

CORPUS CHRISTI COLLEGE

Financial Reports

2009-2010

CORPUS CHRISTI COLLEGE

Financial Reports

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CORPUS CHRISTI COLLEGE

Report of the Governing Body

The Governing Body of Corpus Christi College presents the annual report and financial statements for the year ended 31 July 2010.

Status

Corpus Christi College is a chartered charitable corporation aggregate. The corporation comprises the President and Fellows. The College is an exempt charity under s3(5a) Charities Act 1993 (as listed in Schedule 2(b) to that Act). The College is in the process of registering with the Charity Commission, confirmation has been received that the tax status is not affected.

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 other educational purposes.

Governance

The Governing Body of the College comprises the President 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 Bishop of Winchester. The College Statutes are as made from time to time by order of Her Majesty in Council. 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.

Review of operations and finance

Total income for the year amounted to £5.7m, £1.4m of this being received from academic fees and tuition, £2m from accommodation and catering charges, and £2.3m coming from endowment and investment returns. Expenditure for the year amounted to £5.9m. As a result of continuing maintenance works to a number of the College's historic buildings there was a net deficit of £232k. This amount has been transferred from the designated reserve for the maintenance of College buildings.

Investment policy

The College operates an investment policy that provides adequate levels of income whilst preserving capital. The portfolio is spread over most asset categories and is low to medium risk. Regular review is taken of the performance of fund managers. The College operates a total return policy on general endowment investments.

Reserves

The balance on reserves at the year end amounted to £6.5m (note 14). After allowing for the amounts invested in fixed assets and designated reserves for special purposes, the College's general reserve was £781k. The Governing Body has reviewed the reserves of the College and has concluded that they are adequate at this time.

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.

Approved by the Governing Body on 20th October 2010

Prof R Carwardine
President

CORPUS CHRISTI 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.

In so far as the Governing Body is aware:

- there is no relevant audit information of which the College's auditor is unaware;
- the Governing Body have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

CORPUS CHRISTI 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.

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 calculated according to a sustainable spend rate (currently 4%) expressed as a percentage of appropriately averaged endowment values.

General donations

General donations and benefactions are credited to income and expenditure account on a receivable basis, to the extent that they meet specific expenditure during the year, but where they are intended to fund future expenditure they are credited to general endowment, net of related fundraising expenditure.

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
Leasehold properties	50 years or period of lease if shorter
Building improvements	25 years (included within freehold buildings)
Equipment	5 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 £20,000 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

Endowment asset investments are included in the balance sheet at market value. Current asset investments are included at market value.

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 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. Trading activities undertaken by the College are liable to Corporation 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.

CORPUS CHRISTI COLLEGE
Income and Expenditure Account
Year ended 31 July 2010

	Notes	2010 £'000	2009 £'000
INCOME			
Academic fees and tuition income	1	1,382	1,348
Other operating income	2	1,994	1,695
Endowment return and interest receivable	3	2,288	2,428
Total income		<u>5,664</u>	<u>5,471</u>
EXPENDITURE			
Staff costs	4	3,292	3,247
Depreciation		156	67
Other operating expenses		2,380	2,442
Contribution under Statute XV		68	55
Total expenditure	6	<u>5,896</u>	<u>5,811</u>
(Deficit) / Surplus for the year on continuing operations before taxation and disposal of fixed assets		(232)	(340)
Surplus / (Deficit) on disposal of fixed assets		0	0
Taxation	7	0	0
(Deficit) / Surplus for the year after taxation	8	<u>(232)</u>	<u>(340)</u>

Statement of total recognised gains and losses
Year ended 31 July 2010

	Notes	2010 £'000	2009 £'000
Reserves			
(Deficit) / Surplus for the year	14	(232)	(340)
Endowments			
Income receivable from endowment asset investments	13	1,680	2,181
Endowment return transferred to income and expenditure account	13	(2,277)	(2,331)
Appreciation of endowment asset investments	13	7,513	4,606
New endowments received	13	625	1,049
Other			
Net additions to (deductions from) deferred capital	17	(24)	600
Total recognised gains relating to the year		<u>7,285</u>	<u>5,765</u>
Opening fund balances		69,639	63,874
Closing fund balances		<u>76,924</u>	<u>69,639</u>

