

## **Mansfield College, Oxford**

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## **MANSFIELD COLLEGE**

### **Report of the Governing Body**

**The Governing Body of Mansfield College presents the annual report and financial statements for the year ended 31 July 2008.**

#### **Status**

Mansfield College is an eleemosynary chartered charitable corporation aggregate. It was founded under a Royal Charter, dated 11 April 1995. The corporation comprises the Principal and Fellows. The College is an exempt charity under s3(5a) of the Charities Act 1993 (as listed in Schedule 2(b) to that Act).

#### **Objects**

The College exists to provide and promote undergraduate and graduate education within the University of Oxford, and also to provide and promote university academic research. The College promotes the Christian religion and provides opportunities for the study of theology and training for the Christian Ministry.

Within these objects, the College also has various permanently endowed trust funds held for special purposes in connection with the development of College facilities and for scholarships, bursaries, prizes and other educational purposes.

#### **Governance**

The Governing Body of the College comprises the Principal and Fellows. This body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1995, and the Universities of Oxford and Cambridge Act 1923. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by a range of committees which include the Finance and General Purposes Committee and the Finance (Endowment) Committee.

#### **Scope of financial statements**

The financial statements consist entirely of the accounts of Mansfield College. There are no active trading subsidiaries.

#### **Review of operations and finance**

The major sources of income for the College came from fees, followed by board and lodging charges, conferences, investment income and a range of miscellaneous income. The major expenditure headings were academic, domestic and catering, administration and development, and maintenance. The final position on the income and expenditure account was a surplus of £435,519 inclusive of depreciation, and the disposal of a fixed asset (20 Regent Street). The cash from this sale has been used to create a designated reserve against future costs of a new building.

This is the second successive year that a surplus has been achieved, and continues the improving trend of the last five years. This position has been secured largely from increases in income from conferences and events following the opening of the College's new student and conference facilities building, together with other factors such as the continuing support of the College Contributions Committee, matching fundraising, and a slight increase in undergraduate and graduate student numbers.

#### **Investment performance**

The capital value of the College endowment portfolio fell by £1,718,687 in 2007-2008 (excluding new additions to the portfolio).

£200,000 was received from the College Contribution Fund and was invested in the University's Trust Pool.

The College's Finance Committee meets twice yearly to review the performance of the College's investment portfolio in conjunction with Rathbones Investment Management Limited who are contracted to manage the portfolio. The Finance Committee sets growth and income targets which are reviewed on an annual basis. The current target is for a total return over a three year period which should be at least that of the FTSE all share index.

**MANSFIELD COLLEGE**  
**Report of the Governing Body**

**Reserves**

The College balance sheet shows an excess of current liabilities over current assets of £164,349, with £14,211,125 total assets less current liabilities. Total net assets taking into account amounts falling due after more than one year are £14,004,458, with a general reserve of £2,316,242, and a designated reserve of £538,000.

**Risk management**

The major risks to which the College is exposed, as identified by the Governing Body, have been considered as part of a business continuity review, and systems have been established to mitigate these risks. Comprehensive insurances are in place, including insurances in relation to the costs of business continuity interruption.

*Approved by the Governing Body on 3 December 2008*

*D Walford - Principal*

## **MANSFIELD COLLEGE**

### **Responsibilities of the Governing Body**

In accordance with the College's Statutes, the Governing Body is responsible for the administration and management of the College's affairs.

It is responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept. It is required to present audited financial statements for each financial year, prepared in accordance with the Statutes of the University. The Governing Body is also responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

In preparing the financial statements, the Governing Body has ensured that:

- ◆ suitable accounting policies are selected and applied consistently;
- ◆ judgements and estimates are made that are reasonable and prudent;
- ◆ applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ it is satisfied that it has adequate resources to continue in operation for the foreseeable future: accordingly the financial statements are prepared on a going concern basis.

The Governing Body has taken reasonable steps to:

- ◆ ensure that there are appropriate financial and management controls in place to safeguard the assets of the College and prevent and detect fraud;
- ◆ secure the economical, efficient and effective management of the College's resources and expenditure.

Any system of internal financial control, however, can only provide reasonable, not absolute, assurance against material misstatement or loss.

Under the Charities Act 1993 the College is an exempt charity and the members of the Governing Body must ensure that the property and income of the College are applied only in support of purposes which are charitable in law.

