	3	-	-	-	-
Intangible assets	4	-	-	-	-
Tangible assets	5	21,559	18,328	21,623	18,391
		<u>21,559</u>	<u>18,328</u>	<u>21,623</u>	<u>18,391</u>

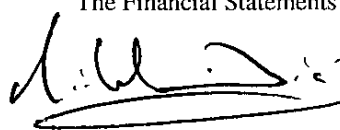
**CURRENT ASSETS AND LIABILITIES**


Stocks	6	57	55	57	55
Debtors	7	1,310	1,171	1,310	1,171
Cash at bank and in hand		2,516	5,515	2,516	5,511
Total current assets		<u>3,883</u>	<u>6,741</u>	<u>3,883</u>	<u>6,737</u>
Creditors falling due within one year	8	(7,753)	(7,703)	(7,753)	(7,700)
Net current liabilities		<u>(3,870)</u>	<u>(962)</u>	<u>(3,870)</u>	<u>(963)</u>
Total assets less current liabilities		17,689	17,366	17,753	17,428
Creditors falling due after more than one year	9	(328)	(318)	(328)	(318)
Net assets		<u>17,361</u>	<u>17,048</u>	<u>17,425</u>	<u>17,110</u>

**FINANCED BY:**

Capital reserve	11 & 12	1,313	1,313	1,313	1,313
Revaluation reserve	11 & 12	5,146	5,199	5,146	5,199
General Fund	11 & 12	10,886	10,520	10,950	10,582
Unrestricted funds		<u>17,345</u>	<u>17,032</u>	<u>17,409</u>	<u>17,094</u>
Restricted funds	11 & 12	16	16	16	16
Total funds		<u>17,361</u>	<u>17,048</u>	<u>17,425</u>	<u>17,110</u>

The Financial Statements were approved by the Board of Governors on 11 December 2014

  
Richard Dick  
Chairman

  
Paul Mason  
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, 2014

	2014 £000	2013 £000
<b>CHANGES IN CASH BALANCES</b>		
Net cash inflow from operating activities	725	502
<b>Returns on investments and servicing of finance</b>		
Interest received	14	26
Net cash inflow from returns on investments and servicing of finance	14	26
<b>Capital expenditure and financial investment</b>		
Payments to acquire tangible fixed assets	(3,738)	(935)
Sale of tangible fixed assets	-	5
Net cash outflow from capital expenditure	(3,738)	(930)
Decrease in cash balances	(2,999)	(402)

## RECONCILIATIONS

### Net incoming resources to net cash flow from operations

Net incoming resources	313	562
Net interest	(14)	(26)
Profit on disposal of fixed assets	-	(4)
Operating surplus	299	532
Depreciation and amortisation charge	507	501
(Increase)/decrease in stocks	(2)	1
(Increase)/decrease in debtors	(139)	(424)
Increase/(decrease) in creditors	60	(108)
Net cash inflow from operating activities	725	502

### Net cash flow to movement in net funds

Movement in net funds during the year	(2,999)	(402)
Net funds as at 1 September, 2013	5,515	5,917
Net funds as at 31 August, 2014	2,516	5,515

### Changes in net funds

	Balance as at 01 09 13 £000	Movement for the year £000	Balance as at 31 08 14 £000
Cash in hand and at bank	5,515	(2,999)	2,516
Total net funds	5,515	(2,999)	2,516

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, 2014

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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 Governance costs comprise the cost of running the charity, including external audit, Governors legal advice and constitutional and statutory compliance costs

#### **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, 2014

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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	10% - 25%
Fixtures & fittings	10% - 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 was fully amortised during the year ending 31 August 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 employees' and employer's contributions are made 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.

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**ST. CLARE'S, OXFORD**

**STATEMENT OF ACCOUNTING POLICIES**

For the year ended 31 August, 2014

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**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, 2014

### 1 GROUP RESOURCES EXPENDED

	Staff Costs £000	Other £000	Depreciation & amortisation £000	Total 2014 £000	Total 2013 £000
Direct charitable activities					
Teaching costs	3,720	2,290	-	6,010	6,018
Catering and other domestic costs	1,199	1,046	22	2,267	2,127
Premises	510	1,890	402	2,802	3,005
Support costs	1,167	721	83	1,971	1,911
Scholarships	-	582	-	582	479
	6,596	6,529	507	13,632	13,540
Governance costs	-	22	-	22	18
Total resources expended 2014	6,596	6,553	507	13,654	13,558
Totals 2013	6,538	6,519	501	13,558	