CORPUS CHRISTI COLLEGE
Balance Sheet
As at 31 July 2010

	Notes	2010 £'000	2009 £'000
Fixed assets			
Tangible assets	9	<u>5,309</u>	<u>4,998</u>
		<u>5,309</u>	<u>4,998</u>
Endowment asset investments			
Securities and cash deposits		46,870	42,060
Land and property		22,368	19,637
	10	<u>69,238</u>	<u>61,697</u>
Current assets:			
Stocks		105	100
Debtors	11	589	504
Cash at bank and in hand		<u>2,585</u>	<u>2,950</u>
		3,279	3,554
Creditors:			
Amounts falling due within one year	12	(902)	(610)
Net current assets		<u>2,377</u>	<u>2,944</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		76,924	69,639
Creditors:			
Amounts falling due after more than one year		0	0
Provision for liabilities and charges		0	0
TOTAL NET ASSETS		<u>76,924</u>	<u>69,639</u>
Deferred capital	17	1,160	1,184
Endowments			
Specific		9,792	8,721
General		<u>59,446</u>	<u>52,976</u>
	13	<u>69,238</u>	<u>61,697</u>
Reserves			
Designated reserves	14	436	668
General reserves	14	<u>6,090</u>	<u>6,090</u>
		<u>6,526</u>	<u>6,758</u>
TOTAL FUNDS		<u>76,924</u>	<u>69,639</u>

The financial statements were approved by the Governing Body of Corpus Christi College on 20th October 2010

Prof R Carwardine
President

B C Ruck Keene
Bursar

CORPUS CHRISTI COLLEGE
Cashflow Statement
Year ended 31 July 2010

	Note	2010 £'000	2009 £'000
Net cash inflow (outflow) from operating activities	21	<u>(2,186)</u>	<u>(2,587)</u>
Returns on investments and servicing of finance			
Income from endowments received		<u>1,798</u>	2,181
Other income from investments and interest received		<u>11</u>	<u>97</u>
		1,809	2,278
Interest paid		0	0
Net cash inflow from returns on investments and servicing of finance		<u>1,809</u>	<u>2,278</u>
Capital expenditure and financial investment			
Net realisation/(acquisition) of tangible fixed assets	9	(467)	(2,779)
Net realisation/(acquisition) of fixed asset investments		0	0
Net realisation/(acquisition) of endowment asset investments	10	40	(776)
Endowments received	13	602	1,026
Deferred capital received	17	<u>0</u>	<u>600</u>
Net cash inflow (outflow) from capital expenditure and financial investment		<u>175</u>	<u>(1,929)</u>
Net cash inflow (outflow) before use of liquid resources and financing		(202)	(2,238)
Management of liquid resources		0	0
Financing		0	0
Increase/(decrease) in cash	22	<u>(202)</u>	<u>(2,238)</u>
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash for the year		(202)	(2,238)
Increase/(decrease) in liquid resources and current asset investments		<u>0</u>	<u>0</u>
Change in net funds	22	(202)	(2,238)
Net funds at 1 August		6,302	8,540
Net funds at 31 July	22	<u>6,100</u>	<u>6,302</u>

CORPUS CHRISTI COLLEGE
Notes to the Financial Statements
Year ended 31 July 2010

	2010 £'000	2009 £'000
1 ACADEMIC FEES AND TUITION INCOME		
Tuition fees from UK and European Union students	1,180	1,145
Tuition fees from overseas students	140	143
Other fees	12	10
Other tuition income	50	50
	<u>1,382</u>	<u>1,348</u>

The above analysis includes fee income in respect of UK and European Union publicly funded students amounting to £1,071,936 (2009 - £1,052,126).

	£'000	£'000
2 OTHER OPERATING INCOME		
Residential income from college members	1,103	1,043
Conference and function income	678	481
Grants and donations	81	64
Release of deferred capital contributions (note 17)	24	0
Other income	108	107
	<u>1,994</u>	<u>1,695</u>

	£'000	£'000
3 ENDOWMENT RETURN AND INTEREST RECEIVABLE		
Transferred from specific endowments (note 13)	319	259
Transferred from general endowments (note 13)	1,958	2,072
Other investment income	0	0
Other interest receivable	11	97
	<u>2,288</u>	<u>2,428</u>

	£'000	£'000
4 STAFF COSTS		
Gross pay	2,694	2,654
Social Security costs	176	174
Other pension costs	373	372
Other benefits	49	47
	<u>3,292</u>	<u>3,247</u>

It is standard accounting practice to disclose further information relating to staff numbers and analyses of remuneration for higher paid employees. This information has not been included due to the particular difficulty of presenting meaningful data for staff jointly employed by the University and colleges.

5 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 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.

CORPUS CHRISTI COLLEGE
Notes to the Financial Statements
Year ended 31 July 2010

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.

The College has made available a Stakeholder Scheme for individual employees, but does not contribute to that scheme.

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):	£707mb	(£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)	23yrs	22yrs
Assumed life expectancy at age 65 (females)	25yrs	24yrs
Funding Ratios:		
Scheme valuation 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	31/03/2010

Notes:

a. USS' actuary is undertaking 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.

b. In the light of the considerable swings in markets since the valuation date, 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 small ongoing funding surplus should be carried forward to the next valuation.

