

Company Number: 01400984  
Charity Number: 277077

**ST. JOSEPH'S COLLEGE READING TRUST**  
**ANNUAL REPORT AND CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**31 AUGUST 2017**

**ST. JOSEPH'S COLLEGE READING TRUST**

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**31 AUGUST 2017**

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**CHAIRMAN'S STATEMENT**  
**for the year ended 31 August 2017**

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This year has seen the continuation of developments 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 to thrive academically and fulfil their individual potential. The developments have included continued investment in the College infrastructure, to provide a safe, modern and attractive environment in which to work and learn, but have been further reinforced with the adoption of a revised Mission Statement and Aims for the College, focussing on the four themes of Encourage, Inspire, Challenge and Support. These clear Aims now form the basis of the College Development Plan and of the cascade of Faculty and Department Development Plans to provide a consistent approach to providing a safe and stimulating environment in which students are encouraged to stretch themselves in all aspects of their development.

2017 produced another set of outstanding GCSE and A Level examination results, with a 94.5% pass rate at A Level and 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. The GCSE results were also strong, with 93% of students achieving the benchmark of 5 GCSEs at A\* to C including English and Maths.

Both the Prep School and Senior School pupil rolls continue to increase ahead of expectations, with the Prep School now being full. The Early Years Centre is continuing to thrive and 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 were instrumental in the College being named as TES Independent School of the Year 2015, receiving the Outstanding Progress Award in the Independent Sector at the Education Business Awards in July 2016 and receiving the Special Award for Outstanding Leadership Team, the only school honoured at the inaugural National Leadership Awards in November 2016. The College was one of a very small number of schools to be selected to be featured in the official commemorative publication for The Queen's 90<sup>th</sup> Birthday Celebration at Windsor Castle in May 2016.

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

**GOVERNORS' ANNUAL REPORT**  
for the year ended 31 August 2017

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 2017 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 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)
Christopher J Murray (Chairman)	Re-Elected 15 March 2016	•	•		•	
Pauline Grainger (Vice Chair)		•	•			•
Katie Gripton (Vice Chair)	Re-Elected 15 March 2016	•	•			•
David Hallé	Re-Elected 15 March 2016	•	•			•
Margaret Elizabeth Cross		•		•		•
Sister Margaret Anne Banning	Order Appointed Rep	•			•	
Susan Hilary Buckle		•		•		
Julia Feeney	Order Appointed Rep	•		•	•	
Jonathan Hennah		•	•			•
Charles D'Cruz	Appointed 15 March 2016	•			•	
Giles Watson	Appointed 7 February 2017	•		•		
Paul Barras	Appointed 26 September 2017	•			•	
Father Bonaventure N'Dong Che	Resigned 31 July 2017	•			•	

- (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:	RSM UK Audit LLP, Forbury Square, Reading, Berkshire, RG1 3EU
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:	<a href="http://www.sjcr.org.uk">www.sjcr.org.uk</a>

**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), MCCT, CTPS, PGCE	Headmaster
Mrs G P Hope, FIBMA, PGCE	Head of Prep
Ms K Woods, BA (Hons) , MA, PGCE	Deputy Head Academic
Mr M A Bushby, BMus, FASC, 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 325 pupils (2016: 293) and the prep school 193 (2016: 188). 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 2016 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.

At the last inspection in 2014, a whole school inspection by ISI (Independent Schools Inspectorate), 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."

"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."

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"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 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 Development Plan and of the cascade of Faculty and Department Development Plans to provide a consistent approach.

We were delighted to welcome Sister Leocadie, Mother General of the Sisters of St. Marie Madeleine Postel, Sister Francisca and Sister Mary Luke to the College. A whole school assembly was held to greet them followed by a tour the Prep School and the Senior School. The visit provided an opportunity for the Sisters to meet pupils, staff and governors as well as for us to find out more about the work of the Sisters around the world.

**Academic**

Public Examination results in 2017 at both A Level and GCSE were once again excellent. At A Level, students achieved a 98% pass rate in all the examinations taken, with some wonderful individual achievements and all students gaining a place at their chosen university or entering a post 18 professional career development programme.

At GCSE 93% of pupils gained at least five GCSEs, including English and Mathematics at either 9-4 or A\*-C grades with 85% achieving eight or more GCSEs at these grades. These results were well above the national average.

A new initiative a year ago saw the launch of the Scholars' Society which exists to reward enthusiastic learners and promote scholarship within the school, contributing to a culture that values intellectual curiosity.

Scholar activities last year included a trip to see the author Tim Bowler, and a theatre visit to see the play Henry I performed near the Abbey Ruins in Reading. The Art Scholars along with the A Level art students designed an art piece for the new paediatric scanning unit at West Berkshire Hospital. Music Scholars had the opportunity to listen to, perform with, and attend a masterclass with trombonist Miguel Tantos. Sports Scholars had the opportunity to attend a Performance Physiology event at the Surrey Human Performance institute.

The Scholars' Society held their first Speakers' Corner event where Scholars from a range of year groups were invited to present speeches on any topic that inspired them.

Pupils spoke eloquently and passionately on a broad choice of subjects from Alfred Hitchcock: Master of Suspense to the work of CAFOD, from new research in the field of Cancer Research to the Impact of Climate Change.

Last academic year also saw a growth in the number of STEM (science, technology engineering and mathematics) activities. Senior pupils took part in Cafe Scientifique, with talks on infinity, the human genome, and artificial intelligence. Senior pupils also had the opportunity to visit CERN, the European Centre for Nuclear Research, in Geneva, the location of the largest particle accelerator in the world.

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A team of Year 11 pupils entered the Formula 1 for schools challenge. As well as designing their model car, they raised funds to get it manufactured, and created and organised their pit display. The team finished in 5th place in their category with the judges praising them for their team unity and pit presentation.

Younger pupils in the Senior School took part in the Fight Malaria Challenge, sponsored by GlaxoSmithKline. The challenge combined Biology, Geography, Design, and IT, and encouraged the students to use investigative, practical problem solving, and team-working skills.

