

ST. JOSEPH'S COLLEGE READING TRUST
ANNUAL REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
31 AUGUST 2019

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ST. JOSEPH'S COLLEGE READING TRUST
CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

This has been an outstanding year for St Joseph's College, positioning it as a leading independent day school for boys and girls aged 3 to 18 years and has seen the College's senior leadership team building on the College's tradition as a caring, Christian community that encourages pupils of all abilities to thrive academically and fulfil their individual potential. The College was second in the Reading area and the 60th school in the whole of England for value added, which measures the progress made from GCSE to A Level. Developments within the College have included continued investment in the College infrastructure, to provide a safe, modern and attractive environment in which to work and learn. Adoption of the five year strategic plan at Easter 2018, based on the Mission Statement and Aims for the College has given clear direction, and this first year has seen considerable progress well ahead of targets. The plan outlines how the College will seek to further develop: the Spiritual life, the Teaching & Learning, the Pastoral Care, the Performing Arts, the Sport and Outdoor Learning provision, and our desire for all pupils to become lifelong learners. The Strategic Plan forms the basis of the Faculty, Section and Department Development Plans and provides a consistent approach to providing a safe and stimulating environment in which students are encouraged to stretch themselves in all aspects of their development. We are proud of the progress our students have made this year.

2019 produced another set of outstanding GCSE and A Level examination results, with a 100% pass rate at A Level, with 59% A* to B, with all student leavers again gaining places at either their first choice of leading universities, to read a wide range of subjects across the arts and sciences, or onto other post 18 career schemes. In addition, 27 of our 31 Year 13 students completed the Extended Project Qualification, again with 100% pass rate. The GCSE results were also strong, with 98% of GCSE grades at 9 to 4 (A* to C), and with 98% of pupils achieved 8 or more passes at grades 9 to 4 (A* to C) including English and Maths.

The Senior School pupil rolls continue to increase ahead of expectations, with the Prep School now being full. The Early Years Centre continues to thrive and is accommodating growing numbers of younger pupils. The on-going programme of enhancements to the facilities and grounds supports the College's positioning and continued growth in numbers.

The brave financial decisions taken in the last few years and the consequent rapid growth of the student roll have given the College the security to proceed with development plans. The opening of the new Music Centre in March 2018 has been the most significant development of recent years and has generated huge interest in music across the College and ambitious partnerships with Yamaha, the Trio Derazey and the London Mozart Players and demonstrates the Governors' commitment to providing the best possible environment for the College to thrive.

These accounts reflect the strength of the College's progression within the security of its 999 year lease.

**ST. JOSEPH'S COLLEGE READING TRUST
GOVERNORS' ANNUAL REPORT
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Company Number: 01400984

The trustees are pleased to present their annual Directors' Report together with the consolidated financial statements of the charity and group for the year ending 31 August 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

St Joseph's College ("the College") was founded in 1894. It is constituted as a company limited by guarantee registered in England, No. 1400984, and is registered with the Charity Commission under Charity No. 277077.

The College operates as one school in two parts, known as St Joseph's Senior School and St Joseph's Prep School both located on the one site.

There is one Governing Body for the College. Details of the members of the Governing Body, together with the College's officers and principal advisers, are given below.

The Governors of St Joseph's College ("the College") are the College's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as governors during the year, and subsequently, are detailed below.

		(1)	(2)	(3)	(4)	(5)
David Hallé (Chairman)		•	•			•
Margaret Elizabeth Cross	Chair Remuneration	•		•		•
Sister Margaret Anne Banning	Order Appointed Rep	•			•	
Susan Hilary Buckle (Vice Chair)		•	•	•		•
Julia Feeney	Order Appointed Rep	•		•	•	
Jonathan Hennah	Chair F&GP	•	•			•
Charles D'Cruz		•			•	
Giles Watson	Chair Education	•		•		
Paul Barras	Bishop's Representative	•			•	
Justin Snoxall	Elected 12 Feb 19	•	•			

- (1) Full Governing Body
- (2) Finance and General Purposes Committee
- (3) Education Committee
- (4) Spiritual Life Committee
- (5) Remuneration Committee

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During the year the activities of the Governing Body were carried out through five committees, each meeting up to 6 times a year, not including the Remuneration Committee which meets as required. The membership of these committees is shown above for each Governor.

The principal address of the charity, which is also the registered office of the company, is the offices of St. Joseph's College Reading Trust at:

St. Joseph's College
Upper Redlands Road
Reading
Berkshire RG1 5JT

The charity is registered under the charity number 277077, and the company is incorporated with the company registration number 01400984.

The Governors have made the following professional appointments:

Solicitor: Blandy & Blandy, 1 Friar St, Reading, RG1 1DA
Auditor: Crowe UK LLP, Aquis House, 49 to 51 Blagrove Street, Reading, RG1 1PL
appointed wef 1 September 2018
Banker: Lloyds Bank plc, 24 Broad Street, Reading, Berkshire, RG1 2BT
Investment Managers: The Charities Aid Foundation, 25 Kings Hill Avenue, West Malling, Kent,
ME19 4TA. Registered Charity Number 268369
Website: www.sjcr.org.uk

OFFICERS (currently and throughout the year)

The following key senior members of staff are responsible for the day-to-day management of the charity:

Mr A P Colpus, BSc (Hons), CTPS, PGCE, MCCT, FRSA	Headmaster
Mrs S Boccaccini, BSc (Hons) MEd, PGCE	Deputy Head Prep
Ms K Woods, BA (Hons), MA, PGCE	Deputy Head Academic
Mrs Natalia Jwaideh BSc, PGCE	Deputy Head Pastoral
Wg Cdr A E Leggett, BA (Hons), MBA, FNASBM, PGCE	Bursar & Clerk to the Governors

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STRATEGIC REPORT

Mission statement

The College's mission is to encourage, inspire, challenge and support pupils to fulfil their potential in a community founded on Christian values.

Intended impact

Within its charitable Objects, the College's intention is to provide a first-class education through strong academic tuition and by developing broader skills that enable every pupil to realise his or her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, artistic, team building and social skills. This policy builds self-confidence and life skills in our pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Principal activity

The College's principal activity, as specified in the Memorandum of Association, is the advancement of education and, in this, the College has again had a successful year. The Senior School averaged 362 pupils (2018: 349) and the Prep School 191 (2018: 191). Waiting lists now exist for both parts of the school, thus giving confidence that the College can continue to grow to full capacity in the foreseeable future.

This success is a result of the resolve to maintain the high standards and affordability for which the College is renowned. The College was awarded the accolade of TES Independent School of the Year in 2015 on the basis of its drive to offer a high quality education at an affordable price, with fees in the Senior School in 2018 remaining below that charged in 2010.

Achievements and performance

As a school, St Joseph's continues to place importance on providing a broad, rounded education. All pupils are encouraged to fulfil their potential academically and to be fully involved with a broad and extended extra-curricular programme, designed to develop qualities of commitment, collaboration, confidence and communication. Education at the College also continues to be about developing curiosity and the capacity to think broadly and intelligently. The students progress, and the Value Added measure from GCSE to A Level by their education at the College, is a particular strength with the College being placed second in the Reading area in the League Tables for this metric and being in the top 60 schools in England.

The school was inspected by ISI (Independent Schools Inspectorate) for Compliance in February 2018 and was assessed as being Fully Compliant.

At the last whole school inspection by ISI in 2014, the inspectors examined regulatory compliance and the educational provision. In the short time the inspection team were with us they were able to gain an understanding of the ethos and values of the College and praised us for being such a caring and friendly community.

The inspectors wrote;

"Pupils of all ages are well educated to enable young people to reach their potential academically, physically, emotionally and spiritually."

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"Pupils work well both independently and collaboratively. They are co-operative and diligent, understanding and supporting the ethos that working hard is the expectation and will bring rewards."

"Excellent support is offered for pupils displaying a particular talent in sport, drama or music. The range of significant achievements is notable."

"Pupils are confident and articulate, so that by the time they leave the school, they are well prepared for the next stage of their education."

"The school meets all the requirements of the Independent School Standards Regulations 2010."

Since the full inspection the College has significantly extended the extra-curricular provision and growing numbers of students of all ages take full part. In addition, the College has adopted a set of revised Aims across the College, focussing on the four themes of Encourage, Inspire, Challenge and Support. These clear Aims, expanded to include key principles of Commitment, Collaboration, Confidence and Communication, now form the basis of the College Strategic Plan.

Academic

Public Examination results in 2019 are covered above and were once again excellent, particularly with respect to Value Added.

The Scholars' Society, established to reward enthusiastic learners in Years 5 to 13 and promote scholarship within the school, has been enhanced by the additional introduction of "Postelarships" awarded to students in Years 5 to 13 who make a significant contribution to the College through their enthusiasm and commitment.

Academic year 2018/19 saw a thriving Scholars' Society, with activities throughout the year including competitions, trips to lectures, debates, visits to museums and residential weekends. Pupils took advantage of these to explore their interests and broaden their experiences.

