



ST. JOSEPH'S SPECIALIST TRUST
(Registered Charity Number 1177680)

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2020

Haysmacintyre LLP
Chartered Accountants
Registered Auditors

ST. JOSEPH'S SPECIALIST TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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ST. JOSEPH'S SPECIALIST TRUST

TRUSTEES AND ADVISERS

FOR THE PERIOD ENDED 31 AUGUST 2020

GOVERNORS AND CHARITY TRUSTEES

The board of Trustees was originally appointed on the date of incorporation (23 March 2018). In addition to Trustees, St Joseph's Specialist Trust ("St. Joseph's") has a board of Governors and some Governors are also Trustees*. The following Trustees and Governors all served in office throughout the period except where indicated.

Trustees

Peter Turvey, Chair

Fr. Kevin Dring

Joanna Homewood

Bernard Smith

Una Corning

Lawrence Bartel (from 7th February 2020)

Peter Braganza (from 20th September 2020)

Rebecca Vickers (from 10th July 2020)

Clifford Faulder (resigned 18th October 2019)

Ryan Clement (resigned 18th March 2020)

Kevin Sloan (resigned 31st August 2020)

Governors

Una Corning, Chair* (from September 2020)

Bernard Smith, Chair* (until 31st August 2020)

Annie Sutton

Jo Jacques

Jean Keane

Gemma Mitchell

Andrew Pusey

Melissa Longmire (from 24th August 2020)

Rebecca Vickers (resigned 17th July 2020)

Kevin Sloan* (resigned 31st August 2020)

Emma Brown (resigned 18th February 2020)

Nick Durling (resigned 24th Mar 2021)

Steve Fudge (resigned 17th July 2020)

Registered charity number	1177680
Registered Office	Amlets Lane, Cranleigh, GU6 7DH
Website	www.st-josephscranleigh.surrey.sch.uk/
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

ST. JOSEPH'S SPECIALIST TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2020

The Trustees present their annual Trustees' Report for the period ended 31 August 2020, together with the audited financial statements.

About the Trust

St Joseph's Specialist Trust comprises a non-maintained, co-educational school / college and registered children's home for students aged 5-19 with ASD & complex needs and two supported living houses for up to 11 vulnerable adults. St. Joseph's was founded by the Sisters of the Sacred Hearts of Jesus and Mary and, whilst a Catholic setting, welcomes those of all denominations or none.

On 1st September 2018, St Joseph's Specialist School and College, an operation of the Diocese of Arundel and Brighton, became an independent Charitable Incorporated Organisation (CIO) and assets and liabilities transferred from the Diocese to the Trust under a 999 year lease with peppercorn rent.

St Joseph's sits on the former Wyphurst Estate in the Surrey Hills. The main house, surrounding buildings, some historical, some purpose developed, provide the secure and tranquil setting for some of the most complex and challenging young people in the UK allowing them to benefit from highly specialist education, care and therapy.

The Trust benefits from a therapy centre providing speech and language, occupational, art, drama and music therapies, an arts centre with artist in residence, sports facilities, a swimming pool, horticulture provision, outdoor classrooms, a nature reserve and enterprise ventures including a student run café. St Joseph's operates a unique system which recognises that age divided key stages are mostly unhelpful for young people with complex learning needs and the school and college are therefore based on ability and learning style and structured by the three education pathways which range from Explorers (P4-8), to Discoverers (P8-NC2) and Adventurers (NC2 upwards).

St Joseph's further differs from other settings in that each class is run by a trio of teacher, occupational therapist and speech and language therapist with a team of teaching assistants and designated therapy assistants who work to remove the obstacles to learning which traditional educational approaches have failed to achieve. St. Joseph's students have usually experienced crisis, rejection or exclusion, even in the specialist sector and it is vital that they are provided with a truly individualised approach in order to overcome their fear of school and embrace learning pertinent to their future. Mental health and well-being are supported through daily therapy led group sessions. Uniquely, St Joseph's has a clinical psychologist and psychiatrist who provide an in-house Child and Adolescent Mental Health Service (CAMHS) for students as required.