*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

	2014 £000	2013 £000
The net incoming resources are stated after		
Auditors' remuneration		
Audit – College	10	10
Audit – Subsidiary	3	3
Corporation tax compliance	1	1
Other tax advisory	1	-
Other services	1	1
Depreciation and amortisation		
Intangible fixed assets	-	21
Tangible fixed assets, owned	507	480
Hire of plant and machinery under operating leases	136	117
Other operating lease rentals	295	283

## ST. CLARE'S, OXFORD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2014

#### 2 GROUP GOVERNORS AND EMPLOYEES

	2014 £000	2013 £000
Staff costs during the year were as follows		
Wages and salaries	5,364	5,410
Social Security costs	470	477
Other pension costs	549	502
	<u>6,383</u>	<u>6,389</u>
Other staff costs	213	149
	<u>6,596</u>	<u>6,538</u>
Governors' expenses for travel and accommodation	<u>1</u>	<u>1</u>
Governors are not remunerated for their services	No	No
The average number of employees during the year was	235	236
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	-	2
£90,000 - £100,000	1	-
£110,000 - £120,000	<u>1</u>	<u>1</u>

In connection with these higher paid employees, retirement benefits are accruing under money purchase schemes for 3 employees (2013 4) and under multi-employer defined benefit schemes for 5 employees (2013 4) The total employer contributions in the year to the schemes were £72,866 (2013 £70,028)

#### 3 INVESTMENTS

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
Investments in subsidiary undertakings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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 This year profits were £1,338 (2013 £110)

## ST. CLARE'S, OXFORD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2014

#### 4 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, 2014		708
Cost at 31 August, 2013		708
<b>Amortisation</b>		
	2014	2013
	£000	£000
At 1 September, 2013	708	687
Provided in the year	-	21
At 31 August, 2014	708	708
Net book amount at 31 August, 2014	-	-

The rate of amortisation was increased from 5% per annum to 10% per annum with effect from 1 September, 2007

#### 5 TANGIBLE FIXED ASSETS

Group	Freehold Land & Buildings £000	Leasehold Property £000	Fixtures & Fittings £000	Assets Under Construction £000	Total Tangible Assets £000
Cost or Valuation					
At 1 September, 2013	20,277	278	1,202	948	22,705
Additions			394	3,344	3,738
Transfers	3,459	-	-	(3,459)	-
At 31 August, 2014	23,736	278	1,596	833	26,443
Depreciation					
At 1 September, 2013	3,397	256	724	-	4,377
Provided in the year	306	5	196	-	507
At 31 August, 2014	3,703	261	920	-	4,884
Net book amount					
At 31 August, 2014	20,033	17	676	833	21,559
At 31 August, 2013	16,880	22	478	948	18,328

## ST. CLARE'S, OXFORD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2014

#### 5 TANGIBLE FIXED ASSETS (CONTINUED)

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

	2014 £000	2013 £000
Cost	18,073	14,614
Accumulated depreciation	(3,186)	(2,933)
Net book amount at 31 August, 2014	14,887	11,681

Company	Freehold Land & Buildings £000	Leasehold Property £000	Fixtures & Fittings £000	Assets Under Construction £000	Total Tangible Assets £000
Cost or Valuation					
At 1 September, 2013	20,341	278	1,202	950	22,771
Additions	-	-	394	3,347	3,741
Transfers	3,455	-	-	(3,455)	-
At 31 August, 2014	23,796	278	1,596	842	26,512
Depreciation					
At 1 September, 2013	3,400	256	724	-	4,380
Provided in the year	308	5	196	-	509
At 31 August, 2014	3,708	261	920	-	4,889
Net book amount					
At 31 August, 2014	20,088	17	676	842	21,623
At 31 August, 2013	16,941	22	478	950	18,391

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

	2014 £000	2013 £000
Cost	18,133	14,678
Accumulated depreciation	(3,190)	(2,936)
Net book amount at 31 August, 2014	14,943	11,742

# ST. CLARE'S, OXFORD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2014

### 6 STOCKS

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
General consumables	57	55	57	55

### 7 DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
Trade debtors	884	780	884	780
Prepayments and accrued income	426	391	426	391
Amounts owed by Group undertakings	-	-	-	-
	1,310	1,171	1,310	1,171