Summer 2019 saw the continuation of the Headmaster's Scholarship Award, with all pupils in Years 4 to 10 encouraged to produce a piece of work over the summer holiday on a topic of their choice, designed to develop the skills of research, application, and perseverance, as well as to develop intellectual curiosity and creativity. Pupils completed a project on one of the words: Courage; Energy; Icon; Nation; One or Trust.

The success of the initiative can be measured by the fact that the profile of scholars has been raised. Scholars and Postelars wear their badges with pride and there is a greater culture of pupils striving to produce high quality work. There has also been an impact on staff who continue to enthusiastically run a greater number of extension activities and clubs. Last academic year there were 25 different scholarship activities.

Scholar activities last year included a Creative Writing Workshop, an Investors Challenge, a Scholars Breakfast and various trips to different museums, to the theatre, Wimbledon, Lords, and Bayer Laboratories. A highlight of the year for the art scholars was creating a bespoke artwork for donation to the Royal Berkshire Hospital Paediatric Ultrasound Room. The scholars designed the piece, called Submerged, inspired by the work of Friedensreich Hundertwasser, and is made up of individual sections on mounted board which were then combined digitally, to make the whole piece come together. In addition to the opportunity to work collaboratively and use innovative art techniques, the scholars valued being able to give back to the local community and were excited to see their work in situ at the hospital.

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The Scholars Society Speakers' Corner event was so popular it had to be run on separate days for the senior and prep pupils. Each of the speakers gave an assured speech on a topic of their choice, filled with a mixture of humour, facts, figures and personal thoughts on the subject. Senior school topics ranged from the power of words, to the benefits of pets, Polish history and heritage, and the question of whether school days really are the best days of your life, while the Prep students spoke about Gender Inequality, Greta Thunberg, Climate Change, the joy of Baking, the value of reading and the need to count our blessings.

Scholars spent their scholarship award on items that will further their studies or pursue an interest. A Year 13 STEM scholar used the award to contribute to the cost of a week long course, 'Leadership in Global Change' at The University of Oxford where she had the opportunity to experience talks from academics and writers such as Kate Raworth as well as Myles Allen who advise the UN IPCC.

Last academic year also saw the continued growth in the number of STEM (science, technology engineering and mathematics) activities which this year have been expanded to include the Prep School. STEM club for pupils in Years 3 to 6 incorporated activities ranging from glider construction to lip balm making, light sabres and speedboats.

Two teams from St Joseph's competed in the South East Regionals of the F1 in Schools Challenge. They designed, made and raced model Formula 1 cars, and were grilled by two panels on their marketing strategy, and engineering and design choices. Streamlined, our team of Year 8 pupils, were crowned Regional Champions for the Entry Class and won the Best Presentation Award, and Illusion, our team of Year 10 pupils, gained First Place in the Development Class and were presented with the Fastest Car Award in their category. They progressed to the National Finals at Airbus Industries, coming third overall, with an all female team, picking up the WIA Women in Motorsport Award and the Star Quality: Portfolio Award.

Academic study was enhanced by a wide range of educational visits. Geography students took a two-day fieldwork trip down to the South coast, from Dorset to Hampshire, studying the physicality of coastal environments and the ways in which humans have managed and adapted to each place as well as a five day trip to Iceland.

Pupils studying Modern Foreign Languages had the opportunity to participate in an exchange with students from the College Notre Dame de France in Paris or to go on a cultural tour to Valencia where they had the opportunity to visit various landmarks and put their language skills to the test in real-life situations.

Prep School trips included the Year 3 visit to the Winchester Science Centre, and to Baylab in Green Park, Year 2 visit to the Living Rainforest, Year 1 visit to the Look Out Discovery Centre, the Reception Class visit to Beale Park and the Early Years trip to the Minibeasts Workshop, in addition to their regular trips to Pembroke Care Home.

Year 6 spent five days on an Activity/Field Studies Residential Course. The children studied the coastal environment, investigated a Tudor castle, went sea trawling, spent time orienteering and visited the nearby RNLI station. There were plenty of fun activities too, including skiing, raft building, climbing and archery.

Year 5 had a two day residential visit to Ufton Court, staying in the log cabins. Their visit combined History activities based around the Tudors, including a fully costumed Elizabethan banquet, with outdoor pursuits of orienteering, archery, drama sessions and learning to make wattle and daub walls. Year 4 also visited Ufton Court for a two day residential, with a Roman Theme for their activities and Banquet. Historical games and a Roman Raid were also included in their visit.

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The Prep School have enhanced their knowledge on healthy eating, working with a nutritionist consultant and our catering team (Thomas Franks) with events including the Early Years and Reception Teddy Bears Picnic, Years 1 -5 Healthy Eating Day and Year 6 Come Dine with Me.

A wealth of educational visits and field trips took place, both within the UK and further afield in Europe, contributing to the breadth and richness of the education provided.

As a school we believe that educational success is more than academic achievement alone and so we seek to help students not only to excel academically, but also to develop the intellectual confidence and curiosity needed for the next stage of their lives.

Pastoral Developments

The College is now a Mental Health First Aid Centre, one of the very first schools to be awarded this status, with 26 of our staff being trained as Youth Mental Health First Aiders to add to our 38 First Aid qualified staff. The College recognises that the mental welfare of our students and staff is of vital importance.

Extra-Curricular Activities

Learning at St Joseph's is enhanced by the broad extra-curricular programme, providing opportunities and challenges beyond the classroom. Activities not only offer opportunities for personal growth and a sense of belonging, but also create opportunities for leadership and teamwork, in addition to providing enormous fun along the way.

The Duke of Edinburgh Award continued to grow at St. Joseph's last year following its introduction in 2016. Numbers increased to 45 participants at Bronze (representing 72% of the year group) with a further 8 taking up the Gold Award in Year 12. Our first Gold qualifying expedition took place in the Lake District. Two pupils went on to complete the prestigious Gold Award. They will be receiving their certificates at a ceremony in the grounds of Buckingham Palace in May 2020. This included 416 hours of volunteering in the local community with a social value, assessed by DofE, of £1809.60.

Senior students took part in the CAFOD (Catholic Agency for Overseas Development) Young Leadership Programme, which encourages students to explore their contribution to wider society and how they can impact the world around them.

Pupils in Years 7, 9 and 12 each went on a spiritual retreat to St Cassian's Centre, Kintbury, where they took part in a wide range of activities, learning to work together, respect each other's views and beliefs and explore their own spirituality. Each retreat provided opportunities for thought and reflection.

Music in the College continued to thrive, with numerous concerts and other musical activities. A high proportion of students learn a musical instrument, and they have the opportunity to be a member of one of the many musical groups, which include the orchestras, choirs, wind, brass and string groups. Our choirs provide beautiful music for our school Masses and end of term celebrations. The Chamber Choir carried on the tradition of carol singing at Costco prior to Christmas, raising £400 for the charities CAFOD and CIRDIC.

The development of a Chamber Choir in the Prep School continues to be an outstanding success. Two choirs from the Prep School took part in the Woodley Festival of Music and Art and our Chamber Choir were awarded first place in their category.

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Closely allied to our musical richness is the superb quality of our Drama and Theatre Studies provision. All pupils are encouraged to play their part within the performing arts. Last year started with a visit from Frantic Assembly an internationally renowned theatre company and culminated in more than a hundred pupils taking LAMDA exams with two thirds of them obtaining distinction. A large cast of pupils performed in an excellent performance of the musical "9 to 5" with the show being 'double casted' to allow all those who auditioned an opportunity to perform.

Sport continued to play a significant role in the life of the College and the PE Department enjoyed another full and successful year. The introduction into the timetable of a Sports Afternoon for Years 10 to 13, in which a wide variety of sports are on offer, including golf, climbing, badminton, tennis, squash, cross-fit, basketball, boxercise and others, making full use of our access to the sports facilities of Reading University and the wider Reading area, has been a great success in promoting a healthier lifestyle for both the students and staff across the departments who accompany and participate.

Senior students learnt to climb at the Reading Climbing Centre, gaining qualifications from the National Indoor Climbing Award Scheme and braved the outdoors to learn new skills and to develop their team work in challenges such as orienteering.

The sporting year culminated with the Sports Awards dinner, which provided an opportunity to celebrate our sporting successes and award individuals who had competed particularly well during the year.

'Come Dine With Me' proved to be a popular event which involved the Year 6 pupils working with the Chef to produce a three course meal for their parents and other invited guests. The pupils cooked and served the meal and then provided after dinner speeches to close the evening. These two evenings provide wonderful opportunities to develop self-confidence and acts of service to others, in a light-hearted and creative environment.

'Enrichment Week' for pupils in the Senior School was an excellent opportunity for them to learn and develop new skills and abilities that will be invaluable in preparing for life after school, as well as them completing a wide range of enrichment and social action activities. These included Year 9 pupils completing a first aid course and a leadership workshop, a Year 8 residential trip to Amsterdam and Year 10 pupils completing a week's work experience placement.

The items listed above represents only a fraction of the extra-curricular achievements which have taken place over the course of the year. St Joseph's College is also proud to support so many of its students who thrive within a wide range of activities and sports outside of school.