**MANSFIELD COLLEGE**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY**

We have audited the financial statements of Mansfield College for the year ended 31 July 2008 which comprise the principal accounting policies, the income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement, and notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Governing Body, in accordance with the College's statutes. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to it in an auditors' 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 College and the College's Governing Body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE GOVERNING BODY AND AUDITORS**

The Governing Body's responsibilities for preparing the Report of the Governing Body and the financial statements in accordance with the provisions of Statute XV made by the University of Oxford under the Universities of Oxford and Cambridge Act, 1923, and of Regulations for the accounts of the colleges made thereunder, are set out in the Responsibilities of the Governing Body. The Governing Body is also responsible for the preparation of the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the provisions of Statute XV made by the University of Oxford under the Universities of Oxford and Cambridge Act, 1923, and of Regulations for the accounts of the colleges made thereunder. We also report to you if, in our opinion, the Report of the Governing Body is not consistent with the financial statements, if the College has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the Report of the Governing Body and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements, or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**BASIS OF OPINION**

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

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

**OPINION**

In our opinion:

- a) the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the College as at 31 July 2008 and of its surplus for the year then ended; and
- b) the financial statements have been properly prepared in accordance with the provisions of Statute XV made by the University of Oxford under the Universities of Oxford and Cambridge Act, 1923, and of Regulations for the accounts of the colleges made thereunder; and
- c) in all material respects, income received from the University of Oxford out of grants from the Higher Education Funding Council for England during the year ended 31 July 2008 has been applied to the purposes for which it was received.

**CRITCHLEYS**  
**REGISTERED AUDITORS**  
**CHARTERED ACCOUNTANTS**

## **MANSFIELD COLLEGE**

### **Statement of Principal Accounting Policies**

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of endowment asset investments and in accordance with applicable accounting standards and according to the University of Oxford Statute XV to meet specific requirements imposed by University and College statutes.

These specific requirements reflect the provisions set out in the Statement of Recommended Practice ("SORP"): Accounting for Further and Higher Education issued in July 2003 but have not been updated for the introduction of the amended version of this SORP issued in July 2007. Due to the proposed future movement of the College financial statements to the Charities SORP, which is expected to be implemented in conjunction with the registration of the Oxford Colleges with the Charity Commission, the University of Oxford College Accounts Committee has concluded that there is no benefit in amending the specific requirements this year.

The financial statements consist entirely of the accounts of the College; there are no active trading subsidiaries. The accounts of the affiliated student bodies (Mansfield College Junior and Middle Common Rooms) have not been consolidated because the College does not control these activities.

#### **Recognition of income**

Fees and other income for services provided are credited to the income and expenditure account on a receivable basis. Income from specific endowments and other restricted income is included to the extent of the relevant expenditure incurred during the year. Income from general endowments (the use of which is not legally restricted to a specific purpose or activity) is included in the income and expenditure account on a receivable basis.

#### **General donations**

Unrestricted donations and benefactions are credited to income and expenditure account on a receivable basis.

#### **Pension costs**

Contributions to the pension schemes provided for employees of the College are charged to the income and expenditure account over the period during which the College benefits from the employees' services. Variations from the regular cost are spread over the expected average remaining working lives of members of the schemes.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost and are depreciated on a straight line basis over the following periods:

Freehold buildings	50 years
Leasehold properties	50 years or period of lease if shorter
Building improvements	10 years
Equipment	3 years

Freehold land is not depreciated. The cost of freehold land associated with the main historic site is not included in the balance sheet, but is unlikely to be material.

The cost of major renovation projects which increase the service potential of buildings is capitalised and depreciated over applicable periods.

Donations received to finance the acquisition of tangible fixed assets are treated as deferred capital and released to income on a straight line basis over the same period as the related asset is depreciated.

The College operates a "de minimis" limit of £1,000 for the capitalisation of expenditure on equipment. Works of art and other valuable artefacts that can be regarded as inalienable are not included in the financial statements.

#### **Investments**

Listed investments and properties held as fixed asset and endowment asset investments are stated at market value. Other investments are stated at the lower of cost or net realisable value.

Surpluses or deficits arising on the revaluation or realisation of endowment asset investments are added to or subtracted from the funds concerned.

