

WOLFSON COLLEGE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2009

WOLFSON COLLEGE
Financial Statements
Year ended 31 July 2009

CONTENTS

	Page
Report of the Governing Body	2 - 3
Responsibilities of the Governing Body	4
Audit Report	5 - 6
Statement of Principal Accounting Policies	7 - 8
Consolidated Income & Expenditure Account	9
Consolidated Statement of Total Recognised Gains and Losses	9
Balance Sheets	10
Consolidated Cashflow Statement	11
Notes to the Financial Statements	12 - 19

WOLFSON COLLEGE

Report of the Governing Body

The Governing Body of Wolfson College presents the annual report and financial statements for the year ended 31 July 2009.

Status

Wolfson College is chartered charitable corporation. It was founded in 1966 and received its Royal Charter on 15 January 1981. The corporation comprises the President and Fellows of Wolfson College in the University of Oxford. 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 as a place of advanced study, learning, education and 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 and other educational purposes.

Governance

The Governing Body of the College comprises the President, the Ordinary Fellows, the Professorial Fellows, the Senior Research Fellows and the Extraordinary Fellows, together with 6 persons being Supernumerary Fellows, Research Fellows, Junior research Fellows or Students elected annually by their peers. This Governing Body is regulated in accordance with the Statutes of the College, the terms of which are enforceable ultimately by the Visitor, the High Steward of the University. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Royal Charter 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 President and is advised by a range of committees which include the General Purposes Committee, the Finance Committee, the Internal Audit Committee and the Investment Committee. Professor Hermione Lee took up the position of President from 1 October 2008.

Scope of financial statements

The financial statements consolidate the accounts of Wolfson College and its subsidiary undertaking Wolfson College Developments Limited which is a wholly owned vehicle for trading activities of the College, particularly in respect of building works. Within the accounts is a Development Fund for the purposes of raising funds for educational and related facilities at the College.

Review of operations and finance

The three major sources of income in the year remain:

From academic fees £992,915. For 2008/09 this includes £149,807 received through the College Funding Formula.

From residential income £1,963,200.

From the investment pool which includes the endowment £1,093,606.

The College continued its contract with Wolfson College Developments Limited to build a new accommodation block. Building work was completed in August 2009 and students took up residence in October 2009.

Investment performance

The Investment Committee has determined that a total return policy should apply with an annual cash sum required of the Investment Manager which will not normally exceed 4% of capital.

The Investment Committee has committed a portion of investment funds to venture capital, hedge fund and property fund investments. Due diligence is provided by Cambridge Associates. £2,809,813 is committed in 7 funds of which £2,497,089 is invested at 31 July 2009.

WOLFSON COLLEGE
Report of the Governing Body

Reserves

The balance on reserves at the year end amounted to £5,707,327. For the college to be managed efficiently and to provide a buffer for uninterrupted services it has been concluded that a general reserve of £2,300,000 should be maintained. This equates to approximately 6 months of expenditure.

Risk management

It is the policy of the College to review the major risks to which it is exposed, as identified by the Governing Body, on a regular basis and take the necessary action to mitigate these risks.

Approved by the Governing Body on 2 December 2009.

H Lee
President

WOLFSON 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.

WOLFSON COLLEGE
Independent Auditors' Report to Governing Body

REPORT OF THE INDEPENDENT AUDITORS TO THE GOVERNING BODY OF WOLFSON COLLEGE

We have audited the financial statements of Wolfson College for the year ended 31 July 2009 which comprise 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 25. 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 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 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 colleges made thereunder, are set out in the Responsibilities of the Governing Body.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

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 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 & 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 misstatements, 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 of the state of affairs of the College, and of the College consolidated with its subsidiaries and connected entities, as at 31 July 2009 and of its consolidated surplus for the year then ended and 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

- b) 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.