As a school we believe it is the ability to work collaboratively within a team that is one of the most valued of contemporary work-based skills along with the attributes of commitment, confidence and communication. What we have called the "four Cs" here at St Joseph's and which form the spokes of our circle of aims.

We understand that participation is also such an important concept – taking part, in whatever the activity, develops young people, develops those qualities of character essential to living a fulfilling life as well as the capacity to work as part of a team, to think for yourself and of other people.

The Board's commitment to maintaining the College's excellence has been reinforced by the capital programme. Expenditure on capital projects this year amounted to £262,320. The extensive range of capital projects in recent years has included major refurbishment of the teaching facilities, three new floodlit, artificial sports pitches and the provision of a new changing room block and Drama Studio. We also constructed a new-build Music Department, including two classrooms, a music technology room, an ensemble room and seven practice rooms in March 2018. This financial year focussed on refurbishment of the Humanities Department with 5 classrooms upgraded.

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Charitable Activities

In pursuance of the very broad overall goal of its charitable objectives, the charity operates St. Joseph's College as an independent day school for girls and boys aged three to eighteen.

As an educational charity, the Governors' aim for the College is to benefit the public through the advancement of education, within the Catholic ethos, of children and young persons. The College strives to provide a first class education, independent of the state system, giving the highest quality of academic tuition and ensuring the development of wider artistic, sporting and social skills in all pupils. This is intended to provide an environment where each pupil can develop and fulfil their potential, thus helping to build self-confidence and create a desire to contribute to the wider community.

St. Joseph's is a Catholic College, where pupils of other denominations and faiths, or no faith, are welcomed and encouraged to make an active contribution to the richness and diversity of the College community.

The College is large enough to offer a varied curriculum and excellent facilities, but small enough to foster a strong sense of community. The Governors are keen to provide a safe and happy environment in which academic and social skills, individual talent and consideration of the needs of others are developed.

The College is staffed by teachers, who combine the best in traditional educational values with a sharp awareness of what is appropriate for girls and boys, who need to be prepared for the twenty-first century. Pupils are encouraged to be confident, questioning, independent learners, whilst at the same time developing a moral and spiritual sense of purpose in their lives and in their studies.

When the older students leave the College, they are expected to be independent and resourceful young adults, with the drive and energy to fulfil their ambitions. The Governors hope that they will have learned that nothing worth having can be achieved without kindness and consideration for others.

Community and Public Benefit

Aims

The College's aims for the public benefit are:

- to establish the College as a co-educational day school, in accordance with the doctrines of the Catholic Church and in which there are strong and active partnerships between parents and the school and between the local community and the school;
- to offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards; and
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school.

Primary objectives

The primary objectives of the College to fulfil these aims are:

- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from a St Joseph's College education;

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- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one another and good citizenship;
- to provide pupils with the opportunity to take advantage of a breadth of co-curricular activities in order to develop positively all aspects of their character;
- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively;

Strategies to achieve the primary objectives

The Governing Body agreed that, having completed a number of major projects over the period 2013/14 to 2018/19, they would follow a programme of general maintenance subject to available funding. In particular, the Governors continue to focus on the refurbishment of the College's teaching facilities, with the aim of bringing all teaching accommodation to a uniform and high standard.

The Capital works previously mentioned have followed this objective of providing high quality facilities and the new Music Block in particular has had a galvanising effect upon the uptake of peripatetic music across the College.

The College's Objects, as set out in the Memorandum of Association, are the advancement of education in accordance with the principles of the Catholic Church for boys and girls. In furtherance of these Objects for the public benefit the College has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

St Joseph's College remains committed to the aim of providing public benefit in accordance with its founding principles. Charity legislation includes a requirement to demonstrate that public benefit for any charitable purpose where it had hitherto been presumed in the absence of evidence to the contrary. This calls in turn for commensurate disclosure of our public benefit aims. The awarding of bursaries for the needy is a measurable means of providing public benefit. However, the College also strives to keep **all fees** affordable to a wide catchment, with fees in the Senior School in 2018/19 comparable to those charged in 2011. Fees are significantly below the National average for independent day schools and well below comparable schools in the South East.

The Board takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the College provides within the community. Those pupils who attend our schools and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole College and, in some cases, to the wider community.

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This year the College awarded bursaries, scholarships and discounts totalling £412,869 to 111 pupils (2018: £373,014 to 130 pupils). Parents may apply for bursaries through a means test, either as needs arise or as part of the admissions process, and bursaries are awarded following an examination by the Governors of the individual circumstances having taken account of the funds available. These bursaries are subject to annual review.

The Sisters of St Marie Madeleine Postel at St Joseph's Convent, provided financial assistance for a further 9 (2018:10) pupils, as well as supporting the College in a wide variety of other ways, totalling £26,804 (2018: £21,540).

A second element of the primary objective is to foster a sense of community and citizenship. This is achieved through closer links with the local community, particularly with Redlands Primary School, and through the aim of developing links with local and regional organisations, such as sporting clubs and other charitable organisations.

Three years ago we formed a partnership with Redlands Primary School, our neighbouring state primary school, to provide them with much needed physical education. Their Head Teacher writes:

"As a small school with no green field and only limited playground space, it is a challenge to provide the statutory P.E. entitlement for our pupils, particularly since the Local Authority asked us to take on an additional class of 30 children 5 years ago.

We had been looking at alternative spaces to use for P.E. teaching and, during an early meeting with Andy Colpus it was clear that he was very keen to support both our pupils and our staff. Thanks to this generous gesture children in our Year 5 and Year 6 classes have benefitted from lessons on the St Joseph's College astro-pitches and in the swimming pool, many of which have been taught by specialist P.E. teachers from the College. This has not only resulted in the children receiving high quality tuition but in our own teachers gaining valuable training and picking up ideas and tips to include in their own teaching. Children from other year groups in school will have similar opportunities during the course of this academic year. We have seen our pupils make some outstanding progress in P.E. due to this arrangement. They have grown in confidence both in the pool and on the pitch, and they have learnt and developed many skills, including those of being good team players. Plans are now in place to develop this partnership to include some possible inter-school tournaments – again something we seldom get the chance to offer our pupils without considerable travel expenses.

We are extremely grateful to Mr Colpus and the College's P.E. team and we look forward to the continuation of this positive arrangement which has already brought so many benefits to our school community."

Teachers from Redlands offer the following comments:

"Having access to the excellent facilities at St Joseph's has enabled us to teach aspects of PE that we would struggle to in our own very small playground. The astro- turf pitches have been ideal for teaching hockey and having access to a swimming pool has meant that we have fulfilled the requirement to teach swimming at KS2.

The quality of the teaching provided by St Joseph's staff has been outstanding as reflected by the progress shown by the children in both swimming and hockey. St Joseph's staff have worked hard to develop successful relationships with all the children, resulting in a successful link between both schools. The professional development for ourselves has been valuable, increasing our knowledge of planning and delivering units of PE work."

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Extensive and diverse links with the local and wider community have been established, adding significantly to the educational experiences of all pupils. A number of local swimming clubs continue to use the pool at subsidised rates. A very high percentage of Reading's children have learned to swim at St Joseph's. We have also provided facilities for the coaching of the Great Britain Downs Syndrome Synchronised Swimming Team, coached by one of our own ex-pupils.

The College has embraced the National Apprenticeship scheme with five apprentices having been employed in the year, in areas such as IT, Painting and Decorating, Early Years Practitioners and PE, with three completing their training and taking up full time employment.

The College holiday clubs are open to children from outside the College and the College sports facilities have regularly been used by local clubs and societies at preferential rates.

Various choirs and instrumental groups from all parts of the College go out into the community and perform in various venues for charity. College facilities have also been made available at nominal cost to the Berkshire Young Musicians Trust, Berkshire Maestros, The Reading Haydn Choir, the Rotary Club of Great Britain, the National Childbirth Trust and the Berkshire Autistic Society in support of their activities within the local area.

The College facilities are also used regularly by the Reading Tamil Association for charitable and health promotion events and by Whiteknights Church, a non-denominational Christian church which has established St Joseph's as their regular weekly meeting place.

The bonds between the College and both the parish of St James and St William of York and the Portsmouth diocese have been further strengthened. The College hosted a number of parish and diocesan events - at no charge - and received in return valuable support from the parish and diocese.

The College has an active and committed Eco-Committee, including students and staff, which actively promotes energy efficiency, running campaigns and identifying waste wherever it can. It has prompted the fitting of low energy lights across the school and a range of other efficiency programmes including boiler optimization, roof insulation and the covering of the College Pool when not in use. There have been measurable reductions in both energy use and carbon footprint. The Eco Committee is focussed on attaining Green Flag accreditation through College wide commitment to more sustainable practices. The students have been responsible for the catering department adopting fully recyclable or compostable packaging, the installation of draught filtered still and sparkling water to replace bottled water, running assemblies in both the senior and prep schools to promote their initiatives. The College has invested significantly in sustainability and has switched to utilities that are 100% renewable energy.