A group of pupils from the STEM club took part in the Bloodhound Project and achieved great success with their rocket car at the regional finals. The Bloodhound Project is the world's largest STEM initiative, engaging over 100 000 students in 4000 schools across the UK each year. The project is supported by Microsoft Education and the British Army and is inspired by the rules governing the World Land Speed Record attempt that the 1000mph Bloodhound Supersonic Car is targeting. The Year 6 car was the fastest of those entered by primary school aged children.

National Science and Engineering Week saw a planetarium being erected in the College Hall together with a range of outside speakers including Dr Neda Hasan on 'Life as a Junior Doctor'.

Students studying Spanish experienced Hispanic culture during a trip to London. Firstly, they shared delicious tapas and had a taste of the Spanish way of life in an authentic restaurant, followed by a visit to the theatre to watch *The House of Bernarda Alba*, which is Federico Garcia Lorca's last and possibly finest play, completed shortly before the outbreak of the Spanish Civil War.

Pupils in the History club baked cakes connected to the Tudor era in a 'Medieval Bakeoff' with the cakes being varied and well-presented. Students attending the History club also had the opportunity to share personal facts and stories about journeys and experiences of their relatives.

Sixth Form students hosted a Mock Election Assembly, with each participating member speaking about their selected party, presenting the pros from their party followed by the cons of the other parties, to try to convince the audience to vote for them. As well as informing the younger pupils about the different political parties, it helped develop the public speaking and confidence of the candidates.

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.

The Classics department organised a trip to the Ancient Classroom at Reading University where students were able to immerse themselves in a 4th century schoolroom from the Roman province of Egypt. Year 7 pupils visited The Natural History and Pitt Rivers Museums in Oxford organised by the Art department. Pupils were specifically looking at masks and animals within the museums in order to support and influence their project to design an animalistic mask based on a country or continent of their choice.

Prep School trips included the Year 3 visit to the Winchester Science Centre, and to Baylab in Green Park, the Year 1 and 2 visit to the Look Out Discovery Centre, the Reception Class visit to Oxford Museum and the Early Years trip to Cogges Farm.

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



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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.

A wealth of other 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**

During the year the College became recognised as a Mental Health First Aid Centre, one of the very first schools to be awarded this status, with 19 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.

Last year saw the College become an awarding centre for the Duke of Edinburgh Award scheme. The award has been very popular with pupils and the first cohort of pupils completed the Bronze award.

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.

A highlight of the year for the Prep School was the collaboration with a local artist Joseph Hayward in producing a spectacular new cross as the focal point of the Prep Hall. Joseph interpreted and encompassed the work of the children into his design for a multi layered interpretation of faith that is both inspiring and moving.

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 development of a Chamber Choir in the Prep School has been 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.

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 over fifty pupils took LAMDA exams with

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over half obtaining distinction. A large cast of pupils performed in an excellent performance of the Broadway classic "Guys and Dolls!"

Sport continued to play a significant role in the life of the College and the PE Department enjoyed another full and successful year. The Year 10/11 girls' football team won the U16 County Cup, defeating strong opposition along the way. Winning the cup was the culmination of a very successful three years for the team, winning the Reading Schools Football league twice in a row, reaching the quarter finals of the National Cup and finally winning the County Cup. The success was a brilliant team achievement.

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 a Sports award dinner. This new event 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.

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 £412k. 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. This year the development of a new IT Department and upgrading of IT in the classrooms, has enhanced this important area.

### **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 Roman 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.

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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 Roman 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;
- 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; and
- 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 three year period 2013/14 to 2015/16, they would instigate a further programme of investment over the period 2016/17 to 2018/19 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.

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Addressing areas highlighted by the Safer Schools Inspection and most recent Fire Safety Inspection has been the priority for 2016/17, with major works on upgrading the electrical supply, refurbishment of circulation routes and fire escapes being completed. However, the focus on teaching areas has been maintained with work to provide a new Languages Department and a drama studio which commenced in the summer of 2016 was completed in the Autumn term. Other large projects included refurbishment of the final two classrooms in the Prep School, the development of a new IT Department and the relocation and redevelopment of Drama storage. Work also began on the enabling works for the provision of a new Music Block in 2017/18.

The College's Objects, as set out in the Memorandum of Association, are the advancement of education in accordance with the principles of the Roman 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 2017 remaining below that charged in 2010. 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.

This year the College awarded bursaries and scholarships totalling £335,565 to 121 pupils (2016: £302,641 to 116 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 6 (2016:7) pupils, as well as supporting the College in a wide variety of other ways, with the Presentation College Trust, providing additional bursary assistance to 7 pupils (2016: 11) totalling £36,844 (2016: £57,206).

All applications for the Presentation College Trust Bursaries were considered on the basis of individual circumstances and are assessed and approved by the Presentation College Trustees.

The Presentation College Trust is now exhausted so no further Presentation bursaries will be awarded going forward.

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.

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With the completion of our new sports facilities, we have formed a partnership with Redlands Primary School, our neighbouring state primary school, to provide them with much needed physical education. Their Head Teacher Ms Sarah Bergson 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."*

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 six apprentices having been employed in the year, in areas such as IT, Finance, Marketing, Painting and Decorating 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.

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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. We have also continued to be one of two Reading centres for the delivery of the National Citizen Service summer programme.

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 Lay Chaplain jointly led a trip of young people from the College and the diocese to 'Flame' a National Catholic Youth event at The SSE Arena, Wembley.

The College has continued to foster strong links with the community. The College facilities are regularly used for charitable events including the annual Rotary Club Art Exhibition, concerts, theatre group productions and choir rehearsals. St Joseph's has also hosted meetings of the Greater Reading Cluster of Catholic Primary Schools. Sixth Form students have participated in the CAFOD Youth Leadership Programme and the College has hosted training events for students from schools in the Catholic Diocese of Portsmouth. The College also supports a member of staff in her role as a Governor of a State Primary School.