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 2008, global investment markets have continued to fluctuate and the actuary has estimated that the funding level of USS had fallen 103% at 31 March 2008 to 91% (a deficit of £3,065m) at 31 March 2010. This estimate is based on the funding level at 31 March 2008 adjusted to reflect the fund's actual investment performance over the two years and changes in market conditions (market conditions affect both the valuation rate of interest and also the inflation assumption which in turn impacts on the salary and pension increase assumptions). On the FRS17 basis, the actuary estimated that the funding level at 31 March 2010 was 80% and on a buy out basis was approximately 57%.

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.

CORPUS CHRISTI COLLEGE
Notes to the Financial Statements
Year ended 31 July 2010

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

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	2010	2009
	£000	£000
Universities Superannuation Scheme	155	140
University of Oxford Staff Pension Scheme	<u>218</u>	<u>232</u>

6 ANALYSIS OF EXPENDITURE

	Staff costs £'000	Depreciation £'000	Other operating expenses £'000	2010	2009
				Total £'000	Total £'000
Academic	1,360	0	387	1,747	1,685
Residences, catering and conferences	1,091	0	735	1,826	1,811
Premises	254	156	873	1,283	1,220
College administration	232	0	78	310	332
Endowment management	116	0	252	368	397
Fundraising	136	0	21	157	168
Other	103	0	34	137	143
	<u>3,292</u>	<u>156</u>	<u>2,380</u>	<u>5,828</u>	<u>5,756</u>
Interest payable				0	0
Contribution under Statute XV				68	55
Total expenditure				<u>5,896</u>	<u>5,811</u>
				£'000	£'000
Other operating expenses include auditors' remuneration:					
in respect of the audit of these financial statements				14	14
in respect of other services				<u>0</u>	<u>0</u>
				<u>14</u>	<u>14</u>

The above analysis includes expenditure in respect of UK and European Union students met by publicly funded fee income amounting to £1,071,936 (2009 - £1,052,126).

CORPUS CHRISTI COLLEGE
Notes to the Financial Statements
Year ended 31 July 2010

7 TAXATION

No Corporation tax was payable by the College during the year.

8 (DEFICIT) / SURPLUS FOR THE YEAR	2010	2009
	£'000	£'000
College's (deficit) / surplus for the year	(232)	(340)
	<u>(232)</u>	<u>(340)</u>

9 TANGIBLE FIXED ASSETS

	Land & buildings		Equipment	2010 Total £'000	2009 Total £'000
	Freehold £'000	Long leasehold £'000			
Cost					
At start of year	4,529	1,644	77	6,250	3,471
Additions	429	0	38	467	2,779
Disposals	0	0	0	0	0
At end of year	<u>4,958</u>	<u>1,644</u>	<u>115</u>	<u>6,717</u>	<u>6,250</u>
Depreciation					
At start of year	758	494	0	1,252	1,185
Charge for period	102	33	21	156	67
On disposals	0	0	0	0	0
At end of year	<u>860</u>	<u>527</u>	<u>21</u>	<u>1,408</u>	<u>1,252</u>
Net book value					
At end of year	<u>4,098</u>	<u>1,117</u>	<u>94</u>	<u>5,309</u>	<u>4,998</u>
At start of year	<u>3,771</u>	<u>1,150</u>	<u>77</u>	<u>4,998</u>	<u>2,286</u>

10 ENDOWMENT ASSET INVESTMENTS

	Securities & cash	Land & property	2010 Total	2009 Total
	£'000	£'000	£'000	£'000
At market value				
At start of year	42,060	19,637	61,697	58,442
Purchases at cost	8,617	83	8,700	20,428
Sales proceeds (Decrease) increase in cash held by fund manager	(8,617)	(123)	(8,740)	(19,652)
Revaluation gains	68	0	68	(2,135)
	4,742	2,771	7,513	4,614
At end of year	<u>46,870</u>	<u>22,368</u>	<u>69,238</u>	<u>61,697</u>
Analysed as				
Fixed interest stocks (listed)	1,097			3,444
Equities (listed)	2,911			6,051
Unlisted securities	39,347			29,213
Cash	3,515			3,352
	<u>46,870</u>			<u>42,060</u>
Historical cost at end of year	<u>43,367</u>			<u>43,205</u>

Estates land and property valuations as at 31 July 2010 have been made by the College land agents, the basis of valuation being market value.