The issue of young people's mental health has long been of concern, with parents, schools, charities and healthcare professionals warning that families are not getting the support they need. At St Joseph's College, we have trained twenty nine Mental Health First Aiders, trained members of staff, who are able to provide the pastoral care and support to our pupils. The College now employs two wellbeing coaches and a primary mental health worker in addition to the College Chaplain. Furthermore, the College in collaboration with Jane Nathan and "Healthcare on Demand" has now become a Mental Health First Aid Training Centre for professionals in the South East. The College offers three courses on an annual basis:

- 2 day full certification courses for Youth Mental Health
- 1 day Adult Mental Health Awareness course (workbase focused)
- 1 day Youth Mental Health Awareness course (schools and Colleges)

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Raising money for charities is an important part of College life with support for a wide range of both local and international charities this year. Over £7,958 was raised for eleven local and national charities, including the Churches in Reading Drop-in Centre (CIRDIC), the Catholic Agency for Overseas Development (CAFOD) and Sport in Mind, a mental health charity, in line with our focus on mental health.

All senior pupils continue to take part in our Social Outreach Projects. The aim of this initiative was to respond to Pope Francis' calling for us to look for practical ways in which we can help in our local community. Pupils worked with the homeless charity - Churches in Reading Drop-in Centre, visited Residential Care Homes or helped tidy up the local area.

The Governors believe that the requirement to operate for the public benefit has been satisfied by:

- Provision of financial support to enable parents who would not otherwise be able to afford independent education to send their children to St Joseph's;
- Provision of first class education to our pupils enabling them to achieve both academic and personal success;
- Providing free access and specialist coaching to our swimming pool and sports pitches to local state primary school children;
- Letting of our premises at favourable rates to local sports and community groups, including the Berkshire Young Musicians' Trust, NCS and other educational organisations;
- Hosting an annual Year 5 Day for children from local schools; and
- Our involvement in the National Apprenticeship scheme.

Fundraising

In the past year, the School has not actively engaged in fundraising for the School and has no immediate plans to do so.

A separate charity – The St Joseph's College Parents' Association which is operated by parents of the school raises funds towards facilities and equipment for the school by running social events during the year. In the year 2018/19 the Parents' Association donated £8,692 to the school following these events.

No other fundraising activities are undertaken. No complaints relating to fundraising activities have been received by the School during this financial period.

The School does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation.

Indicators, Milestones & Benchmarks

The College maintains close liaison with parents and guardians by means of regular communication, which also involves all staff. The College has a very active Parents' Association and St Joseph's College Alumni, both of which respond to the needs of the College. The College also works closely with the local community in the Reading area, and with the Catholic Diocese of Portsmouth.

The Governors monitor a range of measures to try to determine the charity's success in achieving its charitable objectives and its aims derived there from. This range of measures includes:

- Average pupil numbers;
- The number of pupils gaining entry to their chosen university at age eighteen;
- Academic performance, particularly at A-level and GCSE. A range of base-line tests are undertaken in order to establish the value added;
- Achievement in sport, art, music and drama;
- Feedback from inspection visits by the Independent Schools Inspectorate;

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- Ability to attract and retain high quality teaching staff;
- The ratio of pupils to teachers;
- The numbers of scholarships and bursaries available to pupils;
- Feedback from users of College facilities within the wider community; and
- Worthwhile contributions to public life by former pupils.

FINANCIAL REVIEW

Financial Results of Activities & Events

The average number of pupils in the College increased to 553 (2018:540) pupils in this academic year. Numbers have risen further in 2019/20 to 576 in the Spring term. Governors believe this trend will continue and is a reflection of the College consistently achieving academic excellence and providing a caring and vibrant co-educational Christian community in which individual talents are recognised and developed.

The financial results of the charity's activities in 2018/19 are set out in the statement of financial activities on page 25. The charity generated total income and endowments of £6,558,168 (2018: £6,070,666) and expended total resources including exceptional costs of £6,754,286 (2018: £6,278,831), resulting in a deficit of £196,117 (2018: £208,165 deficit). The total funds of the charity at 31 August 2019 were £4,301,042 (2018: £4,497,159)

The Governors and management are committed to a programme of continued investment in the College and the continued growth in pupil numbers, which, should see the College remain in surplus before depreciation in the coming year, generating positive cash flow from operations.

999 Year Lease

During 2010/2011, the St Joseph's College Reading Trust entered into a 999 year repairing lease of the land and buildings, with the Trustees of St. Marie Madeleine Postel Reading.

The lease has been entered into at a discounted rent, and, in effect represented a gift to the College of £5m. This gift has underwritten the growth in the College and provided the collateral to support the investment in the new facilities.

Reserves Policy

The Board has determined that the appropriate level of free reserves which are not invested in tangible fixed assets nor set aside for specified purposes should be equivalent to one academic term's expenditure, approximately £1,500,000. After adjusting the unrestricted reserves for a deficit of £282,291 for unrestricted functional fixed assets for the charity's own use and borrowings against them there were no free reserves.

The 999 year lease, entered into during 2011, provides substance to the College's balance sheet and long term financial support for the College. Under the terms of the lease, the College is able to enter into a charge against the lease of up to £2.5m.

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Investment policy and objectives

The College's investment objectives are to balance the current and future needs by:

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable amount to support expenditure; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives the College's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. The investment strategy and policy is monitored by the Finance Committee, as is investment performance.

PLANS FOR FUTURE PERIODS

Future Strategy

The Governors' strategy for the medium to long term is to further enhance and develop the estate for the advancement of the needs of the modern curriculum. The Governors are also committed to continuing to achieve the highest standards of academic performance whilst cultivating a well-rounded development of the personality of the pupils, and in doing so give the pupils the best possible preparation for higher education and adult life.

Future Activities & Events

In addition to continuing the high quality of education provided by the College, the Governors' plans for 2019-2020 include:

- Further exploitation of our status as a Yamaha Partner School with Master classes and concerts;
- Continuation of the music partnership with the Trio Derazey;
- Development of the partnership with the London Mozart Players
- Replacement of teachers' laptops
- Installation of Interactive Screens in all Prep Classrooms
- Refurbishment of the College Library;
- Replacement of roofs as part of the 5 year maintenance plan;
- Replacement of the swimming pool boiler;
- Provision for a Senior Deputy Head

Principal Risks & Uncertainties & Corporate Governance Matters

The Governors consider that the affordability of fees by parents across the independent sector remains the principal risk faced by the College. The financial impact of the 43% increase in Employers' contributions to the Teachers' Pension Scheme from September 2019 has exacerbated the financial pressures for the coming year. Having started consultation on withdrawing from the TPS the risks to ongoing teacher recruitment, teaching standards and staff morale are forefront in the Governors minds. The College is currently approaching capacity with respect to student numbers, but there is no room for complacency. The Governing Body, therefore, decided to increase fees in September 2018 by 5.9%, after 3 years of increases simply in line with inflation. In September 2019 the Governing Body were once again required to increase fees by 5.21% to meet the financial commitments.

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Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the College is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

Detailed consideration of risk is delegated to the sub-committees, who report formally to the Governing Body at each meeting. The risk management process and the resulting Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. The generic controls used by the College to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- strategic development planning, reviewed annually by the Full Board;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear delegated financial authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the College and its subsidiaries.

Impact of COVID-19

From 20 March 2020, the School was closed to all but vulnerable pupils and key worker children with immediate effect as part of the national response to the COVID-19 coronavirus pandemic. As a result, Governors decided to offer a reduction of 15% on the Summer Term 2020 School fees for all pupils. In order to preserve the School's strong financial position, operating expenses were reduced by furloughing 30 staff members (as part of the government's Coronavirus Job Retention Scheme) and catering activities ceased. All but necessary capital expenditure and maintenance was put on hold. The School was able to invite back more pupils from 1 June 2020 and the substantial efforts made by the School to maximise the number of pupils who could safely return for the final two weeks of the Summer Term was very well received by parents. This has been reflected more widely with a pupil roll of 573 budgeted for the 2020/21 academic year. Because of the action taken, the Governors consider it appropriate for the going concern basis to be adopted for these accounts.

The full economic impact of the UK's exit from the EU together with the long-term adverse economic impact of the Covid-19 pandemic remains unclear. If parent incomes suffer a substantial adverse impact then fee affordability may become an increasing problem. The School continues to focus on efficiencies and cost control, in order to mitigate the potential impact, and to review regularly the business strategy to ensure the School remains focussed on the changing needs of the current market.

If the economic climate or other factors outlined above lead to a significant fall in pupil numbers the reduced fee income could threaten the level of debt service cover which must be met in respect of the loan financing taken to support the investment made in new capital facilities over the last few years. Notwithstanding the economic situation, the pupil numbers remain strong and stable but it is recognised that many parents are finding it more challenging to meet the fees. The Governing Body has sought to mitigate the impact on parents of operating cost increases to date by minimising fee

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increases. There will be no fee increase for the forthcoming year and to support the fee increase control, operating costs are closely monitored in order to protect the School's operating surplus and enable development of reserves.