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 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 over twenty Mental Health First Aiders, trained members of staff, who are able to provide the pastoral care and support to our pupils. 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 course for Youth Mental Health
- 1 day Adult Mental Health Awareness course (workbase focused)
- 1 day Youth Mental Health Awareness course (schools and Colleges)

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 £6,000 was raised for nine local and national charities, including the Churches in Reading Drop-in Centre (CIRDIC) and the Catholic Agency for Overseas Development (CAFOD).

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;

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**for the year ended 31 August 2017**

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- 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.

**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, GCSE and Key Stage 2. 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;
- 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 518 (2016:481) pupils in this academic year. Numbers have risen further in 2017/18 to 531 in the Autumn 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 2016/17 are set out in the statement of financial activities on page 22. The charity generated total income and endowments of £5,602,500 (2016: £5,140,213) and expended total resources including exceptional costs of £5,666,710 (2016: £5,130,346), resulting in a deficit of £64,210 (2016: £9,867 surplus). The total funds of the charity at 31 August 2017 were £4,705,324 (2016: £4,769,534)

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 in the next year.

**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.

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for the year ended 31 August 2017**

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The lease has been entered into at a discounted rent, and, in effect represented a gift to the College of £5m.

**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 £1,000,000.

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.

**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 2017-2018 include:**

- Redesign / refurbishment of circulation areas in the Senior School;
- Provision of a new-build Music Department, including 10 practice rooms, two ensemble rooms and a music technology room;
- Enrolment as a Yamaha Partner School with 27 all new Yamaha pianos and keyboards;
- Provision of a new Year 11 Common Room;
- Provision of an additional classroom for the teaching of Art;
- Provision of an additional classroom for the teaching of maths; and
- Refurbishment of Humanities Classrooms.



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for the year ended 31 August 2017

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**Principal Risks & Uncertainties & Corporate Governance Matters**

The Governors consider that Brexit and the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risks faced by the College. The College is currently approaching capacity, but there is no room for complacency. The Governing Body, therefore, decided last year to increase fees in September 2016 in line with inflation by just 1.21%, For September 2017 the Governing Body limited fee changes, to a 1.44% increase.

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.

**Development Plan**

The College's current Development Plan was agreed by the Governors in October 2015 and is subject to an annual review by the Governors. The primary future plans for the College are set out in the core elements of the Development Plan. These are:

- to provide the best possible opportunities to encourage each pupil;
- to provide the best possible teaching to inspire each pupil;
- to provide the best possible range of activities to challenge each pupil;
- to provide the best possible pastoral care to support each pupil.

**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, and reviewed

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for the year ended 31 August 2017**

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regularly by each committee in relation to the effectiveness of internal and external controls, and insurance cover where appropriate, the Headmaster maintaining a Risk Register.

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 Roman 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 Head of the Prep School and both Senior School Deputy Heads update Governors on their areas of responsibility at least once a year.

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

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**for the year ended 31 August 2017**

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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 Julia Feeney, a retired Head Teacher.

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 Charles D'Cruz a Retirement Home Proprietor 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 Katie Gripton, the Vice Chair of Governors.

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.

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.

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for the year ended 31 August 2017

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**Relationships with Related Parties**

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

During the year 2016/2017 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, a Governor of St Joseph's College Reading Trust.

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.

**GOVERNORS' ANNUAL REPORT**  
for the year ended 31 August 2017

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**Auditor**

RSM UK Audit LLP was auditor for the year 2016/17.

**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 19 March 2018, and were signed for and on behalf of the Board by

..... Chair of Governors  
Mr C J Murray

19 March 2018  
.....

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

### **Opinion on financial statements**

We have audited the financial statements of St Joseph's College Reading Trust (the 'charitable company') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 FRS 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 charitable company's affairs as at 31 August 2017 and of its 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 charitable company 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 governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about 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.

### **Other information**

The governors 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Governor's Annual Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Governor's Annual Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Annual Report and the incorporated Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' 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 Statement of Governor's responsibilities set out on page 18, the Governors' (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 governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing 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 governors 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 <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.

**RSM UK Audit LLP**

Kerry Gallagher (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Davidson House  
Forbury Square  
Reading  
Berkshire  
RG1 3EU

Date 29 March. 2018

## ST. JOSEPH'S COLLEGE READING TRUST

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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(Including Income & Expenditure Account)**  
**for the year ended 31 August 2017**

		Unrestricted funds	Endowment funds	Total funds	Total funds
				2017	2016
		£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>					
	Notes:				
<b>Charitable activities</b>					
College fees receivable	1	4,714,944	-	4,714,944	4,289,339
Other income	2	730,894	-	730,894	652,892
<b>Other trading activities</b>					
Non-ancillary trading income	3	34,827	-	34,827	137,698
SJCR Enterprises Ltd	3	74,474	-	74,474	-
Donations and legacies	4	47,156	-	47,156	59,276
Income from Investments	5	206	-	206	1,008
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>5,602,500</b>	<b>-</b>	<b>5,602,500</b>	<b>5,140,213</b>
<b>EXPENDITURE ON:</b>					
<b>Charitable activities</b>					
College operating costs	6	5,521,140	50,000	5,571,140	5,031,916
<b>Raising funds</b>					
Non-ancillary trading costs	10	18,606	-	18,606	56,554
Financing costs	11	51,061	-	51,061	41,876
SJCR Enterprises Ltd	3/10	25,903	-	25,903	-
<b>TOTAL EXPENDITURE</b>		<b>5,616,710</b>	<b>50,000</b>	<b>5,666,710</b>	<b>5,130,346</b>
<b>NET (EXPENDITURE)/INCOME</b>		<b>(14,210)</b>	<b>(50,000)</b>	<b>(64,210)</b>	<b>9,867</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(14,210)</b>	<b>(50,000)</b>	<b>(64,210)</b>	<b>9,867</b>
<b>RECONCILIATION OF FUNDS</b>					
Fund balances brought forward		36,201	4,733,333	4,769,534	4,759,667
<b>FUND BALANCES</b>					
<b>CARRIED FORWARD</b>	25&26	<b>21,991</b>	<b>4,683,333</b>	<b>4,705,324</b>	<b>4,769,534</b>

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 31 to 47 form part of these financial statements.