WELLERS
REGISTERED AUDITORS

OXFORD
2 December 2009

WOLFSON 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 both applicable accounting standards and in accordance 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 on Accounting in Further and Higher Education Institutions ("the 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 consolidate the accounts of the College and of its subsidiary undertaking Wolfson College Developments Limited. The accounts of the Common Room have been consolidated since the College controls 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 is credited to income and expenditure account on a receivable basis in the period in which it is received.

Donations and benefactions

Unrestricted donations and benefactions are credited to income and expenditure account on receipt. Restricted donations and benefactions are credited direct to general or specific endowment.

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.

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
Building improvements	10 - 30 years
Equipment	3 - 10 years

Freehold land is not depreciated.

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 £500 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 and net realisable value.

Surpluses or deficits arising on the revaluation of fixed asset investments are taken to the revaluation reserve.

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.

WOLFSON COLLEGE
Statement of Principal Accounting Policies

Maintenance of premises

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

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.

Development activities undertaken by the College are administered through its subsidiary company, which, as a commercial organisation, is liable to Corporation Tax. Profits made by this company are, however, transferred to the College by Gift Aid, income tax being deducted from the Gift Aid payments and recovered by the College.

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.

WOLFSON COLLEGE
Consolidated Income and Expenditure Account
Year ended 31 July 2009

	Notes	2009 £'000	2008 £'000
INCOME			
Academic fees, tuition income and other HEFCE support	1	993	804
Research grants and contracts	2	170	113
Other operating income	3	2,748	2,422
Endowment return and interest receivable	4	1,093	1,278
Total income		<u>5,004</u>	<u>4,617</u>
EXPENDITURE			
Staff costs	5	2,308	2,051
Depreciation		285	260
Other operating expenses		2,041	2,015
Interest payable		12	28
Contribution under Statute XV		4	1
Total expenditure	7	<u>4,650</u>	<u>4,355</u>
Surplus for the year on continuing operations before taxation and disposal of fixed assets		354	262
Surplus (deficit) on disposal of fixed assets		0	0
Taxation		0	0
Surplus for the year after taxation	8	<u>354</u>	<u>262</u>

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

	Notes	2009 £'000	2008 £'000
Reserves			
Surplus for the year		354	262
Decrease in value of fixed asset investments	10	(295)	(124)
Decrease in general reserves		(58)	(70)
Endowment			
Decrease in value of endowment asset investments	15	(2,922)	(1,812)
Income receivable from endowment asset investments	15	564	610
Endowment return transferred to income and expenditure account	15	(557)	(579)
New endowments received	15	68	3,737
Transfer to deferred capital	15	(2,207)	0
Other			
Net additions to deferred capital	14	2,064	15
Total recognised (losses)/gains relating to the year		<u>(2,989)</u>	<u>2,039</u>
Opening reserves and endowments		39,490	37,451
Closing reserves and endowments		<u>36,501</u>	<u>39,490</u>

WOLFSON COLLEGE
Balance Sheets
As at 31 July 2009

	Notes	CONSOLIDATED		COLLEGE	
		2009 £'000	2008 £'000	2009 £'000	2008 £'000
Fixed assets					
Tangible assets	9	8,165	5,524	8,165	5,524
Investments	10	<u>1,644</u>	<u>2,389</u>	<u>1,644</u>	<u>2,389</u>
		<u>9,809</u>	<u>7,913</u>	<u>9,809</u>	<u>7,913</u>
Endowment asset investments					
Securities and cash deposits		18,917	23,688	18,917	23,688
Land and property		5,622	5,905	5,622	5,905
	11	<u>24,539</u>	<u>29,593</u>	<u>24,539</u>	<u>29,593</u>
Current assets:					
Stocks		110	110	110	110
Debtors	12	505	427	491	430
Short term investments		0	2,222	0	2,222
Cash at bank and in hand		<u>2,750</u>	<u>853</u>	<u>2,748</u>	<u>849</u>
		3,365	3,612	3,349	3,611
Creditors:					
Amounts falling due within one year	13	(1,212)	(1,628)	(1,196)	(1,627)
Net current assets		<u>2,153</u>	<u>1,984</u>	<u>2,153</u>	<u>1,984</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		36,501	39,490	36,501	39,490
TOTAL NET ASSETS		<u>36,501</u>	<u>39,490</u>	<u>36,501</u>	<u>39,490</u>
Deferred capital	14	6,255	4,965	6,255	4,965
Endowments					
Specific		2,293	2,483	2,293	2,483
General		<u>22,246</u>	<u>27,110</u>	<u>22,246</u>	<u>27,110</u>
	15	24,539	29,593	24,539	29,593
Reserves					
Designated reserves		1,952	2,086	1,952	2,086
Revaluation reserve		370	665	370	665
General reserves		<u>3,385</u>	<u>2,181</u>	<u>3,385</u>	<u>2,181</u>
	16	5,707	4,932	5,707	4,932
TOTAL FUNDS		<u>36,501</u>	<u>39,490</u>	<u>36,501</u>	<u>39,490</u>