#### **Stocks**

Stocks are stated at the lower of their cost or net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

#### **Maintenance of premises**

The cost of routine corrective maintenance is charged to the income and expenditure account in the period it is incurred.

## **MANSFIELD COLLEGE**

### **Statement of Principal Accounting Policies**

#### **Provisions**

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the obligation.

#### **Leases**

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Rental costs under operating leases are charged to expenditure in equal annual amounts over the periods of the leases.

#### **Foreign currencies**

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year-end rates of exchange or, where there are related forward foreign exchange contracts, at contract rates. The resultant exchange differences are included in the income and expenditure account for the year.

#### **Taxation status**

As an exempt charity within the meaning of Schedule 2 of the Charities Act 1993, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The College receives no similar exemption in respect of Value Added Tax.

#### **College Contribution Scheme**

The College is liable to be assessed for Contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. Contribution is calculated annually in accordance with regulations made by Council.

**MANSFIELD COLLEGE**  
**Income and Expenditure Account**  
**Year ended 31 July 2008**

	Notes	2008 £000s	2007 £000s
<b>INCOME</b>			
Academic fees and tuition income	1	1,636	1,569
Research grants and contracts	2	66	81
Other operating income	3	1,411	1,353
Endowment return and interest receivable	4	362	376
<b>Total income</b>		<b>3,475</b>	<b>3,379</b>
<b>EXPENDITURE</b>			
Staff costs	5	2,139	2,004
Depreciation		182	162
Other operating expenses		1,131	1,118
Interest payable		18	15
Contribution under Statute XV		-	-
<b>Total expenditure</b>	7	<b>3,470</b>	<b>3,299</b>
Surplus for the year on continuing operations before taxation and disposal of fixed assets		5	80
Taxation	8	-	-
Surplus on disposal of fixed asset		431	-
<b>Surplus for the year after taxation</b>	9	<b>436</b>	<b>80</b>

**Statement of total recognised gains and losses**  
**Year ended 31 July 2008**

	Notes	2008 £000s	2007 £000s
<b>Reserves</b>			
Surplus for the year		436	80
Transfer from general endowment		99	-
Surplus for the year after transfers		535	80
<b>Endowments</b>			
Income receivable from endowment asset investments	17	364	287
Endowment return transferred to income and expenditure account	17	(348)	(370)
Transfer from general endowment to general reserve	17	(99)	-
Appreciation/(depreciation) of endowment asset investments	17	(1,719)	716
Grant from College Contributions Committee	17	200	1,473
New endowments received	17	345	627
<b>Other</b>			
Net additions to/(released from) deferred capital	16	165	(17)
<b>Total recognised gains relating to the year</b>		<b>(557)</b>	<b>2,796</b>
Opening reserves and endowments		14,562	11,766
<b>Closing reserves and endowments</b>		<b>14,005</b>	<b>14,562</b>



**MANSFIELD COLLEGE**  
**Balance Sheet**  
**As at 31 July 2008**

	Notes	2008 £000s	2007 £000s
<b>Fixed assets</b>			
Tangible assets	10	5,244	5,035
Investments	11	<u>0</u>	<u>0</u>
		<u>5,244</u>	<u>5,035</u>
<b>Endowment asset investments</b>			
Securities and cash deposits		9,132	10,443
Land and property		-	-
	12	<u>9,132</u>	<u>10,443</u>
<b>Current assets:</b>			
Stocks		64	60
Debtors	13	339	305
Short term investments		-	-
Cash at bank and in hand		<u>456</u>	<u>174</u>
		859	539
<b>Creditors:</b>			
Amounts falling due within one year	14	(1,024)	(1,213)
<b>Net current (liabilities)</b>		<u>(165)</u>	<u>(674)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>14,211</b>	<b>14,804</b>
<b>Creditors:</b>			
Amounts falling due after more than one year	15	(206)	(242)
<b>Provision for liabilities and charges</b>		-	-
<b>TOTAL NET ASSETS</b>		<u>14,005</u>	<u>14,562</u>
<b>Deferred capital</b>	16	2,018	1,853
<b>Endowments</b>			
Specific		1,321	1,560
General		<u>7,811</u>	<u>8,883</u>
	17	9,132	10,443
<b>Reserves</b>			
General reserves	18	2,317	2,206
Designated reserves	19	<u>538</u>	<u>60</u>
		2,855	2,266
<b>TOTAL FUNDS</b>		<u>14,005</u>	<u>14,562</u>