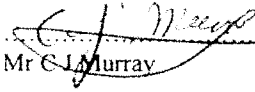


**BALANCE SHEET GROUP**

31 August 2017

	Notes	2017	Group 2016
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	13	7,178,292	7,116,349
		<u>7,178,292</u>	<u>7,116,350</u>
<b>CURRENT ASSETS</b>			
Debtors	15	349,043	413,080
Stock	17	2,742	3,144
Cash at bank and in hand		69,866	92,506
		<u>421,652</u>	<u>508,730</u>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	19	1,777,033	1,656,566
<b>NET CURRENT LIABILITIES</b>		<u>(1,355,381)</u>	<u>(1,147,836)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,822,912	5,968,514
Creditors: Amounts falling due after more than one year	22	1,117,587	1,198,980
<b>TOTAL NET ASSETS</b>		<u>4,705,324</u>	<u>4,769,534</u>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Endowment Funds</b>			
Leasehold property donation	25	4,683,333	4,733,333
<b>Unrestricted income funds</b>			
General Fund	25	21,991	36,201
<b>TOTAL CHARITY FUNDS</b>	25	<u>4,705,324</u>	<u>4,769,534</u>

The financial statements were approved by the board of governors and authorised for issue on 19 March 2018, and are signed on their behalf by:

 Chairman  
Mr C J Murray

19 March 2018

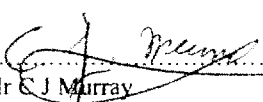
The notes on pages 31 to 47 form part of these financial statements.

## BALANCE SHEET TRUST

31 August 2017

	Notes	Trust 2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	13	7,178,292	7,116,349
Investments	14	1	1
		<u>7,178,293</u>	<u>7,116,350</u>
<b>CURRENT ASSETS</b>			
Debtors	16	388,272	413,080
Stock	18	2,742	3,144
Cash at bank and in hand		28,138	92,506
		<u>419,152</u>	<u>508,730</u>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	20	1,774,533	1,656,566
<b>NET CURRENT LIABILITIES</b>		<u>(1,355,380)</u>	<u>(1,147,836)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,822,913	5,968,514
Creditors: Amounts falling due after more than one year	22	1,117,587	1,198,980
<b>TOTAL NET ASSETS</b>		<u><b>4,705,324</b></u>	<u><b>4,769,534</b></u>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Endowment Funds</b>			
Leasehold property donation	25	4,683,333	4,733,333
<b>Unrestricted income funds</b>			
General Fund	25	21,991	36,201
<b>TOTAL CHARITY FUNDS</b>	25	<u><b>4,705,324</b></u>	<u><b>4,769,534</b></u>

The financial statements were approved by the board of governors and authorised for issue on 07 February 2017, and are signed on their behalf by:

 Chairman  
Mr C J Murray

19 March 2018

The notes on pages 31 to 47 form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
for the year ended 31 August 2017

	Notes	Total Funds 2017 £	Total Funds 2016 £
<b>Cash flows from operating activities:</b>			
Operating activities		527,352	670,587
Interest income		(51,061)	(41,876)
Corporation tax		(18,606)	(12,953)
Net cash provided by operating activities	31	<b>460,188</b>	<b>615,758</b>
<b>Cash flows from investing activities:</b>			
Interest income		206	1,008
Purchase of tangible fixed assets		(435,661)	(1,225,227)
Net cash provided by (used in) investing activities		<b>(435,455)</b>	<b>(1,224,219)</b>
<b>Cash flows from financing activities:</b>			
Repayment of borrowing		(77,940)	(53,076)
Cash inflows from new borrowing		-	450,000
Net cash provided by financing activities		<b>(77,940)</b>	<b>396,924</b>
<b>(Decrease) Increase in cash and cash equivalents in the year</b>		<b>(53,207)</b>	<b>(211,537)</b>
Cash and cash equivalents at the beginning of the year		(136,301)	75,236
<b>Total cash and cash equivalents at the end of the year</b>		<b>(189,508)</b>	<b>(136,301)</b>

The notes on pages 31 to 47 form part of these financial statements.

Financial statements for the year ended 31 August 2017

## ACCOUNTING POLICIES

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### 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).

#### Preparation of The Accounts on A Going Concern Basis

The Governors have prepared these financial statements on the basis that the charitable company is a going concern. To address the deficits made in recent years the Governors have developed a strategy for the College, and compiled budgets and cash flow forecasts to map out the financial consequences of their business strategy. Having reviewed the funding facilities available to the College together with the expected ongoing demand for places and the College's future projected cash flows, the Governors have a reasonable expectation that the College has adequate resources to continue its activities for the foreseeable future.

Although there are inherent uncertainties in all forecasts, the Governors' current estimates support their opinion that the going concern basis is appropriate for St Joseph's. The Board and management are constantly reviewing their budgets as the academic year progresses to ensure that the underlying assumptions are applicable.

#### Group Financial Statements

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.

#### Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

**Financial statements for the year ended 31 August 2017****ACCOUNTING POLICIES**

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Fees receivable for tuition, catering income, music income, income from after school activities, rental income, other types of operating income and investment income are all accounted for on an accruals basis.

General donations and other similar types of voluntary income are recognised when it is probable the income will be received and the amount can be measured reliably.

**Donated Services and Facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the College in the case of donated services or facilities.

**Interest Receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**Investment Income**

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates

**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 including the catering costs and labour of providing catering to hirers.

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 either support costs or governance costs. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate.

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.

Financial statements for the year ended 31 August 2017

## ACCOUNTING POLICIES

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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.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

### Allocation of Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

### 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.

### Consolidation

As permitted by Section 408 of the Companies Act 2006 and in accordance with paragraph 397 of the Charities SORP 2005, no separate Statement of Financial Activities has been presented for the Trust alone. The net outgoing resources of the Trust for the year (excluding the subsidiary) were £64,210.