Risk Management

The Governors have examined the principal areas of the College's operation, and identified the major risks faced in each of these areas. These are monitored, one or more Governors taking a lead in each area, reviewing regularly with the nominated Risk Owners and reporting to committees as appropriate in relation to the effectiveness of internal and external controls. There is an effective and consistently managed and updated Risk Register. The College has appointed Assurity Ltd as H&S and Risk Management consultants who carry out on site audits and produce reports and Action Plans every 6 weeks.

Strategic Plan

The College current five year Strategic Plan was agreed by the Governors in March 2018 and is subject to an annual review by the Governors. The plan outlines how the College will seek to further develop:

- a seamless education from 3 to 18
- the Spiritual life
- the Teaching & Learning
- the Pastoral Care
- the Performing Arts
- the Sport and Outdoor Learning provision
- our desire for all pupils to become lifelong learners.
- our relationship with local businesses, Reading University and global opportunities
- our generation of revenue
- our facilities

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The Governors are satisfied that these controls should, under normal conditions, allow risks to be mitigated to an acceptable level in the College's day-to-day operations. Risk assessment is a regular agenda item at board meetings, ensuring that the College can adapt to changes in its circumstances.

The charity maintains professional indemnity insurance cover, which includes cover for Governors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Body

The Governing Body is self-appointing, with one-third of its members required to retire by rotation at each AGM. The first appointed, or longest serving since last reappointment, are the first to retire. Members retiring by rotation can be re-elected. New members of the Governing Body are elected on the basis of nominations from the Governors and the executive officers based on the candidates' professional qualities, experience, personal competence and local availability.

Method of Recruitment, Appointment, Election, Induction & Training of Governors

New Governors are inducted into the workings of the College and its schools, including Governing Body policy and procedures, at an induction workshop specially organised for them by the Heads and Bursar. The new Governors also attend specialist external courses provided by AGBIS on the role and responsibilities of charity trustees.

Members of the Governing Body attend external trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

The College's elected Governors are appointed at a Board meeting, on the basis of nomination following recommendations received from the College's Alumni Association, the Catholic Diocese of Portsmouth ("the Diocese"), the Parish of St. James and St. William of York, Reading ("the Parish"), the Order of the Sisters of St. Marie Madeleine Postel ("the Order"), or through professional or business contacts. In addition, the Diocese nominates one Governor and the Order nominates two Governors.

Through its membership of the Association of Governing Bodies of Independent Schools (AGBIS) the Governors have access to and attend regular seminars on a range of relevant topics. Governors attending these seminars disseminate appropriate content to fellow Governors. Training is also provided by the Diocese of Portsmouth Schools Department. A Governors' Day takes place in College each year, during which Governors have the opportunity to update themselves on educational issues.

Organisational Structure

The overall strategic direction of the College is determined by the Governors, who make all the key policy decisions, and supervise and control the authority delegated to the Headmaster and the Bursar, who are responsible for the day-to-day operations of St. Joseph's College. The College Deputy Heads update Governors on their areas of responsibility at least once a year.

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The Board of Governors meets between three and six times per year. Meetings are usually attended by, the Headmaster and the Bursar, who report to the Governors on all matters of significance in relation to the life of the College. The Board delegates routine financial matters to a Finance and General Purposes Committee, academic matters to an Education Committee, spiritual matters to the Spiritual Life Committee each of which meets between three six times a year, and a Remuneration Committee which meets as required. The Board also appoints working parties of Governors that include members of College staff where appropriate, to examine specific topics or policies, with a remit to report back to the Board with information or for decision making.

The work of implementing their policies is carried out by the four Committees:

The Finance and General Purposes Committee scrutinises revenue, the budget and capital expenditure. This Committee also supervise and finalise the audited financial statements and annual report for approval by the Governing Body. The F&GP also supervises and monitors capital building projects and the maintenance of the College. The F&GP Committee is chaired by Johnathan Hennah a serving Bank Manager and former parent.

The Education Committee considers all educational and pastoral policy. The Committee is chaired by Giles Watson, a current teacher in an Independent School.

The Spiritual Life Committee is responsible for the development of the spiritual life of the College and advises senior management on the strengths and weaknesses of Religious Education and wider spiritual wellbeing of both students and staff. This Committee is chaired by Julia Feeney, a retired Head Teacher from a Catholic School and prominent member of the local Catholic Community.

The Remuneration Committee monitors and recommends salaries for the senior staff of the College. This Committee reports through the Finance Committee to the Governing Body once a year. The Committee is chaired by Dr Margaret Cross, an Educational Consultant.

Remuneration is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the College's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the College's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

The day-to-day running of the schools is delegated to the Headmaster and Bursar supported by the Senior Leadership Team and together this group are the key management personnel. The Headmaster and the Bursar attend all meetings of the Governing Body's Committees.

Group Structure and Relationship

The Trust has a wholly owned subsidiary company, SJCR Enterprises Limited, whose complementary fund-raising activities cannot be undertaken within the objects of the charitable company.

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GOVERNORS' ANNUAL REPORT
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The school actively supports the attainment of high standards in the independent schools sector through networking with other schools and participation in the activities of appropriate associations to which the school belongs. The school also cooperates with a number of local schools, charities and other organisations to optimise the use of its facilities. The school enjoys the support of an active Parents' Association and of the Alumni, whose support is appreciated and acknowledged.

Relationships with Related Parties

The charity maintains a strong relationship with the Sisters of St. Marie Madeleine Postel and with the Diocese of Portsmouth, and continues to receive the valuable support of parents and guardians with whom it works closely on a day-to-day basis.

The charity also pursues its charitable objectives by forming and maintaining relationships with other schools and educational establishments in the state and independent sectors, and with other charities and similar institutions in the local community.

Governors' Responsibilities in the Preparation of Financial Statements

The Governors, who are also the directors of the company for the purposes of company law, are responsible for preparing the Governors' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and trading subsidiary of the incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company, and to 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 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 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. JOSEPH'S COLLEGE READING TRUST
GOVERNORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**


Auditor

Crowe Audit LLP was auditor for the year 2018/19.

Statement as to Disclosure of Information to the Auditor

The Governors at the date of approval of this Governors' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charity's auditor is 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 is aware of that information.

The Governors report and Strategic report were approved by the Board of Governors on 24 March 2020, and were signed for and on behalf of the Board by


..... Chair F&GP
Jonathan Hennah

Date 25.8.20

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. JOSEPH'S COLLEGE READING TRUST

Opinion

We have audited the financial statements of St. Joseph's College Reading Trust for the year ended 31 August 2019 which comprise the consolidated Statement of Financial Activities, the consolidated Summary Income and Expenditure Account, the Group and Company Balance Sheets, the consolidated Cash flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2019 and of the group'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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ST. JOSEPH'S COLLEGE READING TRUST (CONTINUED)**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ST. JOSEPH'S COLLEGE READING TRUST (CONTINUED)**

In preparing the financial statements, the trustees are responsible for assessing the group's or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date 26.8.20

ST. JOSEPH'S COLLEGE READING TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Endowment Funds £	2019 Total £	2018 Total £
INCOME AND ENDOWMENTS FROM:					
Charitable activities:					
College fees receivable	1	5,416,759	-	5,416,759	5,036,876
Ancillary trading income	2	1,027,687	-	1,027,687	889,825
Other trading activities:	3	104,144		104,144	133,958
Donations and legacies:		9,579	-	9,579	9,866
Income from investments:		-	-	-	141
TOTAL INCOME AND ENDOWMENTS		<u>6,558,169</u>	<u>-</u>	<u>6,558,169</u>	<u>6,070,666</u>
College operating costs		6,608,729	50,000	6,658,729	6,196,026
Raising funds					
Financing		82,821	-	82,821	62,568
SJCR Enterprises Limited		<u>12,736</u>	<u>-</u>	<u>12,736</u>	<u>20,237</u>
TOTAL EXPENDITURE	4	<u>6,704,286</u>	<u>50,000</u>	<u>6,754,286</u>	<u>6,278,831</u>
NET (EXPENDITURE)		<u>(146,117)</u>	<u>(50,000)</u>	<u>(196,117)</u>	<u>(208,165)</u>
NET MOVEMENT IN FUNDS		(146,117)	(50,000)	(196,117)	(208,165)
Fund balances brought forward		<u>(136,174)</u>	<u>4,633,333</u>	<u>4,497,159</u>	<u>4,705,324</u>
FUND BALANCES CARRIED FORWARD		<u>(282,291)</u>	<u>4,583,333</u>	<u>4,301,042</u>	<u>4,497,159</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


The notes on pages 29 to 47 form part of these financial statements.

ST. JOSEPH'S COLLEGE READING TRUST
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019	Group 2018
FIXED ASSETS			
Tangible assets	7	<u>7,615,413</u>	<u>7,857,260</u>
CURRENT ASSETS			
Debtors	9	387,095	414,759
Stock	10	36,187	13,028
Cash at bank and in hand		<u>127,973</u>	<u>96,365</u>
		551,255	524,152
LIABILITIES			
Creditors: Amounts falling due within one year	11	<u>(2,160,533)</u>	<u>(2,047,279)</u>
NET CURRENT LIABILITIES		(1,609,278)	(1,523,127)
TOTAL ASSETS LESS CURRENT LIABILITIES		6,006,135	6,334,133
Creditors: Amounts falling due after more than one year	12	<u>(1,705,093)</u>	<u>(1,836,974)</u>
TOTAL NET ASSETS		<u>4,301,042</u>	<u>4,497,159</u>
THE FUNDS OF THE CHARITY			
Endowment Funds			
Leasehold property donation	7a	4,583,333	4,633,333
Unrestricted income funds			
General fund	14	<u>(282,291)</u>	<u>(136,174)</u>
TOTAL FUNDS	15	<u>4,301,042</u>	<u>4,497,159</u>

The deficit for the year in relation to the College only was £196,117.