The financial statements were approved by the Governing Body of Mansfield College on 3 December 2008

*D M Walford*  
Principal

*S R Waterman*  
Bursar

**MANSFIELD COLLEGE**  
**Cashflow Statement**  
**Year ended 31 July 2008**

	Note	2008 £000s	2007 £000s
<b>Net cash outflow from operating activities</b>	21	<u>(150)</u>	<u>(333)</u>
Returns on investments and servicing of finance			
Income from endowments received		364	287
Other income from investments and interest received		<u>14</u>	<u>6</u>
		378	293
Interest paid		<u>(18)</u>	<u>(15)</u>
Net cash inflow from returns on investments and servicing of finance		<u>360</u>	<u>278</u>
Capital expenditure and financial investment			
Net acquisition of tangible fixed assets		39	(188)
Net sale/(acquisition) of endowment asset investments		(1,206)	(755)
Endowments received		345	627
Deferred capital received		203	63
Capital grant from CCC		200	1,473
Net cash inflow from capital expenditure and financial investment		<u>(419)</u>	<u>1,220</u>
<b>Increase(decrease) in cash</b>		(209)	1,165
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash for the year		(209)	1,165
Change in net funds		<u>(209)</u>	<u>1,165</u>
Net funds at 1 August		638	(527)
<b>Net funds at 31 July</b>		<u>429</u>	<u>638</u>

**MANSFIELD COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2008**

	2008 £000s	2007 £000s
<b>1 ACADEMIC FEES AND TUITION INCOME</b>		
Tuition fees from UK and European Union students	972	926
Tuition fees from overseas students	171	166
Other fees	468	440
Other tuition income	25	37
	<u>1,636</u>	<u>1,569</u>

The above analysis includes fee income in respect of UK and European Union publicly funded students amounting to £906k (2007 - £854k).

	£000s	£000s
<b>2 RESEARCH GRANTS AND CONTRACTS</b>		
Research councils	45	47
UK based charities	-	-
European commission	-	-
Other grants and contracts	21	34
	<u>66</u>	<u>81</u>

	£000s	£000s
<b>3 OTHER OPERATING INCOME</b>		
Residential income from college members	858	765
Conference and function income	464	451
Grants and donations	13	13
Release of deferred capital contributions	38	80
Other income	38	44
	<u>1,411</u>	<u>1,353</u>

	£000s	£000s
<b>4 ENDOWMENT RETURN AND INTEREST RECEIVABLE</b>		
Transferred from specific endowments (note 17)	25	104
Transferred from general endowments (note 17)	323	266
Other investment income	-	-
Other interest receivable	14	6
	<u>362</u>	<u>376</u>

	£000s	£000s
<b>5 STAFF COSTS</b>		
Gross pay	1,752	1,637
Social Security costs	134	124
Other pension costs	172	174
Other benefits	81	69
	<u>2,139</u>	<u>2,004</u>

## 6 PENSION SCHEMES

### 1. The Pension Schemes

The College participates in two principal pension schemes for its staff - the Universities Superannuation Scheme (USS), and the University of Oxford Staff Pension Scheme (OSPS). Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and final pensionable salary) and are contracted out from the State Earnings Related Pension Scheme. The assets of USS and OSPS are each held in separate trustee-administered funds. Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets on a consistent and reasonable basis. Therefore, as required by the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

In the event of the withdrawal of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers, and reflected in the next actuarial valuation of the scheme.

However, in OSPS, the amount of any pension funding shortfall in respect of any withdrawing employer will be charged to that employer.