### Pension Contributions

The charity participates in a multi-employer defined benefit pension scheme known as the Teachers' Pensions Scheme. This is a centralised scheme for certain qualifying employees with the assets held in a separate fund independently administered by the Teachers' Pensions Agency. It is not possible to identify the assets and liabilities of the Scheme which are attributable to the College. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year.

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 Trust 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.

## Financial statements for the year ended 31 August 2017

**ACCOUNTING POLICIES**

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**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 Trust 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 and the Trust will undertake an annual review in accordance with FRS 102 to ensure that the building is not impaired. If any such impairment is indicated the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount is estimated to be less than the carrying amount, the carrying amount is reduced to the recoverable amount. An impairment loss is recognised as an expense immediately.

**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.

Designated funds are a particular form of unrestricted fund consisting of amounts, which have been allocated or designated for specific purposes by the governors. The use of designated funds remains at the discretion of the governors.

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, except that all capital can be converted into income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor (e.g. the annual depreciation charges on a building or other wasting asset retained for use by the College on a continuing basis – i.e. as a fixed asset).

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.

**Stock**

Stocks are items used by the charity in providing goods and services. Stocks include goods, educational literature, brochures held for distribution and catering supplies. Stock is included at the lower of cost or net realisable value.

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 August 2017**

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Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Damaged and obsolete stocks are written down as an expense and charged to the relevant SoFA heading.

When stocks are immaterial to the balance sheet they are included in the balance sheet at a fixed amount provided; the quantity, value and composition of the stocks does not vary materially; the stocks are constantly being replaced; the value is not material to assessing the charity's state of affairs; and all the costs incurred in the production of stock items in the reporting period are charged to the relevant activity category of the SoFA.

**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 trust 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 Trust**

The Trust 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.



**NOTES TO THE GOVERNORS' ANNUAL REPORT**  
**for the year ended 31 August 2017**

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**1. CHARITABLE ACTIVITIES - FEES RECEIVABLE**

	2017	2016
	£	£
Fees receivable consist of:		
Gross School fees	5,050,509	4,591,981
Less: total scholarships, bursaries and discounts	<u>(335,565)</u>	<u>(302,641)</u>
<b>Net School Fees</b>	<b><u>4,714,944</u></b>	<b><u>4,289,340</u></b>

Scholarships, bursaries and discounts were paid to 121 pupils (2016: 116).

During the year the Sisters of St. Marie Madeleine Postel contributed £15,264 (2016: £16,642) directly to the fees receivable for the tuition of 6 (2016:7) pupils.

All income in 2016 and 2017 was unrestricted.

**2. CHARITABLE ACTIVITIES - OTHER INCOME**

	2017	2016
	£	£
Catering income	231,197	217,765
Music income	152,629	138,938
Extended Day and Holiday Club income	178,261	121,739
Transport income	46,785	45,083
Other operating income	<u>122,021</u>	<u>129,367</u>
	<b><u>730,894</u></b>	<b><u>652,892</u></b>

All income in 2016 and 2017 was unrestricted.

**3. OTHER TRADING ACTIVITIES**

	2017	2016
	£	£
Non-ancillary trading income		
Rental income	34,827	122,698
Misc income	-	15,000
SJCR Enterprises Ltd	74,474	-
	<b><u>109,301</u></b>	<b><u>108,412</u></b>

All income in 2016 and 2017 was unrestricted.

**NOTES TO THE GOVERNORS' ANNUAL REPORT**  
for the year ended 31 August 2017

**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. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2017 £
<b>TURNOVER</b>	74,474
Cost of Sales	(18,114)
<b>GROSS PROFIT</b>	56,360
Administrative Expenses	<u>(7,789)</u>
<b>OPERATING PROFIT</b>	48,571
Interest receivable and other similar income	-
Gift Aid Payable	<u>(48,571)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	-
Tax on profit on ordinary activities	<u>                    </u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<u><u>                    </u></u>

The assets and liabilities of the subsidiary were

Current assets	74,449
Current liabilities	<u>(74,448)</u>
Total net assets	1

**4. DONATIONS AND LEGACIES**

	2017 £	2016 £
Donations in kind		
Presentation College Trust	35,156	50,000
Gifts of cash	<u>12,000</u>	<u>9,276</u>
	<u>47,156</u>	<u>59,276</u>

All income in 2016 and 2017 was unrestricted.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended 31 August 2017

**5. INVESTMENT INCOME**

	2017	2016
	£	£
Bank interest receivable on		
Short term cash deposits	<u>206</u>	<u>1,008</u>
All income in 2016 and 2017 was unrestricted.		

**6. COLLEGE OPERATING COSTS**

	Staff Costs £	Other £	Depreciation £	2017 Total £	2016 Total £
<b>Charitable Activities</b>					
<b>School Operating Costs:</b>					
Teaching costs	2,660,987	116,132	-	2,777,120	2,562,522
Welfare costs	99,848	417,622	-	517,469	472,252
Premises	143,931	529,827	-	673,759	599,437
Support costs	706,654	437,397	323,718	1,467,769	1,268,934
	<b>3,611,420</b>	<b>1,500,979</b>	<b>323,718</b>	<b>5,436,117</b>	<b>4,903,145</b>
<b>Governance costs</b>	68,222	16,800	-	85,022	78,771
	<b>3,679,643</b>	<b>1,517,779</b>	<b>323,718</b>	<b>5,521,140</b>	<b>4,981,916</b>
<b>Endowment Fund</b>					
Long term lease	-	-	50,000	50,000	50,000
<b>Total Charitable Expenditure</b>	<b>3,679,643</b>	<b>1,517,779</b>	<b>373,718</b>	<b>5,571,140</b>	<b>5,031,916</b>
<b>Raising Funds Non-ancillary trading costs</b>					
Corporation tax	-	18,606	-	18,606	12,953
Trading expenditure	5,263	20,639		25,903	43,601
	<b>5,263</b>	<b>39,245</b>	<b>-</b>	<b>44,509</b>	<b>56,554</b>
Financing costs	-	51,061	-	51,061	41,876
<b>Total Costs of Raising Funds</b>	<b>5,263</b>	<b>90,307</b>	<b>-</b>	<b>95,570</b>	<b>98,430</b>
<b>Total Expenditure</b>	<b>3,684,906</b>	<b>1,608,085</b>	<b>373,718</b>	<b>5,666,710</b>	<b>5,130,346</b>