### 8 CREDITORS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
Trade creditors	468	332	358	322
Social Security and other taxes	162	198	195	198
Other creditors	91	65	91	65
Amounts owed to Group undertakings	-	-	81	16
Payments on account	230	259	230	259
Accruals	466	643	462	634
Fees and deposits received in advance	6,336	6,206	6,336	6,206
	7,753	7,703	7,753	7,700

### 9 CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
Fees and deposits received in advance	328	318	328	318
	328	318	328	318

## ST. CLARE'S, OXFORD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2014

#### 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 £314,788 (2013 £284,274) and £221,946 (2013 £205,953) were incurred relating to the schemes respectively. At the year-end £44,036 (2013 £37,602) was accrued in respect of contributions due to the Teachers' Pension Scheme and £1,050 (2013 £26,569) for other schemes. The assets of these schemes are administered by Trustees in funds independent from the assets of the St Clare's.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and was published in June 2014. This report confirmed that the employer contribution rate for the TPS will increase from 14.1% to 16.4% although, recognising that teaching establishments work on an academic and not financial year, the Government has deferred the implementation of this increase to 1 September 2015.

The Department of Education is also proposing that scheme administration costs will be devolved to scheme employers in the form of an administration charge. The Department provisionally estimates that the administration charge will be 0.08% of the employers' salary costs which would increase the employer payment rate from 16.4% to 16.48%.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

Pension payments of £11,548 (2013 £11,448) 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, 2014

#### 11 GROUP FUNDS

	Balance at 01 09 13 £000	Incoming Resources £000	Resources Expended £000	Transfer between funds £000	Balance at 31 08 14 £000
<b>Unrestricted funds</b>					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,199	-	-	(53)	5,146
General Fund	8,965	13,967	(13,654)	37	9,315
Repairs & Maintenance (Designated)	1,555	-	-	16	1,571
<b>Total unrestricted funds</b>	<b>17,032</b>	<b>13,967</b>	<b>(13,654)</b>	<b>-</b>	<b>17,345</b>
<b>Restricted funds</b>					
Building Fund	8	-	-	-	8
Scholarship Fund	8	-	-	-	8
	<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16</b>
<b>Total funds 2014</b>	<b>17,048</b>	<b>13,967</b>	<b>(13,654)</b>	<b>-</b>	<b>17,361</b>
<b>Total funds 2013</b>	<b>16,486</b>	<b>14,120</b>	<b>(13,558)</b>	<b>-</b>	<b>17,048</b>

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 £000	Current Assets £000	Current Liabilities £000	Creditors over 1 year £000	Net Assets 2014 £000	Net Assets 2013 £000
Unrestricted funds	21,559	3,867	(7,753)	(328)	17,345	17,032
Restricted funds	-	16	-	-	16	16
<b>Total funds 2014</b>	<b>21,559</b>	<b>3,883</b>	<b>(7,753)</b>	<b>(328)</b>	<b>17,361</b>	<b>17,048</b>
<b>Total funds 2013</b>	<b>18,328</b>	<b>6,741</b>	<b>(7,703)</b>	<b>(318)</b>	<b>17,048</b>	<b>16,486</b>

## ST. CLARE'S, OXFORD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 August, 2014

#### 12 COMPANY FUNDS

	Balance at 01 09 13 £000	Incoming Resources £000	Resources Expended £000	Transfer between funds £000	Balance at 31 08 14 £000
Unrestricted funds					
Capital Reserve	1,313	-	-	-	1,313
Revaluation Reserve	5,199	-	-	(53)	5,146
General Fund	9,027	13,966	(13,651)	37	9,379
Repairs & Maintenance (Designated)	1,555	-	-	16	1,571
Total unrestricted funds	17,094	13,966	(13,651)	-	17,409
Restricted funds					
Building Fund	8	-	-	-	8
Scholarship Fund	8	-	-	-	8
	16	-	-	-	16
Total funds 2014	17,110	13,966	(13,651)	-	17,425
Total funds 2013	16,546	14,120	(13,556)	-	17,110

#### 13 CAPITAL COMMITMENTS

At 31 August 2014 capital commitments amounted to £4,590,182 (2013 £2,220,909)

#### 14 LEASING COMMITMENTS

	2014 Land & Buildings £000	2014 Other £000	2013 Land & Buildings £000	2013 Other £000
In one year or less	42	18	-	48
Between one and five years	181	63	-	4
In five years or more	91	-	257	-
	314	81	257	52

#### 15 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 £367 (2013 £487) in respect of travel and subsistence

There were no other related party transactions during the year