Supported Living for vulnerable adults is provided at two locations away from the main site. Springvale, originally a student house, was launched as adult supported living in 2012; standing on the edge of Cranleigh village, it enables tenants to be a part of the local community with the social and training opportunities, retail and leisure facilities this offers. In 2015 a second provision was opened at Long Barn in the more rural Beare Green area, a setting well suited to tenants for whom community interaction is extremely challenging. Long Barn is owned by equity group and landlord, Myshon, and staffed by St Joseph's expert care provision.

St Joseph's is at the heart of the Cranleigh community. Goodwill towards the operation has attracted local patronage for various ventures. St Joseph's works hard to continue to attract the significant donations necessary for the continuation and improvement of its aims.

Review of our Performance in 2019/2020

St Joseph's is regulated by Ofsted for its education and children's home and by the Care Quality Commission (CQC) for its supported living provision. Ofsted Education's last inspection was in November 2017 when inspectors maintained their assessment that the education provision is Outstanding in all areas. This was supported by an overall grade 1 for effectiveness by the inspectors of the Catholic Schools Inspectorate in December 2019 and also more recently confirmed, in March 2020, by an inspection by West Sussex Local Authority on behalf of the CCRAG – a joint commissioning group of local authorities. As an outstanding special education provider, the school expects a further re-inspection by Ofsted every 3 years although the Coronavirus Pandemic may affect inspection scheduling.

CQC inspect adult supported living provision within 30 months of previous inspections. Springvale last was inspected in November 2016 and was assessed "Good" across all aspects of provision, likewise Long Barn, inspected in December 2016 was assessed "Good" across all aspects of provision.

ST. JOSEPH'S SPECIALIST TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2020

Legal Objects of the Trust

St Joseph's objects are the advancement of the Roman Catholic religion and the advancement of education by:

- (a) the management, maintenance and development of the School and College for children and young people with complex and behavioural difficulties in accordance with the tenets and practices of the Roman Catholic Church and ancillary charitable practices; and
- (b) The provision of secure housing to adults with complex learning and behavioural difficulties.

The Objects may only be amended with the consent of the Trustees of St Joseph's Specialist Trust and the Bishop of the RC Diocese of Arundel & Brighton.

Our Purpose, Standards and Aims *'No limits ... just possibilities'*

St Joseph's seeks to create a supportive Christian environment founded in Catholic doctrine in which embedded therapy, care and education are tailored to meet the very specific needs of young people with complex learning difficulties so they may aspire to reach their full potential. St Joseph's objects for the public benefit under its Constitution are; -

- (a) the advancement of the Roman Catholic religion; and
in accordance with the tenets, teaching and practices of the Roman Catholic religion;
- (b) the advancement of education and training; and
- (c) the provision of residential accommodation and support to those in need,

in particular, but not exclusively within the Diocese by:

- (a) the management, maintenance and development of St. Joseph's Specialist School and College for children and young people with complex learning and behavioural difficulties and ancillary charitable activities; and
- (b) the provision of residential accommodation to children and young people, and supported housing to adults, both with complex learning and behavioural difficulties.

These Objects may only be amended with the consent of the Bishop.

St Joseph's main aims are;

- (a) To be a total learning environment where every aspect of the students' experience helps them in the development of new skills and understanding which they can use now, and which will continue to be of value in the future.
- (b) To provide a pastoral support for students, tenants and families, enabling them to meet their challenges together;
- (c) To offer a service to families and education authorities, responding to needs and adapting to changes in demand that cannot be met in the mainstream and maintained sectors.
- (d) To achieve exemplary care, education and therapy, and provide spiritual fortitude.

St Joseph's seeks to achieve these aims by adhering to the following principles;

- (a) The delivery of teaching, which is either good or outstanding based on an enriched and balanced curriculum, contributes to achievement with high levels of literacy, knowledge, learning, understanding and skills appropriate to students' cognitive abilities. Achievement continues to be good or outstanding for all groups of pupil.
- (b) Students are prepared as well as is possible for the next stage of education, employment, self-employment or training. In addition, specialist and impartial careers guidance helps students to make informed choices about which courses suit their academic needs and aspirations to meet their goals.
- (c) Students and adults are thoughtful, caring and respectful citizens. They take responsibility for keeping themselves safe and healthy and contribute to wider society and life in Britain.
- (d) The highest expectations of staff and aspirations for students, the thoughtful and wide-ranging promotion of students' spiritual, moral, social and cultural development and their physical well-being enables them to thrive in a supportive, highly cohesive learning community