The financial statements were approved by the board of governors and authorised for issue on 25.8.20 and are signed on their behalf by:


 Chair F&GP
Jonathan Hennah

The notes on pages 29 to 47 form part of these financial statements.

ST. JOSEPH'S COLLEGE READING TRUST
BALANCE SHEET COLLEGE
FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	College 2019	2018
FIXED ASSETS			
Tangible assets	7	7,615,413	7,857,260
Investments	8	<u>1</u>	<u>1</u>
		<u>7,615,414</u>	<u>7,857,261</u>
CURRENT ASSETS			
Debtors	9	442,843	465,599
Stock	10	36,187	13,028
Cash at bank and in hand		<u>69,668</u>	<u>42,968</u>
		548,698	521,595
LIABILITIES			
Creditors: Amounts falling due within one year	11	<u>(2,157,977)</u>	<u>(2,044,723)</u>
NET CURRENT LIABILITIES		(1,609,279)	(1,523,128)
TOTAL ASSETS LESS CURRENT LIABILITIES		6,006,135	6,334,133
Creditors: Amounts falling due after more than one year	12	<u>(1,705,093)</u>	<u>(1,836,974)</u>
TOTAL NET ASSETS		<u>4,301,042</u>	<u>4,497,159</u>
THE FUNDS OF THE CHARITY			
Endowment Funds			
Leasehold property donation	7a	4,583,333	4,633,333
Unrestricted income funds			
General fund	14	<u>(282,291)</u>	<u>(136,174)</u>
TOTAL CHARITY FUNDS	16	<u>4,301,042</u>	<u>4,497,159</u>

The financial statements were approved by the board of governors and authorised for issue on 25.8.20 and are signed on their behalf by:


..... Chair F&GP
Jonathan Henna

The notes on pages 29 to 47 form part of these financial statements

ST. JOSEPH'S COLLEGE READING TRUST
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by operating activities	17	502,915	730,388
Cash flows from investing activities:			
Interest income		-	141
Interest paid		(82,821)	(62,568)
Purchase of tangible fixed assets		<u>(262,320)</u>	<u>(1,147,472)</u>
Net cash used in investing activities		(345,141)	(1,209,899)
Cash flows from financing activities:			
Repayment of borrowing		(126,166)	(94,616)
Cash inflows from new borrowing		<u>-</u>	<u>860,000</u>
Net cash (used in)/provided by financing activities		<u>(126,166)</u>	<u>765,384</u>
Increase in cash and cash equivalents in the year		<u>31,608</u>	<u>285,873</u>
Cash and cash equivalents at the beginning of the year		<u>96,365</u>	<u>(189,508)</u>
Total cash and cash equivalents at the end of the year		<u>127,973</u>	<u>96,365</u>

The notes on pages 29 to 47 form part of these financial statements.

ST. JOSEPH'S COLLEGE READING TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The consolidated financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St. Joseph's College Reading Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary SJCR Enterprises Ltd on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The net outgoing resources of the College for the year (excluding the subsidiary) were £196,117.

Going Concern

The full impact of COVID-19 on the UK, the economy and the School is unknown. Despite the physical closure of part of the School for much of the Summer Term to all except Prep pupils, vulnerable pupils and the children of key workers, the School has been able to serve its pupils effectively throughout the period by offering a full and comprehensive remote learning programme which was very well received by parents. Management have reviewed and reduced costs for the period from April to August 2020 and have produced financial models showing the revised cash flows and future budgets, which have subsequently been reviewed by the Board of Governors.

As part of their normal risk management process, the Governors have examined the major risks to the School and the mitigating actions both taken and available to be taken. The Governors consider there are no material uncertainties relating to going concern and that the School has adequate resources to continue its activities for at least the twelve months to 31 August 2021. Accordingly, they continue to operate the going concern basis in preparing the financial statements.

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

Fees receivable and other Income

Fees receivable and other incoming resources are accounted for on a receivable basis. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably, discounted to present value for longer-term liabilities.

Expenditure is classified under the following activity headings:

Costs of raising funds comprise the costs of commercial trading and other financing costs.

Expenditure on charitable activities includes the costs of tuition and other educational activities together with their associated support costs undertaken to further the purposes of the charity.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Resources expended are allocated to the charity's principal activity where the costs can be identified as being directly related to that activity. All costs that cannot be identified as relating directly to the charity's principal activity are categorised as support costs.

Grants (bursaries and scholarships) awarded are expensed as soon as they become legal or operational commitments. Grants payable are recognised in the period in which the approved offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised only when the conditions attaching to the award are fulfilled.

Grants offered subject to conditions, which have not been met at the balance sheet date, may be noted as potential commitments where significant, but are not treated as a liability.

Operating Leases

The charity classifies the lease of printing, laptops, boiler controls, vehicles and vending machines as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

In addition the lease for the premises is classified as an operating lease. The lease is a full repairing and insuring lease with a rental review taking place every 5 years.

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

Pension Contributions

The charitable company contributes to the Teachers Superannuation Scheme at rates set by the scheme actuary and advised to the board by the scheme administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the college. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

For all other employees, the charity makes contributions into defined contribution schemes, whose assets are also held in separate, independently administered funds. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year. The College makes a matching contribution of between 3% and 9% of salary to these pension schemes and acts as agent in collecting and paying over employee pension contributions.

New and existing employees who are not in the defined contribution Pension Scheme are automatically enrolled into the scheme unless they have exercised their right to opt out of scheme membership.

Tangible Fixed Assets

All tangible assets purchased that have an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	-	Over 50 years
Fixtures, fittings and equipment	-	Over 3 to 5 years
Motor vehicles	-	Over 4 years
Leasehold	-	Over 100 years
Leasehold improvements	-	Over 5 to 50 years

The gift of the 999 year lease has been capitalised and included in the balance sheet at a valuation of £5,000,000. The College has adopted the provisions of FRS 102 in respect of this asset and will not revalue it in the future. The lease is depreciated over a period of 100 years.

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

Fund Accounting

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objectives of the charity.

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet.

Expendable endowment funds are accounted for similarly with the depreciation related to the asset being charged against the fund. St. Joseph's College' Expendable Endowed funds are the 999 year lease, valued at £5,000,000, which was gifted to the College during the year ended 31 August 2011. For further detail see Governors' Annual Report.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at Bank and In Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

The College only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Legal Status of the College

The College is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. COLLEGE FEES RECEIVABLE

	2019 £	2018 £
Fees receivable consist of:		
Gross School fees	5,829,628	5,409,890
Less: total scholarships, bursaries and discounts	<u>(412,869)</u>	<u>(373,014)</u>
Net School Fees	<u>5,416,759</u>	<u>5,036,876</u>

The apparent reduction in the number of Scholarships, Bursaries and Discounts awarded in 2019, to 111 pupils from 130 pupils in 2018, is a reflection of the continued phasing out of the old Scholarship system. The number will continue to reduce as pupils with the old award naturally leave the College. 121 £100 new Scholarships were awarded in 2019 compared with 107 £100 Scholarships in 2018.

2. ANCILLARY TRADING INCOME

	2019 £	2018 £
Catering income	263,784	251,083
Music income	195,451	163,592
Extended Day and Holiday Club income	278,485	191,047
Transport income	61,642	51,465
Other operating income	132,023	130,240
Trip income	<u>96,302</u>	<u>102,398</u>
	<u>1,027,687</u>	<u>889,825</u>

3. OTHER TRADING ACTIVITIES – NON ANCILLARY TRADING INCOME

	2019 £	2018 £
Rental income	29,312	37,487
SJCR Enterprises Ltd	<u>74,832</u>	<u>96,471</u>
	<u>104,144</u>	<u>133,958</u>

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

3. OTHER TRADING ACTIVITIES (CONTINUED)

Income earned from other activities

The wholly owned trading subsidiary SJCR Enterprises Ltd is incorporated in the United Kingdom (company number 10348210) and pays all of its profits to the charity under the gift aid scheme. The entity began trading on 1 September 2016. SJCR Enterprises Ltd carries out trading activities and commercial lettings business on behalf of the School. The registered office of SJCR Enterprises Limited is Upper Redlands Road, Reading, Berkshire, RG1 5JT. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2019	2018
	£	£
TURNOVER	74,832	96,471
Cost of sales	(9,236)	(18,283)
GROSS PROFIT	65,596	78,188
Administrative expenses	<u>(6,621)</u>	<u>(4,898)</u>
OPERATING PROFIT	58,975	73,290
Gift Aid Payable	<u>(58,975)</u>	<u>(73,290)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	<u><u>-</u></u>	<u><u>-</u></u>

