



**St Hilda's College, Oxford**

**Report and Accounts  
for the period ended 31 July 2009**

**ST HILDA'S COLLEGE**

**SORP ACCOUNTS FOR YEAR ENDED**

**31 JULY 2009**

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## **ST HILDA'S COLLEGE**

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

The Governing Body of St Hilda's College presents the annual report and financial statements for the year ended 31 July 2009

#### **Status**

St Hilda's College is an eleemosynary chartered charitable corporation aggregate. It was founded by Dorothea Beale in 1893 as a Hall for Women Students. In 1896 the Hall was incorporated under the Companies Acts of 1862-90 and in 1910 it was admitted by a degree of Convocation as a recognised society under the Delegacy for Women Students, and in June 1920 was admitted by Decree to the privileges of Statt. Tit.XXIII of Women Students. In 1926 the College was incorporated by Royal Charter under the "Principal and Council of St Hilda's College, Oxford". In 1955 a supplemental charter was granted by which the Principal and Fellows became the Governing Body. In 1960 St Hilda's ceased to be a Society of Women Students and became a College of the University. The College's amended statutes received royal approval in February 2008, permitting the admission of male students with effect from October 2008.

The corporation comprises the Principal and Fellows. The College is an exempt charity under s3(5a) 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.

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, Dame Elizabeth Butler-Sloss. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1926, 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 Resources Management Committee and the Investment Committee.

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

The financial statements comprise the accounts of St Hilda's College.

**ST HILDA'S COLLEGE**  
**Report of the Governing Body (continued)**

**Review of operations and finance**

The combined operations of the College and its subsidiaries posted an operating deficit of £ (3) K for the year ended 31 July 2009. This compares to the 2008 deficit of £ (254) K. Income rose 5.9% while costs increased 1.3%. College has followed a policy of cost curtailment wherever possible to bring income and expenditure into better balance.

Endowment return and other interest receivable fell by £49K, a 4.2 % decline, due mainly to lower interest rates. Fee income rose 5.3 % from a favourable settlement rate under the Collegiate Funding Formula, as graduate student numbers increased. Residential income from students and other members rose by 9.9%, as part of the economic rent pricing review and success in filling all rooms during most of the year. The targeted increase in student catering revenues was achieved for the fifth consecutive year. Conference income increased 4% as a result of focusing more on functions as well as conferences, and filling the accommodation to capacity in July.

Staff costs rose 7.3%, due to a 5% increase as the last stage of a national pay agreement for academic and academic related staff and some additional costs associated with the restructuring of operations within the college.

A planned maintenance programme is now in place and all maintenance contracts have been reviewed and reorganised. A new team is now in place and maintenance costs have been reduced by 7%. Further revenue and cost improvements are expected in 2009-10 as all areas of operations within the college are reviewed.

All programmes of changes to existing buildings and facilities for the admission of male students were completed in time for the first cohort intake in October 2008. Longer term developments, particularly of graduate accommodation are being reviewed and fund-raising strategies evaluated under the guidance of the Development Director.

College continues to seek opportunities to increase revenue and programmes to reduce the structural cost base to bring continuing activities to break-even, while longer-term strategies are being evaluated. A first successful application to the College Contributions Fund for revenue support grants was made in the category of scholarships and bursaries, which underpins the development strategy. We will consider a further application in 2009/10 as St Hilda's now qualifies for support under several of the revised scheme thresholds.

**ST HILDA'S COLLEGE**  
**Report of the Governing Body (continued)**

**Investment performance**

Overall, the portfolio value decreased by 14% on like for like funds invested over the period, as a result of the financial crises of 2008/09.

In the course of 2009, the endowment grew by £754,000, from major legacies and donations, which will be invested in the portfolio in accordance with College policy to invest all major endowment donations.

St Hilda's operates a total return policy, taking a 3.5% appropriation of the opening general endowment portfolio value.

**Reserves**

The balance on general reserves at the year end stood at £4,368K. College had a negative free general reserve balance of (£1,448K) after allowing for amounts invested in fixed assets and designated reserves; this reflects partly the difference in investment return practice from earlier years, but also the accumulation of a structural cost deficit. The Governing Body has identified that the most significant financial priority is to continue to build the level of endowment investment. This is in order to support the long-term costs of tuition, and to finance upgrades in buildings and facilities, while operating improvements are focused on building a more sustainable base of conference income to exploit opportunities from refurbished catering and building facilities.