All expenditure in 2016 and 2017 related to unrestricted funds other than £50,000 (2016: £50,000) depreciation included within the endowment fund.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31 August 2017**

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**7. GOVERNANCE COSTS**

	2017 £	2016 £
Governance incl in Support Costs		
Remuneration paid to auditor for audit services	16,800	11,488
Recharge of College senior management	68,222	67,283
Accountancy services	5,550	
	<u>85,022</u>	<u>78,771</u>

The basis of apportionment of management costs to governance costs is time

**8. NET INCOME / (EXPENDITURE) FOR THE YEAR**

	2017 £	2016 £
Net income/(expenditure) for the year		
This is stated after charging:		
Operating leases – equipment	46,319	30,749
Depreciation	373,718	307,586
Bank interest payable	51,061	41,876
Auditor's remuneration:		
Audit fees	11,250	11,488
Other services	9,520	8,616
	<u>491,868</u>	<u>400,315</u>

**9. CORPORATION TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

However, in the year ending 31 August 2017 Corporation Tax of £18,606 (2016:£12,953) became due and was paid in respect of profits for the year end 31 August 2016 arising from commercial lettings which fell outside of the objects of the Charity.

In the year ending 31 August 2017 Corporation Tax arising from profits incurred within the year from commercial lettings which fall outside the objects of the Charity amounted to £Nil as the wholly owned trading subsidiary SJCR Enterprises Ltd started trading on September 1 2016.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended 31 August 2017

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**10. NON-ANCILLARY TRADING COSTS**

	2017 £	2016 £
Welfare	18,115	27,767
Other premises	-	182
Staff support	5,263	14,197
Other Support	2525	-
Corporation Tax	18,606	12,953
	<u>44,509</u>	<u>56,554</u>

The basis of apportionment of salary costs to trading costs is time. All other costs are specific costs incurred.

**11. FINANCING COSTS**

	2017 £	2016 £
Interest on bank loans	51,061	41,876
	<u>51,061</u>	<u>41,876</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended 31 August 2017

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**12. STAFF COSTS**

	<b>2017</b>	<b>2016</b>
The average number of persons employed by the College (excluding Governors) during the year, calculated on a Full time equivalent basis was:	<u>#</u>	<u>#</u>
Teaching	48	43
Welfare, premises, support and administration	<u>49</u>	<u>42</u>
	<u>97</u>	<u>85</u>
 The average actual number of persons employed by the College (excluding Governors) during the year was	 <u>122</u>	 <u>116</u>
The aggregate payroll costs for the year were as follows:	<u>£</u>	<u>£</u>
ages and salaries	3,042,397	2,795,834
Social security costs	253,242	201,986
Pension costs	<u>389,267</u>	<u>356,228</u>
	<u><b>3,684,906</b></u>	<u><b>3,354,049</b></u>

None of the governors (2016: none) received any remuneration for services as a trustee of the charity or as a director of the company, and none of the governors received any reimbursement for expenses incurred in relation to the charity during the current or previous year.

Aggregate employee benefits of key management personnel	<u><b>406,508</b></u>	<u><b>398,360</b></u>
Number of employees, whose salaries for the year exceeded £60,000.	<u>#</u>	<u>#</u>
£60,000 - £70,000	1	1
£90,001 - £100,000	<u>1</u>	<u>1</u>
	<u><b>2</b></u>	<u><b>2</b></u>

In relation to those employees the charity incurred £21,156 (2016: £20,861) in pension costs.

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 2017 was £37,293 (2016: £33,852).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended 31 August 2017

**13. TANGIBLE FIXED ASSETS GROUP AND TRUST**

	Long Term Leasehold Property	Freehold Land and Buildings	Fixtures Fittings and Equipment	Motor Vehicles	Long Term Leasehold Property Improvements	Assets under Construction	Total
Cost:							
01-Sep-16	5,000,000	68,500	867,096	36,199	1,859,633	544,925	8,376,353
Additions	-	-	99,509	-	336,152	-	435,661
Disposals	-	-	-	-	-	-	-
Transfer					544,925	( 544,925)	-
31-Aug-17	5,000,000	68,500	966,605	36,199	2,740,710	-	8,812,014
Depreciation:							
01-Sep-16	266,667	7,778	607,765	34,164	343,630	-	1,260,004
Charge in the year	50,000	457	116,542	1,220	205,498	-	373,718
Disposals	-	-	-	-	-	-	-
31-Aug-17	316,667	8,235	724,307	35,384	549,128	-	1,633,722
Net Book Value:							
31-Aug-17	4,683,333	60,265	242,297	815	2,191,582	-	7,178,292
31-Aug-16	4,733,333	60,722	259,331	2,035	1,516,004	544,925	7,116,349

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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended 31 August 2017

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**14. INVESTMENTS**

2017	2016
£	£
<u>1</u>	<u>1</u>

The charity holds 1 share of £1 in the trading subsidiary SJCR Enterprises Ltd. The company, incorporated in the United Kingdom on 26<sup>th</sup> August 2016, is wholly owned by St Joseph's College Reading Trust. This is the only share allotted and called up. At the balance sheet date, the share of £1 was unpaid. The College owns all of the issued share capital (£1) of SJCR Enterprises Limited. 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. SJCR Enterprises Limited had a turnover of £74,474 (2016: £NIL) in the year ended 31 August 2017.