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. COLLEGE OPERATING COSTS

	Staff Costs £	Other £	Depreciation £	2019 Total £	2018 Total £
Charitable Activities					
School Operating Costs:					
Teaching costs	2,887,896	173,987	-	3,061,883	2,852,508
Welfare costs	97,922	478,600	-	576,522	561,738
Premises	158,675	563,281	-	721,956	683,667
Support costs	<u>1,025,839</u>	<u>768,362</u>	<u>454,167</u>	<u>2,248,368</u>	<u>2,048,113</u>
	<u>4,170,332</u>	<u>1,984,230</u>	<u>454,167</u>	<u>6,608,729</u>	<u>6,146,026</u>
Endowment fund:					
Long term lease	-	-	50,000	50,000	50,000
Total charitable expenditure	4,170,332	1,984,230	504,167	6,658,729	6,196,026
Cost of generated funds					
Interest paid	-	82,821	-	82,821	62,568
Total expenditure - College	4,170,332	2,067,051	504,167	6,741,550	6,258,594
Trading expenditure	-	12,736	-	12,736	20,237
Total expenditure - Group	<u>4,170,332</u>	<u>2,079,787</u>	<u>504,167</u>	<u>6,754,286</u>	<u>6,278,831</u>

Governance costs included in Support costs above are £13,163 (2018: £14,983).

5. NET EXPENDITURE FOR THE YEAR

	2019 £	2018 £
Net income/(expenditure) for the year		
This is stated after charging:		
Operating leases – equipment	41,233	66,329
– land and buildings	120,000	120,000
Depreciation	504,167	468,505
Bank interest payable	82,821	62,568
Auditor's remuneration – Audit services	12,100	11,750
– Other services	<u>1,185</u>	<u>2,530</u>

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

6. STAFF COSTS

	2019 No.	2018 No.
	No.	No.
The average actual number of persons employed by the College (excluding Governors) during the year was	<u>123</u>	<u>124</u>

The aggregate payroll costs for the year were as follows:

Wages and salaries	3,441,563	3,226,296
Social Security costs	300,042	284,257
Pension costs	<u>428,727</u>	<u>411,466</u>
	<u>4,170,332</u>	<u>3,922,019</u>

None of the governors (2018: none) received any remuneration for services as a trustee of the charity or as a director of the company, and three (2018: one) of the governors received £935 (2018: £600) reimbursement for expenses incurred in relation to the charity.

A termination payment of £4,364 (2018 nil) was paid during the year.

Key management personnel comprise the Governors and senior management team (Officers) listed on page 3. Key management personnel received aggregate remuneration (including employers pension contributions and employers NI) of £429,717 (2018: £409,455).

Number of employees, whose remuneration (gross plus taxable benefits) for the year exceeded £60,000 were.

£60,000 - £70,000	2	1
£90,000 - £100,000	<u>1</u>	<u>1</u>
	<u>3</u>	<u>2</u>

In relation to these higher paid employees the charity paid £32,037 (2018: £21,707) in pension contributions.

The charity maintains professional indemnity insurance cover, which includes cover for governors and trustees, and is incorporated within a combined schools' policy, the total premium for which for the year ending 31 August 2019 was £35,481 (2018: £34,118).

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

7. TANGIBLE FIXED ASSETS GROUP AND COLLEGE

	Long Term Leasehold Property £	Freehold Land and Buildings £	Fixtures Fittings and Equipment £	Motor Vehicles £	Long Term Leasehold Property Improvements £	Total £
Cost:						
1 September 2018	5,000,000	68,500	1,136,559	17,453	3,598,809	9,821,321
Additions	-	-	118,862	-	143,458	262,320
Disposals	-	-	(8,931)	-	-	(8,931)
31 August 2019	5,000,000	68,500	1,246,490	17,453	3,742,267	10,074,710
Depreciation:						
1 September 2018	366,667	8,692	740,764	17,452	830,486	1,964,061
Charge in the year	50,000	457	143,473	1	310,236	504,167
Disposals	-	-	(8,931)	-	-	(8,931)
31 August 2019	416,667	9,149	875,306	17,453	1,140,722	2,459,297
Net Book Value						
31 August 2019	<u>4,583,333</u>	<u>59,351</u>	<u>371,184</u>	<u>-</u>	<u>2,601,545</u>	<u>7,615,413</u>
31 August 2018	<u>4,633,333</u>	<u>59,808</u>	<u>395,795</u>	<u>1</u>	<u>2,768,323</u>	<u>7,857,260</u>

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

7a. TANGIBLE FIXED ASSETS GROUP AND COLLEGE (CONTINUED)

Endowed assets

The long term leasehold land and building relates to the gift in 2010/2011 of a 999 year full repairing lease from the Trustees of St. Marie Madeleine Postel (the freeholder). The asset has been capitalised at a valuation of £5,000,000. The valuation was carried out by external valuers, Stanley Hicks, who prepared an existing use valuation, based on the current condition as at March 2011. Leasehold Property Improvements include legal fees where identified as capital in nature. The College has elected, in accordance with Section 35.10(d) of FRS102, to use the carrying value on 1 September 2014, the date of transition to FRS102, of any of the above freehold land and buildings previously carried at a valuation as their deemed cost.

8. INVESTMENTS

2019	2018
£	£
<u>1</u>	<u>1</u>

The charity owns 100% of the share capital of SJCR Enterprises Ltd. The company, incorporated in the United Kingdom on 26th August 2016, is wholly owned by St Joseph's College Reading Trust. The company has been formed to carry out trading activities on behalf of the College and from 1 September 2016 took over the major part of the College's commercial lettings business. The results of the subsidiary are included in these accounts on a line by line basis in accordance with the Charity SORP.

9. DEBTORS GROUP

	2019	2018
	£	£
Parental debt	216,669	244,115
Other debtors	55,204	83,994
Prepayments and accrued income	<u>115,222</u>	<u>86,650</u>
	<u>387,095</u>	<u>414,759</u>

DEBTORS COLLEGE

	2019	2018
	£	£
Parental debt	216,669	244,115
Other debtors	29,341	40,019
Prepayments and accrued income	115,222	86,647
SJCR Enterprises Ltd	<u>81,611</u>	<u>94,818</u>
	<u>442,843</u>	<u>465,599</u>

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10. STOCK GROUP and COLLEGE

	2019 £	2018 £
Catering supplies and Academic resources	<u>36,187</u>	<u>13,028</u>

11. CREDITORS GROUP

	2019 £	2018 £
Bank loans (note 13)	131,882	126,167
Trade creditors	308,303	427,237
Fees for tuition received in advance	1,050,905	912,645
Other tax and social security costs	156,085	76,634
Other creditors	450,147	422,400
Accruals	<u>63,211</u>	<u>82,196</u>
	<u>2,160,533</u>	<u>2,047,279</u>

CREDITORS COLLEGE

	2019 £	2018 £
Bank loans (note 13)	131,882	126,167
Trade creditors	308,303	427,237
Fees for tuition received in advance	1,050,905	912,645
Other tax and social security costs	156,085	76,634
Other creditors	450,091	422,344
Accruals	<u>60,711</u>	<u>79,696</u>
	<u>2,157,977</u>	<u>2,044,723</u>

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12. CREDITORS GROUP and COLLEGE

	2019 £	2018 £
Amounts falling due after one year:		
Bank loans (note 13)	<u>1,705,093</u>	<u>1,836,974</u>

13. ANALYSIS OF DEBT MATURITY

	2019 £	2018 £
The principal amounts repayable:		
Within one year	131,882	126,167
One to two years	137,490	131,882
Two to five years	449,701	431,021
Over five years	<u>1,117,902</u>	<u>1,274,071</u>
	<u>1,836,975</u>	<u>1,963,141</u>

The College has three bank loans secured over the leasehold property of the charitable company.

The first loan was taken out in September 2012 at a value of £406,000 for a 15-year term and as at 31 August 2019 the outstanding balance was £245,780. The interest rate tracks at 3.01% above the bank of England base rate.

The second loan was taken out in April 2014 at a value of £456,750 for a 15-year term and as at 31 August 2019 the outstanding balance was £329,477. The interest rate is fixed at 4.98%.

The third loan was taken out in June 2016 at a value of £558,250 for a 15-year term and as at 31 August 2019 the outstanding balance was £457,934. The interest rate is fixed at 3.995%.

The fourth loan was taken out in May 2018 at a value of £860,000 for a 15-year term and as at 31 August 2019 the outstanding balance was £803,784. The interest rate is fixed at 4.26%.