ST. JOSEPH'S SPECIALIST TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2020

St Joseph's principles (continued);

- (e) Leaders pursue excellence in planning and managing study programmes: students undertake individualised learning that builds on their prior attainment and meets the requirements of 16 to 19 provision. This strategy improves outcomes rapidly and reduce achievement gaps by monitoring the quality of teaching, learning and assessment as well as students' retention, progress and skill development.
- (f) Students' spiritual, moral, social and cultural development equips them to be thoughtful, caring and active citizens in school and in wider society. The Catholic ethos of the school permeates all areas.
- (g) Students have excellent educational experiences at school, are confident and conduct themselves well. They are punctual, attendance is high. They have excellent personal and social skills and undertake high quality non-qualification activities and work experience that matches their needs.
- (h) All Students make progress and most will complete their study programme, achieve qualifications relevant to their future placement and move on to FE colleges, supported living or residential specialist colleges.
- (i) Students value their education and that their conduct reflects the school's effective strategies to promote high standards of behaviour. St Joseph invests in a behaviour monitoring system called Sleuth that enables us to monitor all pupil's behaviour and consequences across the School, College and Residential.
- (j) There should be a sustained improvement in students' behaviour and excellence should be maintained. Students work hard with the school to prevent all forms of bullying behaviour and/or use of derogatory or aggressive language. They are supported to understand that some behaviours are a result of learning disabilities and are guided into appropriate responses and coping strategies.
- (k) With support that students can explain accurately and confidently how to keep themselves healthy, maintain fitness and their emotional and mental well-being all within the limiting factors of their learning disabilities
- (l) Students are safe and feel safe, they are subject to high levels of supervision in on-line activities, learning to staying safe on-line and having an understanding of dangers of inappropriate use of mobile technology and social networking sites
- (m) Supported Living provision for adults is also either good or outstanding and the support facilitates opportunities for vulnerable adults to participate widely in social and work based activities.
- (n) Safeguarding is seen as paramount and the systems and practical operations are highly effective.

Governance

The Trustees and Governors are listed on page 1.

The Board of Trustees, as the accountable body for the major decisions of St Joseph's, ensures clarity of vision, ethos and strategic direction; holds the executive leaders to account for the performance of the organisation and its management, and oversees the financial performance of the charity.

The Board meets at least four times a year. Day to management of the charity is delegated to the Executive Principal who reports regularly to the Board of Trustees on the progress of key matters.

The Board of Trustees has delegated to the Board of Governors, responsibility for overseeing the management of the School and College including policies, staffing and use of resources. The Governance arrangements for the School and College fall under the Non-Maintained Special School Regulations and mirror school governance within the Local Authority maintained sector.

The Trustees have taken steps to ensure that they have the breadth and depth of experience and understanding to carry out their duties effectively and efficiently particularly as regards education, SEND, care and therapy, financial, audit and legal, health and safety, HR and remuneration. The recruitment of suitable and available individuals remains a challenge in common with many charities.

The Trustees and the Governors understand their roles in relation to equality and diversity; and comply with legislative requirements including those relating to disability, safeguarding, and health and safety.

ST. JOSEPH'S SPECIALIST TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2020

Management

The operational management of the Trust is delegated to its Core Senior Leadership Team, which comprises:

Annie Sutton, Executive Principal
Alan Day, Director Residential Care
Simon Jaggard, Director of Education (Head Teacher)
Karen May, Director of Therapies
Elizabeth Hurst, Deputy Director (Business)
Elizabeth Sanders, Deputy Director (Human Resources)
Cedric de Souza, Deputy Director (Finance)

Employee involvement

St Joseph's policy is to work collaboratively with employees on matters likely to affect employees' interests through organised forums such as the anonymous "Ask the Boss" online facility and regular staff updates via weekly meetings and staff email circulars. This may be information regarding matters of personal, local or national concern; we seek to achieve a common awareness on matters relating to strategic, operational and financial factors affecting St Joseph's performance. There is sound evidence that the Executive Principal leads the Core Senior Leadership Team and wider management team in giving serious consideration to comprehensive feedback to all staff queries.