The financial statements were approved by the Governing Body of Wolfson College on 2 December 2009.

H Lee
President

E Jarron
Bursar

WOLFSON COLLEGE
Consolidated Cashflow Statement
Year ended 31 July 2009

	Note	2009 £'000	2008 £'000
Net cash (outflow)/inflow from operating activities	21	<u>(1,203)</u>	<u>193</u>
Returns on investments and servicing of finance			
Income from endowments received		557	579
Other income from investments and interest received		<u>536</u>	<u>699</u>
		1,093	1,278
Interest paid		(12)	(28)
Net cash inflow from returns on investments and servicing of finance		<u>1,081</u>	<u>1,250</u>
Capital expenditure and financial investment			
Net (acquisition) of tangible fixed assets		(2,922)	(1,241)
Net realisation of fixed asset investments		34	13
Net realisation/(acquisition) of endowment asset investments		618	(2,770)
Endowments received		10	3,668
Other net capital movements		1,930	(1,559)
Net cash (outflow) from capital expenditure and financial investment		<u>(330)</u>	<u>(1,889)</u>
Net cash (outflow) before use of liquid resources and financing		(452)	(446)
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash for the year		1,770	(564)
(Decrease)/increase in liquid resources and current asset investments		<u>(2,222)</u>	<u>118</u>
Change in net funds		(452)	(446)
Net funds at 1 August		3,071	3,517
Net funds at 31 July	22	<u>2,619</u>	<u>3,071</u>

WOLFSON COLLEGE
Notes to the Financial Statements
Year ended 31 July 2009

	2009 £'000	2008 £'000
1 ACADEMIC FEES, TUITION INCOME AND HEFCE SUPPORT		
Tuition fees from UK and European Union students	438	431
Tuition fees from overseas students	405	373
Other tuition income and HEFCE support	150	0
	<u>993</u>	<u>804</u>

The above analysis includes support from the University from HEFCE funds amounting to £149,807 (2008 - £0)

	£'000	£'000
2 RESEARCH GRANTS AND CONTRACTS		
UK based charities	121	53
Other grants and contracts	49	60
	<u>170</u>	<u>113</u>

	£'000	£'000
3 OTHER OPERATING INCOME		
Residential income from college members	1,963	1,780
Conference and function income	174	195
Grants and donations	49	36
Release of deferred capital contributions	143	0
Other income	419	411
	<u>2,748</u>	<u>2,422</u>

	£'000	£'000
4 ENDOWMENT RETURN AND INTEREST RECEIVABLE		
Transferred from specific endowments (note 15)	52	45
Transferred from general endowments (note 15)	505	534
Other investment income	536	699
	<u>1,093</u>	<u>1,278</u>

	£'000	£'000
5 STAFF COSTS		
Gross pay	1,863	1,685
Social Security costs	144	114
Other pension costs	261	206
Other benefits	40	46
	<u>2,308</u>	<u>2,051</u>

WOLFSON COLLEGE
Notes to the Financial Statements
Year ended 31 July 2009

6 PENSION SCHEMES

6.1 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 Second 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 and liabilities of each scheme on a consistent and reasonable basis. Therefore, in accordance with 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 schemes 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 participating employer will be charged to that employer.