### 2. Actuarial valuations

Qualified actuaries periodically value the Schemes. Both USS and OSPS were valued using the 'Projected unit' method, embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in each scheme. The financial assumptions were derived from market conditions prevailing at the valuation date. The latest actuarial valuations and the assumptions which have the most significant effect on the results on the latest valuations and

	<b>USS</b>		<b>OSPS</b>	
Date of latest actuarial valuation	a	31/03/2005	31/07/2007	
Date valuation results published		01/12/05	09/10/08	
Value of past service liabilities		£28,308m	£325m	
Value of assets		£21,740m	£282m	
Funding surplus/(deficit)	b	(£6,568m)	c	(£43m)
Principal assumptions:				
Rate of interest (past service liabilities)		4.5%	-	
Rate of interest (future service liabilities)		6.2%	-	
Rate of interest (periods up to retirement)		-	6.9%	
Rate of interest (periods after retirement)		-	4.9%	
Rate of increase in salaries		3.9%	4.8%	
Rate of increase in pensions		2.9%	3.3%	
Mortality assumptions				
Assumed life expectancy at age 65 (males)		19.8 yrs	22.0 yrs	
Assumed life expectancy at age 65 (females)		22.8 yrs	24.0 yrs	
Funding Ratio				
Scheme valuation basis:	d	77%	87%	
Statutory Pension Protection Fund basis:		110%	95%	
'Buy-out' basis:	d	74%	71%	
Estimated FRS17 basis:	d	90%	89%	
Recommended employer contribution rate (as % of pensionable salaries)	e	14%	c	21.5%
Effective date of next valuation	a	31/03/2008	31/07/2010	

**MANSFIELD COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2008**

**6 PENSION SCHEMES (continued)**

Notes:

- a. USS' actuary is undertaking an actuarial valuation of the Scheme as at 31 March 2008, the results of which are not expected to be finalised until December 2008, with publication of the final results in 2009.
- b. In the light of the considerable swings in markets since the 2002 valuation, the nature of the demographic and financial assumptions used in the ongoing and solvency valuations, the significant positive cash flows and equity orientated investment strategy, USS' actuary recommended, and the Trustees agreed, that the ongoing funding could be carried forward to the next valuation, subject to review should equity markets stagnate or decline over a prolonged period.
- c. OSPS' valuation at 31 July 2007 identified a required long-term employer contribution rate of 17.85% of total pensionable salaries, but also a funding deficit of £42.9m. The University, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by increasing the employer contribution rate to the previously agreed rate of 21.5% of total pensionable salaries with effect from 1 August 2008. The actuary has certified that the additional 3.65% contribution should eliminate the deficit by 31 July 2025.
- d. since 31 March 2005, the financial security of USS has improved, and the actuary has estimated that the funding level has increased from 77% at 31 March 2005 to 91% at 31 March 2007, but that as 31 March 2008 it had fallen back to 77%. this fluctuation is due to the volatility of investment returns and gilt yields (used to value scheme liabilities) compared to the rates assumed as 31 March 2005. On the FRS17 basis, the actuary estimated that the funding level at 31 March 2008 was above 104% and on a buy out basis was approximately 78%.
- e. The USS employer contribution rate required for future service benefits alone at the date of the valuation was 14.3% of total pensionable salaries but the Trustee company, on the advice of the actuary, decided to maintain the institution contribution rate at 14% of total pensionable salaries.

**3. Sensitivity of actuarial valuation assumptions**

Assumption	Change in assumption	Impact on scheme liabilities	
		USS	OSPS
Valuation rate of interest	increase/decrease by 0.5%	decrease/ increase by £2.2bn	decrease/ increase by £11m
Rate of pension increases	increase/decrease by 0.5%	increase/ decrease by £1.7bn	increase/ decrease by £32m
Rate of salary growth	increase/decrease by 0.5%	increase/ decrease by £0.5bn	increase/ decrease by £8m
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.8bn	increase by £8m

**4. Pension charge for the year**

The pension charge recorded by the College was equal to the contributions payable as follows:

	2008 £000s	2007 £000s
University Superannuation Scheme	103	98
University of Oxford Staff Pension Scheme	66	69
Other schemes	2	5
	<u>171</u>	<u>172</u>

**MANSFIELD COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2008**

**7 ANALYSIS OF EXPENDITURE**

	Staff costs £000s	Depreciation £000s	Other operating expenses £000s	2008 Total £000s	2007 Total £000s
Academic	1,011	-	220	1,231	1,217
Residences, catering and conferences	744	-	507	1,251	1,231
Premises	57	152	175	384	324
College administration	223	30	144	397	354
Endowment management	-	-	-	-	-
Fundraising	96	-	42	138	106
Other	8	-	43	51	52
	<u>2,139</u>	<u>182</u>	<u>1,131</u>	<u>3,452</u>	<u>3,284</u>
Interest payable				18	15
Contribution under Statute XV				-	-
<b>Total expenditure</b>				<u>3,470</u>	<u>3,299</u>

The above analysis includes expenditure in respect of UK and European Union students met by publicly-funded fee income amounting to £906k (2007 - £854k).