The time period for reaching balance sheet equilibrium is uncertain, but current strategic plan developments indicate a three to five year cycle of fund-raising and additional revenue generating activities to grow income in line with the activities of the College.

**Risk Management**

The major risks to which the college is exposed, as identified by the Governing Body, have been reviewed and systems have been established to mitigate these risks. Significant investment has already been made in Health and Safety compliance and reviews will continue through 2010

*Approved by the Governing Body on 2nd December 2009*

*Sheila Forbes - Principal*

## **ST HILDA'S 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.

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.

## **St Hilda's College**

### **Independent auditors' report to the Governing Body of St Hilda's College**

We have audited the financial statements of St Hilda's College for the year ended 31 July 2009 which comprise the principal accounting policies, the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the balance sheets, the consolidated cash flow statement, and notes 1 to 27. 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 there under, are set out in the Responsibilities of the Governing Body. The Governing Body are 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 there under. 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.

**St Hilda's College**

**Independent auditors' report to the Governing Body of St Hilda's College**

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 2009 and of its deficit 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 there under, 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 2009 has been applied to the purposes for which it was received.

Critchleys  
Statutory Auditors  
Chartered Accountants  
Oxford

Date 2nd December 2009



**ST HILDA'S COLLEGE**  
**Statement of Principal Accounting Policies**

**Year ended 31 July 2009.**

**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 accounts of the affiliated student bodies (St Hilda's College Junior and Middle Common Rooms) have not been consolidated because the College does not control these activities.

**Investment in Subsidiary Companies**

Investments in subsidiary companies are included in the balance sheet of the College at the lower of cost and the expected recoverable amount.

**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 receivable from investment funds representing general endowments (the use of which is not legally restricted to a specific purpose or activity) is credited to income and expenditure account according to a sustainable spending rule that currently permits the transfer of income of 3.5% of the opening valuation of the endowment funds.

**General donations**

Unrestricted donations and benefactions are credited to the 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 in the period in which they are incurred.

**ST HILDA'S COLLEGE**  
**Statement of Principal Accounting Policies (continued)**  
Year ended 31 July 2009.

**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
Off site properties	25 years or period of lease if shorter
Building improvements	25 years
Equipment & Furniture	4-10 years
IT Equipment	3 years
Assets acquired under Finance leases	over the period of the Lease

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

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

The College operates a "de minimis" limit of £5,000 for the capitalisation of expenditure on equipment; aggregations of items are treated as a whole for this purpose. Works of art and other valuable artefacts that can be regarded as inalienable are not included in the financial statements.

**Investments**

Endowment asset investments are stated at market value. Current asset investments are included at the lower of cost and 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 and 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 in which it is incurred.

**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.

**ST HILDA'S COLLEGE**  
**Statement of Principal Accounting Policies (continued)**  
Year ended 31 July 2009

**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.

**ST HILDA'S COLLEGE**  
**College Income and Expenditure Account**  
**Year ended 31 July 2009**

	Notes	2009 £'000	2008 £'000
<b>INCOME</b>			
Academic fees and tuition income and other HEFCE support	1	2,235	2,122
Research grants and contracts	2	48	48
Other operating income	3	2,597	2,326
Endowment return and interest receivable	4	1,097	1,146
<b>Total income</b>		<b>5,977</b>	<b>5,642</b>
<b>EXPENDITURE</b>			
Staff costs	5	3,706	3,453
Depreciation		367	376
Other operating expenses		1,890	2,032
Interest payable		12	26
Contribution under Statute XV		5	13
<b>Total expenditure</b>	7	<b>5,980</b>	<b>5,900</b>
Deficit for the year on continuing operations before taxation and surplus on disposal of fixed assets		(3)	(258)
Surplus on disposal of fixed assets		0	4
Taxation	8	0	0
<b>Deficit for the year after taxation</b>	9	<b>(3)</b>	<b>(254)</b>