Equality and Diversity

St Joseph's has a robust Equality Policy and Safer Recruitment process and is committed to ensuring equality of education, care and opportunity for students, residents and staff irrespective of race, gender, sexuality, disability, or socio-economic background. We aim to encourage inclusion and diversity in which all those connected to the Trust feel equally valued and are able to participate fully.

Pupil Data

The school participates in the Department for Education (DfE) annual census in January each year. The school reported the following pupil numbers:

Key Stage	2020 Pupils	of which Boarding	2020 Boarders	Key Stage	2019 Pupils	of which Boarding	2019 Boarders
KS 1	1	Weekly	1	KS 1	1	Weekly	3
KS 2	10	Termly	4	KS 2	14	Termly	4
KS 3	22	52 week	11	KS 3	17	52 week	16
KS 4	8			KS 4	7		
KS 5	24			KS 5	26		

Supported Living Tenancies at August 2020: Springvale: 6 tenancies, Long Barn: 5 tenancies. Both are at maximum capacity and are unchanged from the previous year.

Admissions and Funding

Admissions criteria for the school and college requires potential students to have an Education, Health and Care Plan that specifies a disability. Residential placements are only available to students already in or taking up an academic placement. Adults accessing supported living accommodation must initially meet assessment criteria of Local Authority Adult Social Care or Continuing Health Care in order to apply for the provision. St Joseph's specialises in provision designed to meet the needs of those with complex and significant learning difficulties. All education, care and adult supported living services are charged for. The majority of students are placed and funded by Local Authorities and tenants are charged rent capped at Housing Benefit maximum.

ST. JOSEPH'S SPECIALIST TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Compliance with Charity Commission Guidance and Public Benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The Trustees have considered the question of public benefit and are satisfied that the Charity's activities are as defined by charity law and Charity Commission regulations. St. Joseph's is a member of the National Association of Independent Schools & Non-Maintained Special Schools (NASS) a membership organisation working with and for special schools in the independent, voluntary and private sectors within the UK. The Executive Principal is a Trustee of NASS ensuring that St Joseph's is fully involved at a national level within the special educational sector. In addition, the Head Teacher ensures that St Joseph's works collaboratively with the local maintained sector, and is an active member of the Cranfold Confederation, an informal confederation of schools in the South Guildford area.

Reserves policy

The reserves available to the Trust at year end are £17.8m (2019: £17.9m). Excluding tangible fixed assets which are required by the Trust to deliver its charitable activities and therefore are not readily realisable, the free reserves amounted to £2.6m (2019: £2.4m) at the end of the financial period. As reported in the Accounting Policies (note 1), the Trustees believe there are no material uncertainties that impact the going concern requirements of the Trust. The Trustees consider that the level of free reserves needs to be increased to improve the resilience of the Trust's future operations, protect against seasonal fluctuations in outstanding debtors, provide for essential capital expenditure, and provide a buffer for unexpected contingencies.

Risk Assessment and Risk Management

During the period, the Trustees continued their oversight of the major risks to which the Trust is exposed. These have not changed significantly during the course of the year and include the following major risks;

MAJOR RISKS	MITIGATION
Safeguarding Concerns	The safeguarding Team continues training and monitoring activities to address risks
Reputational damage	Implement Business Continuity Plan including media management, discussions with local authority, Ofsted and CQC, managing parental/guardians concerns
Reliance on local authority placements	Maintain Ofsted and CQC standards, apply strict procedures with new placements and changes in contracts, manage cash flow issues due to delayed payments of billings
Cyber security	Maintain two separate back-ups of data and multiple layers of protection

Trustees have directed the Core Senior Leadership Team to focus on risk reduction in 2020/21 in order to ensure the continued high quality provision that has been maintained over recent years.

Future Plans

Plans to build a Work Skills & Enterprise Centre commenced in March 2021, the project costs are expected to be fully met through fundraising and it will add further value to the provision for children and young people already in place. It will also serve as an outreach amenity for the local community. The Building is expected to be fully completed and operational by the start of the academic year 2021 / 2022. In addition, the Springvale residence will be extended to provide further accommodation facilities for another tenant which will increase net income generated by Adult Supported Living. The Trustees are aware of the significant challenges to both St. Joseph's and its stakeholders over the short to medium term as a result of the Coronavirus pandemic. Unlike many charities and educational settings, at the date of the approval of these financial statements, St Joseph's remains fully open and providing all usual services together with a safe environment for students, and staff and their families. The Trustees are satisfied that St Joseph's is well able to meet and counter the unprecedented challenges of this global crisis.

