



MAGDALEN COLLEGE

Report and Financial Statements

For the Year Ended 31 July 2011

MAGDALEN COLLEGE
Annual Report and Financial Statements

Contents	Page
Report of the Governing Body	2
Governing Body, Officers and Advisers	9
Auditor's Report	15
Statement of Accounting Policies	16
Consolidated Statement of Financial Activities	19
Consolidated and College Balance Sheets	20
Consolidated Cashflow Statement	21
Notes to the Financial Statements	22

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

The Members of the Governing Body, who act as the Charity Trustees, present their Annual Report for the year ended 31 July 2011 under the Charities Act 1993 together with the audited financial statements for the year.

1. REFERENCE and ADMINISTRATIVE INFORMATION

The College of St Mary Magdalen in the University of Oxford, which is known as Magdalen College ("the College"), is a chartered charitable corporation aggregate. It was founded in 1458 by William Waynflete, Bishop of Winchester.

The College was registered with the Charity Commission on 27 May 2011 (registered number 1142149).

The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the advisers of the College, are given on pages 9-13.

2. STRUCTURE, GOVERNANCE and MANAGEMENT

a. Governing Documents

The College is governed by its Statutes dated 25 October 2010.

b. Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Bishop of Winchester. The Governing Body is self-appointing.

The Governing Body sets the strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the President and is advised by its Standing Committees.

c. Recruitment and Training of Members of the Governing Body

New Members of the Governing Body are recruited through open competition to advertised posts or through promotion, and are elected on the basis of their abilities in teaching, research or administration. They are inducted into the workings of the College, including Governing Body policy and procedures, by the President, other College Officers and assigned mentors, and may attend external trustee training and information courses to keep them informed about regulatory requirements and current issues in the sector.

d. Organisational Management

The Governing Body normally meets ten times a year. Standing Committees of the Governing Body develop policies for approval by the full Governing Body and subsequently monitor their implementation. The duties and membership of the Standing Committees are described in detail in the Statutes and Bylaws of the College. The main Standing Committees and their areas of responsibility are

- Tutorial Board: academic matters including the selection and appointment of Tutorial Fellows and Lecturers, and the admission, instruction, support and discipline of junior members of the College.
- Bursarial Committee: all financial matters relevant to the College including the preparation of budgets and monitoring actual income and expenditure through management accounts.
- Investment Committee: policy for the investment of endowment and other assets and overseeing the management of these assets in a manner consistent with approved policy.
- Development and Alumni Relations Committee: objectives and strategies for fundraising and alumni relations.
- Chapel and Choir Committee: matters connected with the Chapel and Choir.
- Human Resources Committee: ensuring that the College operates in compliance with the law and best practice in employment matters.

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

- Fellowship Committee: matters relating to Fellowship appointments.
- Remuneration Committee: matters relating to remuneration and benefits payable to Fellows in accordance with the College Statutes.

The day-to-day management of the College is delegated to its main officers: The President (Professor D C Clary), Investment Bursar (Mr C G Young), Finance Bursar (Miss H C Rossotti), Senior Tutor (Dr M P Pobjoy) and Home Bursar (Mr M R Blandford-Baker). The Dean of Divinity (Revd Dr M J Piret) is responsible for the Chapel; the Fellow Librarian (Dr C Y Ferdinand) for the Library and Archives; and the Development Director (Mr S F Rainey) for Fundraising and Alumni Relations.

e. Group Structure and Relationships

The College has the following subsidiary companies and connected bodies:

- Magdalen Development Company Limited is a wholly owned trading subsidiary of Magdalen College. Its principal activity is property development including development of the Oxford Science Park, a joint venture in which Magdalen Development Company Limited has a 50% holding. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Trading Limited is a wholly owned trading subsidiary of Magdalen College. It undertakes general trading activities, including providing conference facilities and operating a visitor scheme at the College and providing accommodation for old members visiting the College. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Educational Conferences Limited is a company limited by guarantee. Its principal activity is the provision of conference facilities at the College.
- Magdalen College Law Tutorship Company Limited is a company limited by guarantee. It was established to administer endowments given to fund a Law Fellowship at Magdalen College in order to advance learning and academic knowledge for the public benefit. On 31 July 2011 the funds of the Magdalen College Law Tutorship Company Limited were transferred to the Magdalen College Law Tutorship Trust under a uniting direction for accounting and registration purposes (section 96(5) Charities Act 1993). The purposes of the Law Tutorship Trust are consistent with the objects of the Magdalen College Law Tutorship Company Limited.
- Magdalen College Development Trust is a charitable trust. The Trust was established primarily as a fundraising body to meet the needs of the College and to support the College on fundraising strategy, projects and execution.

The College administers numerous special trusts which are detailed in Notes 19 to 20 to the financial statements.

The College is part of the collegiate University of Oxford. Material interdependencies between the University and the College arise as a consequence of this relationship.