**College statement of total recognised gains and losses**  
**Year ended 31 July 2009**

	Notes	2009 £'000	2008 £'000
Deficit for the year		(3)	(254)
Income receivable from endowment asset investments	17	1,025	968
Endowment return transferred to income and expenditure account	17	(1,047)	(1,064)
New endowments received	17	754	1,586
Depreciation of endowment asset investments	17	(4,279)	(2,507)
Deferred capital released to income and expenditure account	16	(86)	(83)
Deferred capital donations	16	0	55
<b>Total recognised losses relating to the year</b>		<b>(3,636)</b>	<b>(1,299)</b>
Opening fund balances		40,339	41,638
<b>Closing fund balances</b>		<b>36,703</b>	<b>40,339</b>

**ST HILDA'S COLLEGE**  
**Balance Sheets**  
**As at 31 July 2009**

	Notes	2009 £'000	2008 £'000
<b>Fixed assets</b>			
Tangible assets	10	<u>7,968</u>	<u>8,251</u>
		<u>7,968</u>	<u>8,251</u>
<b>Endowment asset investments</b>			
Securities and cash deposits		28,347	31,230
Land and property		<u>0</u>	<u>275</u>
	12	<u>28,347</u>	<u>31,505</u>
<b>Current assets:</b>			
Stocks		38	40
Debtors	13	482	716
Short term investments		816	775
Cash at bank and in hand		<u>374</u>	<u>192</u>
		<u>1,710</u>	<u>1,723</u>
<b>Creditors:</b>			
Amounts falling due within one year	14	(1,130)	(865)
<b>Net current assets</b>		<u>580</u>	<u>858</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>36,895</u>	<u>40,614</u>
<b>Creditors:</b>			
Amounts falling due after more than one year	15	(192)	(275)
<b>NET ASSETS</b>		<u>36,703</u>	<u>40,339</u>
<b>Deferred capital</b>	16	3,869	3,955
<b>Endowments</b>			
Specific		7,431	8,181
General		<u>20,916</u>	<u>23,324</u>
	17	<u>28,347</u>	<u>31,505</u>
<b>Reserves</b>			
Designated reserves	18	119	128
General reserves	18	<u>4,368</u>	<u>4,751</u>
		<u>4,487</u>	<u>4,879</u>
<b>TOTAL FUNDS</b>		<u>36,703</u>	<u>40,339</u>

*The financial statements were approved by the Governing Body of St Hilda's College on 2nd December 2009*

*Sheila Forbes*  
Principal

*Richard Berry*  
Bursar

**ST HILDA'S COLLEGE**  
**Consolidated Cashflow Statement**  
**Year ended 31 July 2009**

	Note	2009 £'000	2008 £'000
<b>Net cash outflow from operating activities</b>	24	<u>(279)</u>	<u>(1,160)</u>
Returns on investments and servicing of finance			
Income from endowments received		1,025	968
Other income from investments and interest received		<u>50</u>	<u>82</u>
		1,075	1,050
Interest paid		(12)	(26)
Net cash inflow from returns on investments and servicing of finance		<u>1,063</u>	<u>1,024</u>
Capital expenditure and financial investment			
Net acquisition of tangible fixed assets		(84)	(303)
Net (acquisition)/disposal of endowment asset investments		(172)	(558)
Endowments received		754	1,586
Deferred capital received		0	55
Net cash inflow (outflow) from capital expenditure and financial investment		<u>498</u>	<u>780</u>
<b>Net cash inflow/(outflow) before use of liquid resources and financing</b>		1,282	644
Management of liquid resources	25	(41)	(249)
Financing	26	(110)	(100)
<b>Increase/(decrease) in cash</b>	27	<u>1,131</u>	<u>295</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash for the year		1,131	295
Increase/(decrease) in liquid resources and current asset investments		41	249
(Increase)/decrease in debt		<u>110</u>	<u>100</u>
Change in net funds	27	1,282	644
Net funds at 1 August		1,430	786
<b>Net funds at 31 July</b>		<u>2,712</u>	<u>1,430</u>

**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2009**

	2009	2008
	£'000	£'000
<b>1 ACADEMIC FEES AND TUITION INCOME</b>		
Tuition fees from UK and European Union students	1,245	1,596
Tuition fees from overseas students	560	372
Other fees	0	74
Other tuition income and HEFCE support	430	80
	<u>2,235</u>	<u>2,122</u>

The above analysis includes support from the University from HEFCE funds amounting to £1,663k (2008: £1,506k).