ST. JOSEPH'S SPECIALIST TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Financial Review

The Summary Financial Statement shows a net deficit of £54k for the year to 31 August 2020 following a surplus of £72k in the previous year 2019. The Trustees are continuing their strategy of deploying all resources to invest in the educational and welfare purposes of the Trust.

The principal source of income is fees and bursaries received from government authorities which represent 98% of income (the same as the previous year 2019). Unforeseen costs incurred in the year were a direct consequence of the Covid-19 pandemic, including staff absence, additional premises costs to create safe and compliant spaces, and enhanced IT costs to allow working from home to be as effective as possible. The key to minimising such unavoidable costs was the effective close monitoring of developments and a re-organisation of resources and facilities as well as maintaining close communication links with all the facets of the St Joseph's community of parents / guardians, staff and local authorities by the School Leadership Team. The Trust continues to apply robust cost controls at the point of planning as well as delivery.

Compensation was received from local government authorities as part of the Infection Control Fund compensation scheme. Due to Government restrictions directly linked to the Covid-19 pandemic, entry of new pupils was postponed resulting in a reduced number of admissions. It is estimated that in the absence of Covid the accounts would have shown a small surplus.

Donations received in the year were largely in respect of the planned Enterprise centre.

Cash flow continues to be a cyclical issue exacerbated this year with increased significant difficulties in collections from local authorities who were also affected by shortages of available staff and other Covid-19 pandemic restrictions. All balances are fully collectible and there are no bad debt provisions reported in the stated financials.

The Trust has undertaken a condition survey of each building within the main school / college estate to professionally assess expected maintenance costs and replacement of key capital items over a ten year period. This facilitated the forecasting of cash flow and budget planning over this period and assisted with a continuing strategy of investing in the future resourcing of the Trust. The Trust retains the use of the land and premises at the school and college and at Springvale for a peppercorn rent for a period of 999 years donated by the RC Diocese of Arundel & Brighton in 2018.

Summary Financial Statement

	2020	2020	2020	2019
	£	£	£	£
	Children & Young People	Adult Supported Living	Total	Total
INCOME				
Fees received	7,796,575	1,071,380	8,867,955	9,164,956
Grants and Bursaries	768,875	-	768,875	736,899
Other income received	113,408	116,836	230,244	112,245
Total income	8,678,858	1,188,216	9,867,074	10,014,100
EXPENDITURE				
Staff costs	7,304,218	1,098,375	8,402,593	8,454,323
Premises costs	959,796	44,153	1,003,949	959,237
Resource costs	364,415	-	364,415	371,052
Professional fees	145,120	-	145,120	150,613
Other costs	5,232	-	5,232	6,660
Total expenditure	8,778,781	1,142,528	9,921,309	9,941,975
Net surplus/ (deficit) from core activities	(99,923)	45,688	(54,235)	72,125

ST. JOSEPH'S SPECIALIST TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

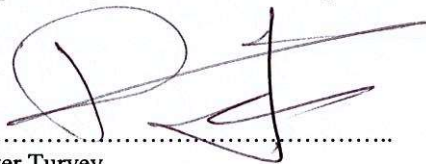
The Trustees are required to prepare a financial statement for each financial year that gives a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware, there is no relevant audit information of which the charity's auditor is unaware, the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and have taken steps to establish that the auditor is aware of that information.

Approved by the Trustees on 26 April 2021 and signed as authorised on their behalf by:



Peter Turvey
Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
ST. JOSEPH'S SPECIALIST TRUST
FOR THE YEAR ENDED 31 AUGUST 2020**

Opinion

We have audited the financial statements of St Joseph's Specialist Trust for the period ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of the charity's net movement in funds, including its income and expenditure, for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 School in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to Going Concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the School'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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
ST. JOSEPH'S SPECIALIST TRUST
FOR THE YEAR ENDED 31 AUGUST 2020**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust'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 directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

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

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

Use of our Report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Haysmacintyre LLP, Statutory Auditors
10 Queen Street Place
London
EC4R 1AG**