6.2 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 results of the latest actuarial valuations and the assumptions which have the most significant effect on the results of the latest valuations and the determination of the contribution levels are shown in the following table.

	USS	OSPS
Date of valuation:	31/03/2008a	31/07/2007
Date valuation results published:	04/02/2009	09/10/2008
Value of past service liabilities:	£28,135m	£322m
Value of assets:	£28,842m	£279m
Funding Surplus/(Deficit):	£707b	(£43m)c
Principal assumptions:		
Rate of interest (past service liabilities)	4.5% 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:	31/03/2011a	31/07/2010

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.

WOLFSON COLLEGE
Notes to the Financial Statements
Year ended 31 July 2009

b. In the light of the considerable swings in markets since the 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 Trustee agreed, that the ongoing funding deficit could be carried forward to the next valuation, subject to review should equity markets stagnate or decline over a prolonged period.

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 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 103% at 31 March 2008. This fluctuation is due to the volatility of investment returns and gilt yields (used to value scheme liabilities) compared to the rates assumed at 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 79%.

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% on 1 October 2009.

6.3 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 used at last valuation, rated down by a further year)	increase by £1.6bn	increase by £10m

6.4 Pension charge for the year:

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

Scheme	2009 £'000	2008 £'000
Universities Superannuation Scheme	55	46
University of Oxford Staff Pension Scheme	206	160
Total:	261	206

WOLFSON 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
Academic	470	9	438	917	1,054
Residences, catering and conferences	839	33	884	1,756	1,462
Premises	341	237	436	1,014	991
College administration	366	6	99	471	458
Endowment management	12	0	97	109	128
Fundraising	100	0	39	139	10
Other	180	0	48	228	223
	<u>2,308</u>	<u>285</u>	<u>2,041</u>	<u>4,634</u>	<u>4,326</u>
Interest payable				12	28
Contribution under Statute XV				4	1
Total expenditure				<u>4,650</u>	<u>4,355</u>

£'000 £'000

Interest payable relates to -

Bank loans, overdrafts and other loans:

Repayable within 5 years

Repayable wholly or partly in more than 5 years

12 28

12 28

Other operating expenses include auditors' remuneration:
in respect of the audit of these financial statements

15 13

8 SURPLUS FOR THE YEAR

	2009 £'000	2008 £'000
College's surplus for the year	354	262
Surplus generated by the subsidiary undertaking(s)	0	0
	<u>354</u>	<u>262</u>

9 TANGIBLE FIXED ASSETS
CONSOLIDATED AND COLLEGE

	Land & buildings		Total £'000
	Freehold £'000	Equipment £'000	
Cost			
At start of year	8,697	972	9,669
Additions	2,817	109	2,926
Disposals	0	(4)	(4)
At end of year	<u>11,514</u>	<u>1,077</u>	<u>12,591</u>
Depreciation			
At start of year	3,241	904	4,145
Charge for period	224	61	285
On disposals	0	(4)	(4)
At end of year	<u>3,465</u>	<u>961</u>	<u>4,426</u>
Net book value			
At end of year	<u>8,049</u>	<u>116</u>	<u>8,165</u>
At start of year	<u>5,456</u>	<u>68</u>	<u>5,524</u>

WOLFSON COLLEGE
Notes to the Financial Statements
Year ended 31 July 2009

10 FIXED ASSET INVESTMENTS

	CONSOLIDATED		COLLEGE	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
At start of year	2,389	1,951	2,389	1,951
Net investments	(34)	(13)	(34)	(13)
Revaluation losses	(295)	(124)	(295)	(124)
Transfer to endowment	(416)	575	(416)	575
	<u>1,644</u>	<u>2,389</u>	<u>1,644</u>	<u>2,389</u>
At end of year				
	CONSOLIDATED		COLLEGE	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Investments stated at market value				
Listed securities	1,210	1,911	1,210	1,911
Investments stated at cost				
Subsidiary undertakings	0	0	0	0
Other investments	434	478	434	478
Total at end of year	<u>1,644</u>	<u>2,389</u>	<u>1,644</u>	<u>2,389</u>
The original cost of investments stated at market value:	1,481	2,124	1,481	2,124