	£'000	£'000
<b>2 RESEARCH GRANTS AND CONTRACTS</b>		
Research councils	48	48
Other grants and contracts	0	0
	<u>48</u>	<u>48</u>

	£'000	£'000
<b>3 OTHER OPERATING INCOME</b>		
Residential income from College members	1,500	1,365
Conference and function income	636	611
Grants and donations	164	133
Release of deferred capital contributions (note 16)	86	83
Other income	211	134
	<u>2,597</u>	<u>2,326</u>

	£'000	£'000
<b>4 ENDOWMENT RETURN AND INTEREST RECEIVABLE</b>		
Transferred from specific endowments (note 17)	221	217
Transferred from general endowments (note 17)	826	847
Other investment income	0	0
Other interest receivable	50	82
	<u>1,097</u>	<u>1,146</u>

	2009	2008
	£'000	£'000
<b>5 STAFF COSTS</b>		
Gross pay	3,083	2,896
Social Security costs	209	199
Other pension costs	414	358
	<u>3,706</u>	<u>3,453</u>

The aggregate remuneration and numbers of the highest paid employees are as follows:

£80,001-90,000	<u>1</u>	<u>1</u>
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**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2009**

**6 PENSION SCHEMES**

5.1 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

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 refl

5.2 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.

	<b>USS</b>	<b>OSPS</b>
Date of valuation:	31/03/2008 a	31/07/07
Date valuation results published:	04/02/09	09/10/2008
Value of past service liabilities:	£28,135m	£322m
Value of assets:	£28,842m	£279m
Funding Surplus/(Deficit):	£707m b	(£43m) c
Principal assumptions:		
Rate of interest (past service liabilities)	4.4% pa	-
Rate of interest (future service liabilities)	6.1% pa	-
Rate of interest (periods up to retirement)	-	6.9% pa
Rate of interest (periods after retirement)	-	4.9% pa
Rate of increase in salaries	4.3% pa	4.8% pa
Rate of increase in pensions	3.3% pa	3.3% pa
Mortality assumptions:		
Assumed life expectancy at age 65 (males)	23 yrs	22 yrs
Assumed life expectancy at age 65 (females)	25 yrs	24 yrs
Funding Ratios:		
Technical provisions basis:	103% d	87%
Statutory Pension Protection Fund basis:	107%	95%
"Buy-out" basis:	79% d	71%
Estimated FRS17 basis:	104% d	89%
Recommended Employer's contribution rate (as % of pensionable salaries):	16% e	21.5% c
Effective date of next valuation:	31/03/2011 a	31/03/10

Notes:

a. USS' actuary will undertake an actuarial valuation of the Scheme as at 31 March 2011, the results of which are not expected to be finalised until December 2011, with publication of the final results in 2012.



**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 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 strat

c. OSPS' actuarial valuation as 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 £43.2m. The University, on behalf of all the employers participating in the

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 103% at 31 March 2008. This fluctuation is due to the volatility of investment returns and

e. The USS employer contribution rate required for future service benefits alone at the date of the valuation was 16.0% of total pensionable salaries and the Trustee company, on the advice of the actuary, decided to implement the increase from 14% to 16%

5.3 Sensitivity of actuarial valuation assumptions:

Surpluses or deficits which arise at future valuations may impact on the College's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

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 £30m
Rate of pension increases	increase/decrease by 0.5%	increase / decrease by £1.5bn	increase / decrease by £20m
Rate of salary growth	increase/decrease by 0.5%	increase / decrease by £0.7bn	increase / decrease by £7m
Rate of mortality	more prudent assumption (mortality at last valuation, rated down by a further year)	increase by £1.6bn	increase by £10m

5.4 Pension charge for the year:

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

	2009	2008
	£'000	£'000
Scheme:		
Universities Superannuation Scheme	233	212
University of Oxford Staff Pension Scheme	181	146
	<u>414</u>	<u>358</u>

Notes

f. The College continues to make a small number of supplementation payments to retired employees.