Date: 20 May 2021

ST. JOSEPH'S SPECIALIST TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £ Children & Young People Restricted	2020 £ Children & Young People Unrestricted	2020 £ Adult Supported Living Unrestricted	2020 £ Total	2019 £ Total
INCOME						
Charitable activities						
Fees		-	7,796,575	1,071,380	8,867,955	9,164,956
Sundry income		-	53,153	-	53,153	800
Voluntary income						
Grants to meet expenditure		-	768,875	-	768,875	736,899
Donations		60,255	-	-	60,255	-
Other trading activities						
Rental income		-	-	116,836	116,836	111,445
Total income		60,255	8,618,603	1,188,216	9,867,074	10,014,100
EXPENDITURE						
Raising funds	3	-	(36,775)	-	(36,775)	(33,373)
Charitable activities	3	-	(8,742,006)	(1,142,528)	(9,884,534)	(9,908,602)
Total expenditure		0	(8,778,781)	(1,142,528)	(9,921,309)	(9,941,975)
Net income before donation from RC Diocese of Arundel & Brighton		60,255	(160,178)	45,688	(54,235)	72,125
Voluntary income - Diocesan donation		-	-	-	-	17,806,653
Net movement in funds		60,255	(160,178)	45,688	(54,235)	17,878,778
Fund balances brought forward at 1 September 2019		-	17,017,730	861,048	17,878,778	-
Fund balances carried forward at 31 August 2020		60,255	16,857,552	906,736	17,824,543	17,878,778

There were no recognised gains and losses other than those included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

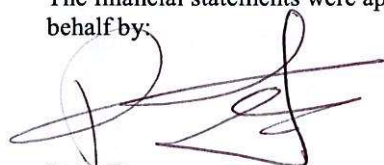
ST. JOSEPH'S SPECIALIST TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	£	2020	£	£	2019	£
FIXED ASSETS							
Tangible fixed assets	5			15,222,314			15,489,640
CURRENT ASSETS							
Debtors	6	2,143,253			1,387,637		
Cash at bank and in hand		1,447,259			1,738,964		
CREDITORS: amounts falling due within one year	7	(988,283)			(737,463)		
NET CURRENT ASSETS				2,602,229			2,389,138
TOTAL ASSETS LESS CURRENT LIABILITIES				17,824,543			17,878,778
NET ASSETS				<u>17,824,543</u>			<u>17,878,778</u>
FUNDS							
Children & Young People		16,857,552					17,017,730
Adult Supported Living		906,736					861,048
Unrestricted funds	8			17,764,288			
Restricted funds – Children & Young People	8			60,255			-
TOTAL FUNDS				<u>17,824,543</u>			<u>17,878,778</u>

The financial statements were approved and authorised for issue by the Trustees on 26 April 2021 and were signed below on its behalf by:



Peter Turvey
Trustee

The accompanying notes form part of these financial statements.

ST. JOSEPH'S SPECIALIST TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Net cash provided by operations	A	(143,671)	(144,114)
Cash flows from Investing Activities			
Purchase of fixed assets		(148,034)	-
Net cash (used in) investing activities		(291,705)	-
Change in cash and cash equivalents in the reporting period		(291,705)	(144,114)
Net cash and cash equivalents at the beginning of period		1,738,964	-
Net cash and cash equivalents donated by the RC Diocese of Arundel & Brighton on incorporation			1,883,078
Net cash and cash equivalents at end of period		1,447,259	1,738,964

A. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH PROVIDED BY OPERATIONS

	2020 £	2019 £
Net movement in funds	(54,235)	17,878,778
Depreciation	415,360	415,360
Decrease/(Increase) in debtors	(755,616)	(746,685)
(Decrease)/increase in creditors	250,820	115,086
Gift from the Diocese	-	(17,806,653)
Net cash provided by operations	(143,671)	(144,114)

B. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	Donation from Diocese at 01-Sep-2019 £	Cash Flows £	Other Changes £	At 31-Aug-2020 £
Cash and cash equivalents	1,738,964	(291,705)	-	1,447,259
Net cash provided by operations	1,738,964	(291,705)	0	1,447,259

ST. JOSEPH'S SPECIALIST TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the 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.

The Trust is a charitable incorporated organisation (charity number: 1177680) registered in England and Wales. The financial statements have been prepared under the historical cost convention.