	£000s	£000s
Interest payable relates to -		
Bank loans, overdrafts and other loans:		
Repayable within 5 years	16	13
Repayable wholly or partly in more than 5 years	2	2
Finance leases		
	<u>18</u>	<u>15</u>
Other operating expenses include auditors' remuneration:		
in respect of the audit of these financial statements	9	9
in respect of other services	<u>3</u>	<u>3</u>

**MANSFIELD COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2008**

	2008 £000s	2007 £000s
<b>8 TAXATION</b>		
United Kingdom corporation tax	-	-
<b>9 DEFICIT FOR THE YEAR</b>		
College's surplus/(deficit) for the year	£000s 436	£000s 80
	<u>436</u>	<u>80</u>

**10 TANGIBLE FIXED ASSETS**

	Land & buildings			
	Freehold £000s	Long leasehold £000s	Equipment £000s	Total £000s
<b>Cost</b>				
At start of year	5,532	-	176	5,708
Additions	353	-	84	437
Disposals	(56)	-	-	(56)
At end of year	<u>5,829</u>	<u>-</u>	<u>260</u>	<u>6,089</u>
<b>Depreciation</b>				
At start of year	531	-	143	674
Charge for period	152	-	30	182
On disposals	(11)	-	-	(11)
At end of year	<u>672</u>	<u>-</u>	<u>173</u>	<u>845</u>
<b>Net book value</b>				
At end of year	<u>5,157</u>	<u>-</u>	<u>87</u>	<u>5,244</u>
At start of year	<u>5,001</u>	<u>-</u>	<u>34</u>	<u>5,035</u>

**11 FIXED ASSET INVESTMENTS**

The College owns 100% of the issued share capital of Mansfield College Services Limited, a company incorporated in England and Wales. The company has remained dormant throughout the financial year.

**12 ENDOWMENT ASSET INVESTMENTS**

	Securities & cash £000s	2008 Land & property £000s	Total £000s	Securities & cash £000s	2007 Land & property £000s	Total £000s
<b>At market value</b>						
At start of year	10,443	-	10,443	7,710	-	7,710
Purchases at cost	2,147	-	2,147	2,739	-	2,739
Sales proceeds	(941)	-	(941)	(1,984)	-	(1,984)
Increase/(decrease) in cash held by fund manager	(798)		(798)	1,262		1,262
Revaluation gains/(losses)	(1,719)	-	(1,719)	716	-	716
At end of year	<u>9,132</u>	<u>-</u>	<u>9,132</u>	<u>10,443</u>	<u>-</u>	<u>10,443</u>
Analysed as						
Fixed interest stocks (listed)	1,112			914		
Equities (listed)	7,141			7,837		
Unlisted securities	81			96		
Cash	798			1,596		
	<u>9,132</u>			<u>10,443</u>		
Historical cost at end of year	<u>9,629</u>			<u>7,933</u>		

**13 DEBTORS**

	2008 £000s	2007 £000s
Amounts falling due within one year		
Trade debtors	248	161
Amounts owed by College members	55	98
Amounts owed by group undertakings	-	-
Loans	0	1
Prepayments and accrued income	36	45
	<u>339</u>	<u>305</u>



**MANSFIELD COLLEGE**  
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**14 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR**

	2008 £000s	2007 £000s
Bank loans and overdrafts	567	839
Unsecured loans	54	52
Trade creditors	114	43
Other taxation and social security	58	57
Amounts owed to group undertakings	-	-
Accruals and deferred income	48	72
Other creditors	183	150
	<u>1,024</u>	<u>1,213</u>

**15 CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR**

	£000s	£000s
Bank loans	14	23
University building loan	150	177
Other long term creditors	<u>42</u>	<u>42</u>
	<u>206</u>	<u>242</u>

Bank loan at 2 per cent over LIBOR repayable by October 2011.  
University building loan is repayable over 10 years.