**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2009**

**7 ANALYSIS OF EXPENDITURE**

	Staff costs £'000	Depreciation £'000	Other operating expenses £'000	2009 Total £'000	2008 Total £'000
	£'000	£'000	£'000	£'000	£'000
Academic	1,875	0	384	2,259	2,182
Residences, catering and conferences	882	13	664	1,559	1,556
Premises	241	266	432	939	1,044
College administration	507	64	220	791	727
Fundraising	169	0	82	251	208
Other	32	24	108	164	144
	<u>3,706</u>	<u>367</u>	<u>1,890</u>	<u>5,963</u>	<u>5,861</u>
Interest payable				12	26
Contribution under Statute XV				5	13
<b>Total expenditure</b>				<u>5,980</u>	<u>5,900</u>
Interest payable relates to -					
University loans				0	1
Bank interest				<u>11</u>	<u>25</u>
				<u>11</u>	<u>26</u>
Other operating expenses include auditors' remuneration:					
in respect of the audit of these financial statements				10	10
in respect of other services				<u>3</u>	<u>3</u>

**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
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**8 TAXATION**

The College has no liability to Corporation Tax for the year under review.

**9 DEFICIT FOR THE YEAR**

	2009 £'000	2008 £'000
College's deficit for the year	<u>(3)</u>	<u>(254)</u>

**10 TANGIBLE FIXED ASSETS**

<b>Cost</b>	Freehold		Total £'000
	Land & buildings £'000	Equipment £'000	
At start of year	10,730	565	11,295
Additions	59	25	84
Disposals	0	0	0
At end of year	<u>10,789</u>	<u>590</u>	<u>11,379</u>
<b>Depreciation</b>			
At start of year	2,785	259	3,044
Disposals	0	0	0
Charge for year	290	77	367
At end of year	<u>3,075</u>	<u>336</u>	<u>3,411</u>
<b>Net book value</b>			
At end of year	<u>7,714</u>	<u>254</u>	<u>7,968</u>
At start of year	<u>7,945</u>	<u>306</u>	<u>8,251</u>

**11 FIXED ASSET INVESTMENTS**

Subsidiary companies

The interests of the College in its subsidiary companies are summarised below:-

Company	Country of incorporation	Principal activity	Interest in ordinary shares and voting rights
The Jacqueline du Pre Music Building Limited	England	Currently dormant	100%
St Hilda's Properties Limited	England	Currently dormant	100%
St Hilda's College (Trading) Limited	England	Non-education conferences	100% *

\* Started trading from 1 August 2009

**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
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**12 ENDOWMENT ASSET INVESTMENTS**

<b>At market value</b>	Securities & cash £'000	Land & property £'000	Total £'000
At start of year	31,230	275	31,505
Purchases at cost	1,128	0	1,128
Sales proceeds	(673)	(283)	(956)
Increase in cash held by fund manager	949	0	949
Revaluation losses	(4,287)	8	(4,279)
At end of year	<u>28,347</u>	<u>0</u>	<u>28,347</u>
Analysed as			
Fixed interest stocks (listed)	2,642		
Equities (listed)	23,903		
Cash	1,802		
	<u>28,347</u>		
Historical cost at end of year	<u>36,138</u>		

**13 DEBTORS**

	2009 £'000	2008 £'000
Trade debtors	163	283
Amounts owed by College members	41	67
Loans	8	9
Prepayments and accrued income	270	357
	<u>482</u>	<u>716</u>

**14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009 £'000	2008 £'000
Unsecured loans	88	115
Trade creditors	249	159
College Contribution	5	13
Taxation and social security	68	79
Amounts owed to group undertakings	1	0
Accruals and deferred income	130	235
Other creditors	589	264
	<u>1,130</u>	<u>865</u>

Other creditors include £399k in respect of unspent donations and benefactions received for specific purposes but with no restriction on the spending of capital. These will be released to the income and expenditure account when the relevant expenditure is incurred.