CORPUS CHRISTI COLLEGE
Notes to the Financial Statements
Year ended 31 July 2010

11 DEBTORS

	2010 £'000	2009 £'000
Amounts falling due within one year		
Trade debtors	273	213
Amounts owed by College members	19	10
Loans	7	5
Prepayments and accrued income	266	243
Amounts falling due after more than one year		
Loans	24	33
	<u>589</u>	<u>504</u>

12 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Trade creditors	215	269
College Contribution	113	113
Other taxation and social security	81	55
Accruals and deferred income	424	98
Other creditors	69	75
	<u>902</u>	<u>610</u>

13 ENDOWMENTS

	Specific £'000	General £'000	2010 Total £'000	2009 Total £'000
At start of year	8,721	52,976	61,697	58,442
Endowments received	306	319	625	1,049
Appreciation (depreciation) of endowment investments	909	6,604	7,513	4,606
Income receivable from endowment asset investments	175	1,505	1,680	2,181
Transferred to income and expenditure account (note 3)	(319)	(1,958)	(2,277)	(2,331)
Transferred to general reserves	0	0	0	(2,250)
At end of year	<u>9,792</u>	<u>59,446</u>	<u>69,238</u>	<u>61,697</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.

CORPUS CHRISTI COLLEGE
Notes to the Financial Statements
Year ended 31 July 2010

14 RESERVES

DESIGNATED RESERVES	2010 £'000	2009 £'000
At start of year	668	1,008
Transfers (to) / from general reserve	(232)	(340)
At end of year	436	668

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 2010 they comprised:

	£	£
Reserve for replacement and maintenance of functional buildings	436	668
	<u>436</u>	<u>668</u>

GENERAL RESERVES	2010 £'000	2009 £'000
At start of year	6,090	3,840
(Deficit) / Surplus from income and expenditure account	(232)	(340)
Transfers from / (to) endowment	0	2,250
Transfers from / (to) designated reserves	232	340
At end of year	6,090	6,090

	2010 £'000	2009 £'000
Representing:		
Undepreciated cost of tangible fixed assets		
financed out of general reserve	5,309	4,998
College general reserve	781	1,092
	<u>6,090</u>	<u>6,090</u>

15 CAPITAL COMMITMENTS

The College had no capital commitments as at 31 July 2010 or 31 July 2009.

16 FINANCIAL COMMITMENTS

The College had no commitments under non-cancellable operating leases as at 31 July 2010 or 31 July 2009.

CORPUS CHRISTI COLLEGE
Notes to the Financial Statements
Year ended 31 July 2010

17 DEFERRED CAPITAL	2010 £'000	2009 £'000
At start of year	1,184	584
New capital	0	600
Released to income and expenditure account	(24)	0
At end of year	<u>1,160</u>	<u>1,184</u>

18 POST BALANCE SHEET EVENTS

There are no post balance sheet events having an effect on these financial statements to report at 31 July 2010 or 31 July 2009.

19 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 July 2010 or 31 July 2009.

20 RELATED PARTY TRANSACTIONS

Included in the debtors figure is £23,851 (2009 - £29,155) of outstanding loans made to 5 (2009 - 6) members of the Governing Body to assist with the purchase of housing.

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

	2010 £'000	2009 £'000
(Deficit) / Surplus for the year	(232)	(340)
Depreciation	156	67
Endowment income and interest receivable	(2,288)	(2,428)
Interest payable	0	0
Decrease (increase) in stocks	(5)	(15)
Increase (decrease) in debtors	(85)	44
(Decrease) increase in creditors	292	85
(Decrease) increase in provisions	0	0
Deferred Capital released	(24)	0
	<u>(2,186)</u>	<u>(2,587)</u>

22 ANALYSIS OF CHANGES IN NET FUNDS

	2010 £'000	Changes £'000	2009 £'000
Cash at bank and in hand	2,585	(365)	2,950
Endowment assets cash	3,515	163	3,352
	<u>6,100</u>	<u>(202)</u>	<u>6,302</u>

CORPUS CHRISTI COLLEGE

Report of the Independent Auditor to the Governing Body

We have audited the College financial statements ("the financial statements") of Corpus Christi College for the year ended 31 July 2010 which comprise the statement of principal accounting policies, the income and expenditure account, the statement of total recognised gains and losses, the college balance sheet, the cash flow statement and related notes. 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 them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 the Auditor

The Governing Body's responsibilities for preparing the Report of the Governing Body and the financial statements in accordance with UK law and Accounting Standards (UK GAAP) and 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.

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 and whether the information given in the Report of the Governing Body is consistent with the financial statements.

In addition we report to you if, in our opinion, the college has not kept adequate accounting records, if the college's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit.

We read the Report of the Governing Body and consider the implications for our report if we become aware of any apparent misstatements within it.

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 UK GAAP of the state of the College's affairs as at 31 July 2010 and of the deficit for the year then ended;
- 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;
- c) in all material respects, income received from the University of Oxford out of grants from the Further and Higher Education Funding Council for England during the year ended 31 July 2010 has been applied to the purposes for which it was received; and
- d) the information given in the Report of the Governing Body is consistent with the financial statements for the year ended 31 July 2010.