The College owns 100% of the issued share capital of Wolfson College Developments Ltd, a company incorporated in England and Wales. The principal business activity of Wolfson College Developments is the provision of construction management services.

11 ENDOWMENT ASSET INVESTMENTS

	CONSOLIDATED			COLLEGE		Total £'000
	Securities & cash £'000	Land & property £'000	Total £'000	Securities & cash £'000	Land & property £'000	
At market value						
At start of year	23,688	5,905	29,593	23,688	5,905	29,593
Transfer from fixed asset investments	416	0	416	416	0	416
Purchases at cost	10,000	0	10,000	10,000	0	10,000
Sales proceeds	(10,335)	(283)	(10,618)	(10,335)	(283)	(10,618)
Decrease in cash held by fund manager	(1,930)	0	(1,930)	(1,930)	0	(1,930)
Revaluation losses	(2,922)	0	(2,922)	(2,922)	0	(2,922)
At end of year	<u>18,917</u>	<u>5,622</u>	<u>24,539</u>	<u>18,917</u>	<u>5,622</u>	<u>24,539</u>
	2009 £'000	2008 £'000		2009 £'000	2008 £'000	
Analysed as						
Fixed interest stocks (listed)	1,528	1,239		1,528	1,239	
Equities (listed)	14,015	16,547		14,015	16,547	
Unlisted securities	2,083	2,606		2,083	2,606	
Cash	1,291	3,296		1,291	3,296	
	<u>18,917</u>	<u>23,688</u>		<u>18,917</u>	<u>23,688</u>	
Historical cost at end of year	<u>19,030</u>	<u>22,628</u>		<u>19,030</u>	<u>22,628</u>	

Investment Properties have been valued by professional valuers at market value either as at April/October 2006 or at 31 July 2008.

WOLFSON COLLEGE
Notes to the Financial Statements
Year ended 31 July 2009

12 DEBTORS

	CONSOLIDATED		COLLEGE	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Amounts falling due within one year				
Trade debtors	128	69	33	56
Amounts owed by College members	195	196	195	196
Amounts owed by group undertakings	0	0	81	16
Loans	5	6	5	6
Prepayments and accrued income	167	150	167	150
Amounts falling due after more than one year				
Loans	10	7	10	7
	<u>505</u>	<u>427</u>	<u>491</u>	<u>430</u>

13 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	CONSOLIDATED		COLLEGE	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Bank loans and overdrafts	131	4	131	4
Trade creditors	651	632	446	533
College Contribution	4	0	4	0
Other taxation and social security	6	10	6	10
Amounts owed to group undertakings	0	0	189	98
Accruals and deferred income	389	229	389	229
Other creditors	31	753	31	753
	<u>1,212</u>	<u>1,628</u>	<u>1,196</u>	<u>1,627</u>

14 DEFERRED CAPITAL

	CONSOLIDATED	COLLEGE
	£'000	£'000
At start of year	4,965	4,965
Transfer from Endowment	2,207	2,207
Released to income and expenditure account	(143)	(143)
Prior year adjustment	(774)	(774)
At end of year	<u>6,255</u>	<u>6,255</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. An adjustment has been made to prior years in respect of depreciation charges made in the accounts relating to assets where a deferred capital balance was held. The release of £774,326 is made up of a total of a) £202,918 in respect of 2002/03 and 2003/04 and b) £571,408 in respect of 2004/05, 2005/06, 2006/07 and 2007/08.