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

14. UNRESTRICTED FUNDS

2019	<i>31 August 2018 Total £</i>	<i>Incoming Resources £</i>	<i>Outgoing Resources £</i>	<i>31 August 2019 Total £</i>
GROUP				
Unrestricted income funds				
General fund	<u>(136,174)</u>	<u>6,558,169</u>	<u>(6,704,286)</u>	<u>(282,291)</u>
	<u>(136,174)</u>	<u>6,558,169</u>	<u>(6,704,286)</u>	<u>(282,291)</u>
SCHOOL				
Unrestricted income funds				
General fund	<u>(136,174)</u>	<u>6,545,433</u>	<u>(6,691,550)</u>	<u>(282,291)</u>
	<u>(136,174)</u>	<u>6,545,433</u>	<u>(6,691,550)</u>	<u>(282,291)</u>
 2018	 <i>1 September 2017 Total £</i>	 <i>Incoming Resources £</i>	 <i>Outgoing Resources £</i>	 <i>31 August 2018 Total £</i>
GROUP				
Unrestricted income funds				
General fund	<u>21,991</u>	<u>6,070,666</u>	<u>(6,228,831)</u>	<u>(136,174)</u>
	<u>(21,991)</u>	<u>6,070,666</u>	<u>(6,228,831)</u>	<u>(136,174)</u>
SCHOOL				
Unrestricted income funds				
General fund	<u>21,991</u>	<u>6,050,429</u>	<u>(6,208,594)</u>	<u>(136,174)</u>
	<u>(21,991)</u>	<u>6,050,429</u>	<u>(6,208,594)</u>	<u>(136,174)</u>

ST. JOSEPH'S COLLEGE READING TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

2019	Tangible Assets £	Investments £	Current Liabilities £	Long-term Liabilities £	2019 Total £
Unrestricted income funds					
General fund	3,032,080	-	(1,609,278)	(1,705,093)	(282,291)
Endowment Funds					
Leasehold	<u>4,583,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,583,333</u>
Net assets	<u>7,615,413</u>	<u>-</u>	<u>(1,609,278)</u>	<u>(1,705,093)</u>	<u>4,301,042</u>
 2018					
	Tangible Assets £	Investments £	Current Liabilities £	Long-term Liabilities £	2018 Total £
Unrestricted income funds					
General fund	3,223,927	-	(1,523,127)	(1,836,974)	(136,174)
Endowment Funds					
Leasehold	<u>4,633,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,633,333</u>
Net assets	<u>7,857,260</u>	<u>-</u>	<u>(1,523,127)</u>	<u>(1,836,974)</u>	<u>4,497,159</u>

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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS - COLLEGE

2019

	Tangible Assets £	Investments £	Net Current Liabilities £	Long term Liabilities £	2019 Total £
Unrestricted income funds					
General fund	3,032,080	1	(1,609,279)	(1,705,093)	(282,291)
Endowment Funds					
Leasehold	<u>4,583,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,583,333</u>
Net assets	<u><u>7,615,413</u></u>	<u><u>1</u></u>	<u><u>(1,609,279)</u></u>	<u><u>(1,705,093)</u></u>	<u><u>4,301,042</u></u>

2018

	Tangible Assets £	Investments £	Net Current Liabilities £	Long term Liabilities £	2018 Total £
Unrestricted income funds					
General fund	3,223,927	1	(1,523,128)	(1,836,974)	(136,174)
Endowment Funds					
Leasehold	<u>4,633,333</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>4,633,333</u>
Net assets	<u><u>7,857,260</u></u>	<u><u>1</u></u>	<u><u>(1,523,128)</u></u>	<u><u>(1,836,974)</u></u>	<u><u>4,497,159</u></u>

**17. RECONCILIATION OF NET EXPENDITURE
TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2019 £	2018 £
Net (expenditure)	(196,117)	(208,165)
Adjustments for:		
Depreciation charges	504,167	468,505
Interest income	-	(141)
Interest paid	82,821	62,568
(Increase) / decrease in stock	(23,159)	(10,286)
Decrease /(increase) in debtors	27,664	(65,716)
Increase / (decrease) in creditors	<u>107,539</u>	<u>483,623</u>
Net cash provided by operating activities	<u><u>502,915</u></u>	<u><u>730,388</u></u>

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18. COMMITMENTS UNDER LEASES

At 31 August 2019, the charity had total future minimal lease payments under non cancellable operating leases as follows:

	2019 £	2018 £
Plant and machinery:		
Expiring in one year	99,090	79,121
Expiring in the second to fifth year	<u>66,382</u>	<u>114,690</u>
	165,472	193,811
 Land and buildings:		
Expiring in one year	120,000	120,000
Expiring in the second to fifth year	480,000	480,000
Expiring after five years	<u>118,260,000</u>	<u>118,380,000</u>
	118,860,000	118,980,000
	<u>119,025,472</u>	<u>119,173,811</u>

Total leasing expenditure in 2018/2019 was £161,233 (2018: £186,329).

The land and building commitment includes the annual rent charge of £120,000 for the 999 year lease. The next rent review is due 2020/2021.

19. RELATED PARTY TRANSACTIONS

The Governor, Sister M Banning, is a Sister of St. Marie Madeleine Postel. An annual operating lease rental of £120,000 was payable in the year to the Sisters of St. Marie Madeleine Postel in respect of the use of the College premises. At the balance sheet date, £Nil (2018: £Nil) was owed to the Sisters of St. Marie Madeleine Postel in respect of the operating lease rental.

During the year to 31 August 2019 the Sisters of St. Marie Madeleine Postel contributed £26,804 (2018: £21,540) directly to the fees receivable for the tuition of 9 (2018: 10) pupils.

The partner of Ms Kate Woods, a member of the Key Management Personnel, is employed by the School under a standard contract of employment, approved by the Governors. Ms Woods was not part of the appointment process.

During the year 2018/2019 the College used supplier, TK Travel Ltd, who provided daily transport, for a number of pupils. One of the directors of TK Travel Ltd is Miss K A Gripton, who resigned as a Governor of St Joseph's College Reading Trust on 28 March 2018. Invoices for transport services provided by TK Travel Ltd in 2018/2019 amounted to £nil (2018: £108,950). At the balance sheet date, £nil (2018: £25,990) was owed to TK Travel Ltd in respect of invoices for transport services.

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20. RELATED PARTY TRANSACTIONS (CONTINUED)

The subsidiary, SJCR Enterprises Limited, provides leisure and recreational services to young people and donates its annual taxable profits to the College under Gift Aid. During the year the College received a management charge of £3,121 (2018: 2,944). At the year end the balance outstanding was a debtor of £22,636 (2018: 23,377) The gift aid donation for this year was £58,975 (2018: £73,291).

21. CAPITAL COMMITMENTS

The College has future capital commitments of £nil (2018: £Nil).

22. PENSION COMMITMENTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £371,693 (2018: £361,512) and at the year-end £49,618 (2018: £45,693) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). 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 by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

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23. PENSION COMMITMENTS (CONTINUED)

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

For non-teaching staff, the charity makes contributions to defined contribution schemes whose assets are held in separate independently administered funds. The total contributions made in respect of the schemes in the year and charged to the Statement of Financial Activities was £57,034 (2018: £49,954) and at the year-end £7,981 (2018: £nil) was accrued in respect of contributions to this scheme.

24. FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are fees receivable, other debtors, amounts due from group companies and cash at bank.

Financial liabilities held at amortised cost are bank loans, trade creditors, other creditors and accruals.

	2019 £	2018 £
GROUP		
Financial assets measured at amortised cost	439,219	440,825
Financial liabilities measured at amortised cost	2,658,636	2,897,144

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

	2019 £	2018 £
Interest income and expense:		
Total interest income for financial assets held at amortised cost	-	141
Total interest expense for financial liabilities held at amortised cost	82,821	62,568
Impairment loss (movement in bad debt provision)	2,835	(3,185)

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25. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	<i>Unrestricted Funds £</i>	<i>Endowment Funds £</i>	<i>2018 Total £</i>
INCOME AND ENDOWMENTS FROM:			
<i>Charitable activities:</i>			
<i>College fees receivable</i>	5,036,876	-	5,036,876
<i>Ancillary trading income</i>	889,825	-	889,825
<i>Other trading activities:</i>			
<i>Non-ancillary trading income</i>	37,487	-	37,487
<i>SJCR Enterprises Limited</i>	96,471	-	96,471
<i>Donations and legacies:</i>	9,866	-	9,866
<i>Income from investments:</i>	<u>141</u>	<u>-</u>	<u>141</u>
TOTAL INCOME AND ENDOWMENTS	<u>6,070,666</u>	<u>-</u>	<u>6,070,666</u>
<i>College operating costs</i>	6,146,026	50,000	6,196,026
<i>Raising funds</i>			
<i>Non-Charitable trading costs</i>	-	-	-
<i>Financing</i>	62,568	-	62,568
<i>SJCR Enterprises Limited</i>	<u>20,237</u>	<u>-</u>	<u>20,237</u>
TOTAL EXPENDITURE	<u>6,228,831</u>	<u>50,000</u>	<u>6,278,831</u>
NET (EXPENDITURE)	<u>(158,165)</u>	<u>(50,000)</u>	<u>(208,165)</u>
NET MOVEMENT IN FUNDS	(158,165)	(50,000)	(208,165)
<i>Fund balances brought forward</i>	<u>21,991</u>	<u>4,683,333</u>	<u>4,705,324</u>
FUND BALANCES CARRIED FORWARD	<u>(136,174)</u>	<u>4,633,333</u>	<u>4,497,159</u>