Going Concern

Having reviewed the funding facilities available to the Trust together with the expected ongoing demand for places and the Trust's future projected cash flows, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. When making this assessment the Trustees have considered the implications of the continuing COVID-19 pandemic on the financial and operational plans of the Trust and have concluded that there is no current likelihood of any material impact.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the Trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed below.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Income

Fees receivable and other fees are accounted for in the period in which the service is provided. Fundraising and other income is accounted for when entitlement arises, the amount can be reliably quantified and the economic benefit to the Trust is considered probable.

Expenditure

Expenditure is accounted for on an accruals basis and are recognised when there is a legal or constructive obligation to pay for expenditure.

All costs have been attributed to the functional categories of resources expended in the Statement of Financial Activities. The Trust is not registered for VAT and accordingly expenditure is included gross of irrecoverable VAT.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

ST. JOSEPH'S SPECIALIST TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible assets, except the freehold property, are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost less their estimated residual value of each asset over its expected useful life, as follows:

Leasehold building - 2% to 20% on cost

Individual items costing less than £5,000 are normally written off as an expense on acquisition. Freehold land is not depreciated. Computer and IT costs are expensed through the Income and Expenditure account.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

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.

Creditors and provisions

Creditors and provisions are recognised where the Trust 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.

Taxation

The Trust is constituted as a registered charity, and therefore is exempt from direct taxation on its charitable activities. There were no tax reclaims in the year on gifts and donations received.

Provision for major repairs

There is an on-going programme of planned repairs. It is considered that work undertaken each year is sufficient to maintain all buildings in their existing condition.

Pensions

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the Trust's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The Trust's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity also operates defined contributory group personal pension schemes for non-teaching staff.

Operating lease commitments

The rentals payable under operating leases are charged to the Statement of Financial Activities (SOFA) on a straight line basis over the lease term.

ST. JOSEPH'S SPECIALIST TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Fund accounting

Funds held by the charity are:

- *Unrestricted funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- *Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity and are represented by donations in respect of new building works currently in progress.

2. NET INCOME	2020 £	2019 £
Net income is stated after charging		
Depreciation of owned tangible fixed assets	415,360	415,360
Auditors' remuneration – non audit services	-	5,100
Auditors' remuneration – audit services	22,400	21,000

3. ANALYSIS OF TOTAL EXPENDITURE

	2020 Staff Costs £	2020 Other Costs £	2020 Depreciation £	2020 Total £	2019 Total £
Raising funds	31,260	5,515	-	36,775	33,372
Charitable activities					
Teaching	3,857,948	101,070	-	3,959,018	4,119,661
Welfare	3,229,158	115,153	-	3,344,311	3,340,547
Premises	498,280	518,007	415,360	1,431,647	1,419,134
Support costs	751,762	363,610	-	1,115,372	964,646
Grants	34,186	-	-	34,186	64,615
	<u>8,402,594</u>	<u>1,103,355</u>	<u>415,360</u>	<u>9,921,309</u>	<u>9,941,975</u>

There was no restricted expenditure in the period (2019: £nil).

ST. JOSEPH'S SPECIALIST TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

4. PARTICULARS OF EMPLOYEES

	2020 No.	2019 No.
The average persons employed by the Trust during the period was:	274	269
<i>Their total remuneration was:</i>	£	£
Wages and salaries	6,843,042	6,365,078
Social security costs	599,550	638,283
Other pension costs	548,361	631,635
Other staff costs	65,771	108,367
	8,056,724	7,743,363
Agency staff	345,870	710,960
	8,402,594	8,454,323

	2020 No.	2019 No.
The number of staff with emoluments within the following ranges were:		
£70,001 - £80,000	0	1
£80,001 - £90,000	3	2
£90,001 - £100,000	1	1

The total remuneration of key management personnel during the period was £1,008,356 (2019: £770,065).

The Trust made defined benefit pension contributions of £83,394 (2019: £55,808) in the period in respect of the higher paid employees.

There were termination payments made in the year of £30,982 (2019: £nil).

TRUSTEES AND ADVISERS REMUNERTION AND REIMBURSED EXPENSES

Trustees do not receive remuneration from the Charity. No Trustee had any beneficial interest in any contract with the company during the year.