15 ENDOWMENTS

	CONSOLIDATED			COLLEGE		
	Specific £'000	General £'000	Total £'000	Specific £'000	General £'000	Total £'000
At start of year	2,483	27,110	29,593	2,483	27,110	29,593
Endowments received	10	0	10	10	0	10
Appreciation (depreciation) of endowment investments	(258)	(2,664)	(2,922)	(258)	(2,664)	(2,922)
Income receivable from endowment asset investments	110	454	564	110	454	564
Transferred to income and expenditure account (note 4)	(52)	(505)	(557)	(52)	(505)	(557)
Transfer to deferred capital	0	(2,207)	(2,207)	0	(2,207)	(2,207)
Transfer from reserves	0	58	58	0	58	58
At end of year	<u>2,293</u>	<u>22,246</u>	<u>24,539</u>	<u>2,293</u>	<u>22,246</u>	<u>24,539</u>

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.

WOLFSON COLLEGE
Notes to the Financial Statements
Year ended 31 July 2009

16 RESERVES

DESIGNATED RESERVES	CONSOLIDATED	COLLEGE
	£'000	£'000
At start of year	2,086	2,086
Transfers (to) general reserve	(134)	(134)
At end of year	<u>1,952</u>	<u>1,952</u>

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:

	£'000	£'000
Reserve for replacement and maintenance of functional buildings		
Other designated reserves	1,952	1,952
	<u>1,952</u>	<u>1,952</u>

REVALUATION RESERVE

CONSOLIDATED AND COLLEGE	2009	2008
	£'000	£'000
At start of year	665	789
Decrease in value of fixed asset investments	(295)	(124)
At end of year	<u>370</u>	<u>665</u>

GENERAL RESERVES

	CONSOLIDATED		COLLEGE	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
At start of year	2,181	1,990	2,181	1,990
Prior year adjustment	774	0	774	0
Surplus from income and expenditure account	354	262	354	262
Transfer to endowment	(58)	(70)	(58)	(70)
Transfers (to) from designated reserves	134	(1)	134	(1)
At end of year	<u>3,385</u>	<u>2,181</u>	<u>3,385</u>	<u>2,181</u>

	CONSOLIDATED		COLLEGE	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Representing:				
College general reserve	3,385	2,181	3,385	2,181
	<u>3,385</u>	<u>2,181</u>	<u>3,385</u>	<u>2,181</u>

A prior year adjustment has been made in respect of depreciation charges made in the accounts relating to assets where a deferred capital balance was held (See note 14).

17 CAPITAL COMMITMENTS

CONSOLIDATED AND COLLEGE	£'000	£'000
Commitments contracted at 31 July	<u>313</u>	<u>325</u>

This represents undrawn investment fund commitments.

18 FINANCIAL COMMITMENTS

At 31 July 2008 and 2009 the College had no material commitments under non-cancellable operating leases.

WOLFSON COLLEGE
Notes to the Financial Statements
Year ended 31 July 2009

19 CONTINGENT LIABILITIES

At 31 July 2008 and 2009 the College had no material contingent liabilities.

20 RELATED PARTY TRANSACTIONS

The College had no material transactions with related parties which are required to be disclosed.

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

	2009 £'000	2008 £'000
Surplus for the year	354	262
Depreciation	281	260
Endowment income and interest receivable	(1,093)	(1,278)
Net income retained in endowment	7	31
Release of deferred capital contribution	(143)	0
Interest payable	12	28
Decrease (increase) in stocks	0	(6)
Decrease (increase) in debtors	(78)	53
(Decrease) increase in creditors	(543)	844
	<u>(1,203)</u>	<u>193</u>

22 ANALYSIS OF CHANGES IN NET FUNDS

	2009 £'000	Changes £'000	2008 £'000
Cash at bank and in hand	2,750	1,897	853
Bank overdrafts	(131)	(127)	(4)
Short term deposits	0	(2,222)	2,222
	<u>2,619</u>	<u>(452)</u>	<u>3,071</u>