**15. DEBTORS GROUP**

	2017	2016
	£	£
Amounts falling due within one year:		
Fees receivable for tuition	194,944	234,722
Other Debtors	69,711	81,328
Prepayments and Accrued Income	<u>84,388</u>	<u>65,413</u>
	<b><u>349,043</u></b>	<b><u>413,079</u></b>

**16. DEBTORS TRUST**

	2017	2016
Amounts falling due within one year:		
Fees receivable for tuition	194,944	234,722
Other Debtors	36,991	81,328
Prepayments and Accrued Income	84,388	65,413
SJCR Enterprises Ltd	<u>71,949</u>	<u>          </u>
	<b><u>388,272</u></b>	<b><u>413,079</u></b>

**17. STOCK GROUP**

	2017	2016
Catering supplies	<u>2,742</u>	<u>3,144</u>
	<b><u>2,742</u></b>	<b><u>3,144</u></b>

**18. STOCK TRUST**

	2017	2016
Catering supplies	<u>2,742</u>	<u>3,144</u>
	<b><u>2,742</u></b>	<b><u>3,144</u></b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31 August 2017**

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**19. CREDITORS GROUP**

	2017	2016
	£	£
Amounts falling due within one year:		
Bank loans and overdrafts	339,544	305,524
Trade Creditors	100,944	138,128
Fees for tuition received in advance	819,378	736,150
Other tax and social security costs	71,079	65,483
Other Creditors	416,810	377,699
Accruals	<u>29,278</u>	<u>33,582</u>
	<b><u>1,777,033</u></b>	<b><u>1,656,566</u></b>

**20. CREDITORS TRUST**

	2017	2016
	£	£
Amounts falling due within one year:		
Bank loans and overdrafts	339,544	305,524
Trade Creditors	100,944	138,128
Fees for tuition received in advance	819,378	736,150
Other tax and social security costs	71,079	65,483
Other Creditors	416,810	377,699
Accruals	<u>26,778</u>	<u>33,582</u>
	<b><u>1,774,533</u></b>	<b><u>1,656,566</u></b>

**21. CREDITORS GROUP**

	2017	2016
	£	£
Amounts falling due after one year:		
Bank loans	<u>1,117,587</u>	<u>1,198,980</u>

**22. CREDITORS TRUST**

	2017	2016
	£	£
Amounts falling due after one year:		
Bank loans	<u>1,117,587</u>	<u>1,198,980</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31 August 2017**

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**23. ANALYSIS OF DEBT MATURITY**

The principal amounts repayable:	£	£
Within one year	80,170	76,717
One to two years	83,707	80,170
Two to five years	274,262	262,544
Over five years	<u>759,619</u>	<u>856,266</u>
	<b><u>1,197,757</u></b>	<b><u>1,275,697</u></b>

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

The first loan was taken out in September 2012 at an official value of £406,000 for a 15-year term and as at 31 August 2017 the outstanding balance was £296,155. The interest rate tracks at 3.01% above the bank of England base rate.

The second loan was taken out in April 2014 at an official value of £456,750 for a 15-year term and as at 31 August 2017 the outstanding balance was £380,490. The interest rate is fixed at 4.98%.

The third loan was taken out in June 2016 at an official value of £558,250 for a 15-year term and as at 31 August 2017 the outstanding balance was £521,112. The interest rate is fixed at 2.85%.

**24. DEFERRED INCOME**

	£
Deferred income comprises tuition fees paid in advance	
<b>Balance as at 1 September 2016</b>	736,150
Amount released to income earned from charitable activities	(736,150)
Amount deferred in year	<u>819,378</u>
<b>Balance as at 31 August 2017</b>	<b><u>819,378</u></b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**25. THE FUNDS OF THE CHARITY GROUP**

	01-Sep- 2016 £	Incoming Resources £	Outgoing Resources £	31-Aug- 2017 £
<b>Unrestricted income funds</b>				
General Fund	36,201	5,602,500	(5,616,710)	21,991
	36,201	5,602,500	(5,616,710)	21,991
<b>Endowment Funds</b>				
Leasehold Property	4,733,333	-	(50,000)	4,683,333
	4,769,534	5,602,500	(5,666,710)	4,705,324

The Endowment Funds represent the 999-year lease which was gifted to the College in 2010/2011, valued at £5,000,000. For further detail see note 13.

**26. ANALYSIS OF NET ASSETS BETWEEN FUNDS GROUP**

	Tangible Assets £	Investments £	Net Current Liabilities £	2017 Total £
<b>Unrestricted Income Funds</b>				
General Fund	2,494,959		(2,472,968)	21,991
<b>Endowment Funds</b>				
Leasehold	4,683,333			4,683,333
<b>Net Assets</b>	7,178,292	-	(2,472,968)	4,705,324

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**27. THE FUNDS OF THE CHARITY TRUST**

	01-Sep- 2016 £	Incoming Resources £	Outgoing Resources £	31-Aug- 2017 £
<b>Unrestricted income funds</b>				
General Fund	36,201	5,576,597	(5,590,807)	21,991
	36,201	5,576,597	(5,590,807)	21,991
<b>Endowment Funds</b>				
Leasehold Property	4,733,333	-	(50,000)	4,683,333
	4,769,534	5,576,597	(5,640,807)	4,705,324

The Endowment Funds represent the 999 year lease which was gifted to the College in 2010/2011, valued at £5,000,000. For further detail see note 13.

**28. ANALYSIS OF NET ASSETS BETWEEN FUNDS TRUST**

	Tangible Assets £	Investments £	Net Current Liabilities £	2017 Total £
<b>Unrestricted Income Funds</b>				
General Fund	2,494,959		(2,472,968)	21,991
<b>Endowment Funds</b>				
Leasehold	4,683,333			4,683,333
<b>Net Assets</b>	<b>7,178,292</b>	<b>-</b>	<b>(2,472,968)</b>	<b>4,705,324</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**29. THE FUNDS OF THE CHARITY TRUST PRIOR YEAR COMPARATIVE**

	01-Sep- 2015 £	Incoming Resources £	Outgoing Resources £	31-Aug- 2016 £
<b>Unrestricted income funds</b>				
General Fund	(23,666)	5,140,213	(5,080,346)	36,201
	(23,666)	5,140,213	(5,080,246)	36,201
<b>Endowment Funds</b>				
Leasehold Property	4,783,333	-	(50,000)	4,733,333
	4,759,667	5,140,213	(5,130,346)	4,769,534

The Endowment Funds represent the 999 year lease which was gifted to the College in 2010/2011, valued at £5,000,000. For further detail see note 13.