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

	2009 £'000	2008 £'000
University loans	6	12
Bank loans	186	263
	<u>192</u>	<u>275</u>

**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
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**16 DEFERRED CAPITAL**

	£'000
At start of year	3,955
New capital	0
Released to income and expenditure account	(86)
<b>At end of year</b>	<b>3,869</b>

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

**17 ENDOWMENTS**

	Specific	General	Total
	£	£	£
At start of year	8,181	23,324	31,505
Endowments received	0	754	754
Depreciation of endowment investments	(775)	(3,504)	(4,279)
Income receivable from endowment asset investments	246	779	1,025
Transferred to income and expenditure account (note 4)	(221)	(826)	(1,047)
Transfer from financing reserve	0	389	389
<b>At end of year</b>	<b>7,431</b>	<b>20,916</b>	<b>28,347</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.

**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
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**18 RESERVES**

**DESIGNATED RESERVES**

	2009	2008
	£'000	£'000
At start of year	128	173
Transfer from/(to) reserves	<u>(9)</u>	<u>(45)</u>
<b>At end of year</b>	<b><u>119</u></b>	<b><u>128</u></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. At 31 July 2009 they comprised:

	2009	2008
	£'000	£'000
Reserve for replacement and maintenance of functional buildings	90	90
Reserves for College lecture series	14	18
Other designated reserves	<u>15</u>	<u>20</u>
	<b><u>119</u></b>	<b><u>128</u></b>

**GENERAL RESERVES**

	2009	2008
	£'000	£'000
At start of year	4,751	4,532
Deficit from income and expenditure account	(3)	(254)
Transfer (to)/from endowment	(389)	429
Transfers to/(from) designated reserves	9	45
Transfers to deferred capital	<u>0</u>	<u>(1)</u>
<b>At end of year</b>	<b><u>4,368</u></b>	<b><u>4,751</u></b>

	2009	2008
	£'000	£'000
Representing:		
Undepreciated cost of tangible fixed assets financed out of general reserve	4,099	4,296
College capital financing of other operations	1,717	2,106
College general reserve	<u>(1,448)</u>	<u>(1,651)</u>
	<b><u>4,368</u></b>	<b><u>4,751</u></b>

**19 CAPITAL COMMITMENTS**

There were no outstanding capital commitments as at 31 July 2009 or 31 July 2008.

**20 FINANCIAL COMMITMENTS**

At 31 July 2009 the College had no annual commitments under non-cancellable operating leases .

**21 POST BALANCE SHEET EVENTS**

There were no post balance sheet events to report.

**ST HILDA'S COLLEGE**  
**Notes to the Financial Statements**  
**Year ended 31 July 2009**

**22 CONTINGENT LIABILITIES**

There were no contingent liabilities.

**23 RELATED PARTY TRANSACTIONS**

There were no related party transactions to disclose.

**24 RECONCILIATION OF CONSOLIDATED OPERATING DEFICIT TO NET CASH  
OUTFLOW FROM OPERATING ACTIVITIES**

	2009 £'000	2008 £'000
Deficit for the year	(3)	(254)
Depreciation	367	376
Profit on sale of tangible fixed assets	0	(4)
Released from deferred capital	(86)	(83)
Endowment income and interest receivable	(1,097)	(1,146)
Interest payable	12	26
Decrease (increase) in stocks	2	0
Decrease (increase) in debtors	234	(95)
Increase (decrease) in creditors	292	20
	<u>(279)</u>	<u>(1,160)</u>

**25 MANAGEMENT OF LIQUID RESOURCES**

	2009 £'000	2008 £'000
Net increase/(decrease) in deposits	<u>41</u>	<u>249</u>

**26 FINANCING**

	2009 £'000	2008 £'000
New bank loans received	0	0
Repayments of amounts borrowed	<u>(110)</u>	<u>(100)</u>
	<u>(110)</u>	<u>(100)</u>

**27 ANALYSIS OF CHANGES IN NET FUNDS**

	Changes £'000	2008 £'000
Cash at bank and in hand	182	192
Endowment assets cash	<u>949</u>	<u>853</u>
	1,131	1,045
Short term deposits	41	775
Debt due within one year	27	(115)
Debt due after one year	83	(275)
	<u>1,282</u>	<u>1,430</u>