**16 DEFERRED CAPITAL**

	£000s	£000s
At start of year	1,853	1,870
New capital	203	63
Released to income and expenditure account	(38)	(80)
<b>At end of year</b>	<u>2,018</u>	<u>1,853</u>

The balance on deferred capital represents donations received to finance the purchase of tangible fixed assets. Amounts are released to the income and expenditure account over the lives of the related assets on the same basis as the charge for depreciation.

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**17 ENDOWMENTS**

	2008			2007		
	Specific	General	Total	Specific	General	Total
	£000s	£000s	£000s	£000s	£000s	£000s
At start of year	1,559	8,884	10,443	1,140	6,570	7,710
Reclassification of donations	(54)		(54)			0
Endowments received	52	293	345	400	227	627
Appreciation/(depreciation) of endowment investments	(252)	(1,467)	(1,719)	88	628	716
Income receivable from endowment asset investments	41	323	364	36	251	287
Transferred to income and expenditure account (note 4)	(25)	(323)	(348)	(104)	(266)	(370)
Transferred to general reserve (note 18)		(99)	(99)			0
Capital grant from the University		200	200		1,473	1,473
<b>At end of year</b>	<b>1,321</b>	<b>7,811</b>	<b>9,132</b>	<b>1,560</b>	<b>8,883</b>	<b>10,443</b>

Endowments comprise those funds which are regarded as for the long term and which fundamentally underpin and sustain the operation of the College at its desired level of activity.

Specific Endowments are those bequests and gifts where the use of the capital and income, or only the income, is for a specific purpose or activity so designated by the donor and which can only be used for that purpose or activity.

General Endowments represent the corporate capital of the College and include bequests and gifts where the use of the capital and income, or only the income is for the general purposes of the College. Part of these funds may have been designated for a particular purpose by the Governing Body.

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**18 RESERVES**

**GENERAL RESERVES**

	2008 £000s	2007 £000s
At start of year	2,206	2,186
Surplus/(deficit) from income and expenditure account	436	80
Reclassification of donations	54	-
Transferred from endowments	99	-
Transferred to designated reserves	(478)	(60)
<b>At end of year</b>	<b>2,317</b>	<b>2,206</b>

  

	2008 £000s	2007 £000s
Representing:		
Undepreciated cost of tangible fixed assets		
financed out of general reserve	5,244	5,035
Deferred capital	(2,018)	(1,853)
College general reserve	(909)	(976)
	<b>2,317</b>	<b>2,206</b>

**19 RESERVES**

**DESIGNATED RESERVES**

	2008 £000s	2007 £000s
At start of year	60	0
Transfer in year	478	60
	<b>538</b>	<b>60</b>

Designated reserves are those reserves set aside by the College to be used for a special purpose, and which do not form part of College endowments. As at 31 July 2008 they comprised:

	£000s
Reserve for maintenance of functional buildings	60
New building reserve	478
	<b>538</b>

**20 FINANCIAL COMMITMENTS**

At 31 July the College had annual commitments under non-cancellable operating leases as follows:

	2008 £000s	2007 £000s
<b>Land and buildings</b>		
Expiring within one year	104	34
Expiring between two and five years inclusive		
Expiring in over five years		
	<b>104</b>	<b>34</b>

**MANSFIELD COLLEGE**  
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**21 RECONCILIATION OF CONSOLIDATED OPERATING SURPLUS TO NET CASH  
INFLOW FROM OPERATING ACTIVITIES**

	2008 £000s	2007 £000s
Surplus/(deficit) for the year	436	80
Depreciation	182	162
Surplus on disposal of fixed assets	(431)	-
Endowment income and interest receivable	(362)	(376)
Interest payable	18	15
(Increase)/decrease in stocks	(4)	7
(Increase)/decrease in debtors	(34)	130
Increase/(decrease) in creditors	82	(271)
Deferred capital released to income	(38)	(80)
	<u>(150)</u>	<u>(333)</u>

**22 ANALYSIS OF CHANGES IN NET FUNDS**

	2008 £000s	Changes £000s	2007 £000s
Cash at bank and in hand	456	282	174
Endowment assets cash	798	(798)	1,596
	<u>1,254</u>	<u>(516)</u>	<u>1,770</u>
Bank loans and overdrafts	(827)	305	(1,132)
	<u>427</u>	<u>(211)</u>	<u>638</u>