**30. ANALYSIS OF NET ASSETS BETWEEN FUNDS TRUST PRIOR YEAR COMPARATIVE**

	Tangible Assets £	Investments £	Net Current Liabilities £	2016 Total £
<b>Unrestricted Income Funds</b>				
General Fund	2,383,016	-	(2,346,815)	36,201
<b>Endowment Funds</b>				
Leasehold	4,733,333	-	-	4,733,333
<b>Net Assets</b>	<b>7,116,349</b>	<b>-</b>	<b>(2,346,815)</b>	<b>4,769,534</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**31. RECONCILIATION OF NET INCOME/(EXPENDITURE)  
TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017 £	2016 £
<b>Net income/(expenditure)</b>	(64,210)	9,867
<b>Adjustments for:</b>		
Depreciation charges	373,718	307,586
Interest income	(206)	(1,008)
Decrease (increase) in stock	402	(359)
Decrease (increase) in debtors	64,035	(31,515)
Increase (decrease) in creditors	<u>86,449</u>	<u>331,187</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>460,188</u></b>	<b><u>615,758</u></b>

**32. COMMITMENTS UNDER LEASES**

At 31 August 2017, the charity had total future commitments under operating leases of £352,123.

	2017 £	2016 £
<b>Plant and machinery:</b>		
Expiring in one year	29,608	3,861
Expiring in the second to fifth year	202,515	206,951
Expiring after five years	-	30,666
<b>Repairing leases</b>		
Land and buildings:		
Expiring in one year	-	62,137
Expiring in the second to fifth year	430,000	-
	<b><u>662,123</u></b>	<b><u>303,615</u></b>

Total leasing expenditure in 2016/2017 was £166,319 (2016: £150,748).

**33. 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 (2015: £Nil) was owed to the Sisters of St. Marie Madeleine Postel in respect of the operating lease rental.

During the year 2016/2017 the Sisters of St. Marie Madeleine Postel contributed £15,264 (2016: £16,642) directly to the fees receivable for the tuition of 6 (2016: 7) pupils.

During the year 2016/2017 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, a Governor of St Joseph's College Reading Trust. Invoices for transport services provided by TK Travel Ltd in 2016/2017 amounted to £79,981 (2015/2016: £87,370). At the balance sheet date, £13,014 (31 August 2016: £200) was owed to TK Travel Ltd in respect of invoices for transport services.

During the year 2016/2017, in association with Presentation College Trust, St Joseph's College offered up to 75% bursary assistance to Catholic children interested in applying to St Joseph's College. Mr C J Murray, a Governor of St Joseph's College Reading Trust is also a Trustee of Presentation College Trust. During the year 2016/2017 Presentation College Trust contributed £36,845 (2016: £57,206) directly to the fees receivable for the tuition of 7 (2016: 11) pupils.

In 2016/2017 Presentation Trust donated the balance of the Trust Funds held of £35,156 to the College. The funds were placed in the unrestricted fund account and will be used to fund bursaries. St Joseph's College Reading Trust have assumed responsibility of providing bursary assistance to the pupils previously supported by Presentation College Trust. Bursaries will be allocated to pupils from the General Unrestricted Fund.

At the balance sheet date, £Nil (2016: £Nil) was owed by Presentation College Trust to St Joseph's College.

The subsidiary, SJCR Enterprises Limited, provides leisure and recreational services to young people and donates its annual taxable profits to the Trust under Gift Aid. The gift aid donation for this year was £Nil (2015: Nil) as this was the first year of trading. At the year end the annual taxable profits to be gifted to the Trust together with inter group recharges was £71,948 (2016: Nil).

**34. CAPITAL COMMITMENTS**

The College has future capital commitments of £Nil (2016: £87,078).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**35. 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 £341,917 (2016: £315,355) and at the year-end £46,227 (2016: £41,673) was accrued in respect of contributions to this scheme.

TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Not less than every four years, the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (from 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the year, the employer contribution rate was 16.48%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

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 £47,351 (2016: £40,873).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
for the year ended 31 August 2017

**36. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds	Endowment funds	Total funds
	£	£	2016 £
<b>INCOME AND ENDOWMENTS FROM:</b>			
<b>Charitable activities</b>			
College fees receivable	4,289,339	-	4,289,339
Other income	652,892	-	652,892
<b>Other trading activities</b>			
Non-ancillary trading income	137,698	-	137,698
Donations and legacies	59,276	-	59,276
Income from Investments	1,008	-	1,008
<b>TOTAL INCOME AND ENDOWMENTS</b>	<b>5,140,213</b>	<b>-</b>	<b>5,140,213</b>
<b>EXPENDITURE ON:</b>			
<b>Charitable activities</b>			
College operating costs	4,981,916	50,000	5,031,916
<b>Raising funds</b>			
Non-ancillary trading costs	56,554	-	56,554
Financing costs	41,876	-	41,876
<b>TOTAL EXPENDITURE</b>	<b>5,080,346</b>	<b>50,000</b>	<b>5,130,346</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>59,867</b>	<b>(50,000)</b>	<b>9,867</b>
<b>NET MOVEMENT IN FUNDS</b>	<b>59,867</b>	<b>(50,000)</b>	<b>9,867</b>
<b>RECONCILIATION OF FUNDS</b>			
Fund balances brought forward	(23,666)	4,783,333	4,759,667
<b>FUND BALANCES</b>			
<b>CARRIED FORWARD</b>	<b>36,201</b>	<b>4,733,333</b>	<b>4,769,534</b>