Three Trustees were reimbursed expenses of £459.00 (2019: £172) in the period.

ST. JOSEPH'S SPECIALIST TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

5. TANGIBLE FIXED ASSETS

Leasehold premises

The premises were acquired from the Trustees of Sacred Heart Sisters of Chigwell Convent on 1 September 1981 at a cost of £425,000 plus furniture and fittings £50,000 (part was sold in 1988 for £69,453). In addition, a house, Springvale, was purchased from the Sisters in September 1986 at a cost of £155,000. The use of the properties which are still owned by the RC Diocese of Arundel & Brighton, has been gifted through a 999 year lease with only peppercorn rent payable.

	School Leasehold premises £	Springvale Leasehold premises £	Total £
Cost			
Beginning of period	15,153,000	752,000	15,905,000
Additions	148,034	-	148,034
End of year	15,301,034	752,000	16,053,034
Depreciation			
Beginning of period	400,320	15,040	415,360
Charge for the period	400,320	15,040	415,360
End of year	800,640	30,080	830,720
Net Book Value			
As at 31 August 2020	14,500,394	721,920	15,222,314
As at 31 August 2019	14,752,680	736,960	15,489,640

6. DEBTORS

	2020 £	2019 £
Fee debtors	1,952,810	1,375,709
Other debtors	190,443	11,928
	2,143,253	1,387,637

7. CREDITORS: amounts falling due within one year

	2020 £	2019 £
Trade creditors	229,407	1,422
Accruals	92,585	146,483
Staff costs provision	253,070	217,500
Payroll creditors	69,007	178,073
Other creditors	344,214	193,985
	988,283	737,463

ST. JOSEPH'S SPECIALIST TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

8. STATEMENT OF FUNDS – CURRENT PERIOD

	Brought forward at 1 September 2019 £	Income 2020 £	Expenditure 2020 £	Carried forward at 31 August 2020 £
Children and Young People	17,017,730	8,618,603	(8,778,781)	16,857,552
Adult Supported Living	861,048	1,188,216	(1,142,528)	906,736
Unrestricted funds	17,878,778	9,806,819	(9,921,309)	17,764,288
Restricted funds	-	60,255	-	60,255
Total funds	17,878,778	9,867,074	(9,921,309)	17,824,543

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Tangible Fixed Assets	15,222,314	-	15,222,314	15,489,640
Current assets	3,530,257	60,255	3,590,512	3,126,601
Current liabilities	(988,283)	-	(988,283)	(737,463)
Non-current liabilities	-	-	-	-
	17,764,288	60,255	17,824,543	17,878,778

10. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost	2,143,253	1,387,637
Financial liabilities measured at amortised cost	988,283	737,463

Financial assets include fee and other debtors.

Financial liabilities include trade creditors, payroll creditors and provisions for staff and overhead costs.

ST. JOSEPH'S SPECIALIST TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

11. PENSION COSTS

(a) Teachers' Pension Scheme

The Trust participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £270,361 (2019: £208,719) and at the year-end £nil (2019: £nil) was accrued in respect of contributions to this scheme. The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions. On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020. The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021. In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation. Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

b) Group Personal Pension

The Trust participates in a defined contribution schemes for its teaching and non-teaching staff who are not in a final salary scheme. The cost for the year of the Trust's contributions was £220,851 (2019: £185,552).

12. FINANCIAL COMMITMENTS

At 31 August 2020 there were capital commitments of £nil (2019: £nil).

13. OPERATING LEASE COMMITMENTS

At 31 August 2020 there were operating lease commitments of £nil (2019: £nil).

14. CONTINGENT LIABILITY

The Trust were notified by the Teachers' Pension Scheme in 2019 that they were to challenge the eligibility of two members of staff from the inception date of the scheme in 2010. This was accepted for the one member who has since retired and a provision for a liability based on an independent valuation was included in the accounts for the period to 31st August 2019. The decision by the TPS for the other member of staff who remains in employment is currently under appeal. The Trustees are confident that the matter with reference to this member of staff will be satisfactorily resolved, discussions are ongoing and at the date of the approval of these financial statements no resolution had been achieved. On the basis of professional advice received the Trustees do not believe there is a probable chance of a liability crystallising to the Trust and as such no provision has been made in the accounts in this regard.