Magdalen College School Oxford Limited is not included as a subsidiary as the College does not derive benefit, as defined in the Charities SORP, from the School.

f. Risk Management

Risk assessment and management inform the activities of the College. Policies and procedures for risk management within the College are reviewed regularly by the Bursarial Committee, which reports annually on this matter to the Governing Body. The Governing Body has ultimate responsibility for risk management in the College. Following the most recent annual review in June 2011 the Governing Body concluded that adequate procedures are in place in the College to give reasonable, though not absolute, assurance that major risks are being properly managed.

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

3. OBJECTIVES and ACTIVITIES

a. Charitable Objects and Aims

The College's objects, described in the Statutes, are

- (a) to further study, learning, education and research and to be a College within the University of Oxford wherein men and women may carry out advanced study and research (described in the Statutes as learning and education);
- (b) to provide for public worship through the provision, support and maintenance of a Chapel and Choir; and
- (c) in so far as it is not incompatible with objects (a) and (b), the advancement of the arts, heritage, culture and science for the benefit of the public.

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 2006. In this connection the Governing Body has noted the general and supplemental guidance produced by the Charity Commission.

b. Aims for the Public Benefit

The College's aims for the public benefit are

- to admit undergraduate and graduate students of the highest academic standard;
- to provide the best education and facilities for undergraduate and graduate students to enable them to fulfil their potential as effective and productive members of society;
- to provide support and facilities for study and research by students and Fellows;
- to support students financially through the provision of scholarships, bursaries, grants and allowances;
- to support the College Choir and provide for public worship in the College Chapel; and
- to preserve the College buildings and grounds for the benefit of current and future members of the College and members of the public who may visit the College.

Although the Members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study, learning, education or research, there are many other beneficiaries. These include students and academic staff from other Colleges within the University of Oxford and from the University more broadly, visiting academics from other institutions of higher education, visiting students and schoolchildren, and the general public. The output from research undertaken by students and Fellows in the sciences, social sciences and humanities provides exceptional long-term public benefit.

The College's subsidiary companies help finance the achievement of the College's aims, described above.

c. Equality of Opportunity

The College is committed to equality of opportunity in its selection and appointment processes. The focus of the College is strongly academic, so students and academic staff must satisfy high academic entry requirements. The College admits to student places those who have the highest potential for benefiting from the education provided by the College and the University, and appoints to academic positions those who are able to contribute most to the academic excellence of the College and the University. The College's objects are not restricted by geography, age or religious affiliation. Students and staff are drawn from across the UK and internationally; there are no age restrictions in the College's objects; and members of the College have a wide variety of faith traditions or none.

To help raise educational aspiration and attract outstanding candidates who might not otherwise have considered applying, the College supports various outreach activities, including visits to schools, visits by schools to the College, open days, and the provision of guidance and information in a printed prospectus and on the College website for prospective applicants. The College and the University jointly provide Oxford Opportunity Bursaries (a scheme approved by the Office for Fair Access), to help support undergraduate students with limited financial means. The College also operates a Student Support Fund to assist any of its

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

students who experience financial hardship, and supports all its students through travel and research grants. (See section 4c for details.)

d. Activities and Objectives of the College

The principal activities of the College are study, learning, education and research. The College admits undergraduates for courses at the University of Oxford and accepts graduates admitted by the University.

In conjunction with the University, the College provides a world-class education through small-group teaching and academic supervision for undergraduates. Tutorial teaching is provided by Fellows with international research reputations in essentially all the subjects studied by the College's undergraduates. This provision is reinforced by the appointment of stipendiary and retained lecturers and additional tutors. The College makes available seminars, lectures and other academic gatherings for all students. The College provides a specialist choral musical education for its choral students, who, together with the choristers of Magdalen College School, make up the College's internationally renowned Choir.

The College provides academic advisers for graduate students to assist each student's academic development. For those graduates who are clinical medical students the College also provides clinical teaching.

The College aims to support research of the highest international quality carried out and published by Fellows and graduate students. The appointment of Junior Research Fellows (Fellows by Examination) and Visiting Fellows also furthers this aim. The College directly supports the work of its Fellows and students by providing study space and library facilities, encouraging interaction across academic disciplines and making funding available for attendance at national and international conferences, field trips and research materials. In addition, the College has several seminar rooms and an excellent auditorium that can accommodate up to 160 people, facilities that may also be used by groups from outside the College.

The College maintains five libraries, delivering essential resources for students and Fellows, other members of the University, visiting scholars and researchers, as well as members of the public. There is also an extensive and valuable collection of archives dating back to the twelfth century. A part-time Archivist is employed who assists academics and members of the public with their enquiries. The College provides internet connectivity to all its Members and staff and maintains an informative website.

The College provides living accommodation for all its undergraduates and guarantees at least two years' accommodation for its graduates. Some Fellows live in College and all Tutorial Fellows have an appropriate teaching room in College. Welfare support for all students is offered by the Deans of Arts, the Dean of Divinity, Fellows and other members of the College staff.

Students are encouraged to take part in extra-curricular activities and excellent facilities are available in College for this purpose, particularly for sports, music and theatre. Student participation in societies in the College and University is also encouraged.

4. ACHIEVEMENTS and PERFORMANCE in the YEAR to 31 JULY 2011

In the year under review the main achievements of the College, measured against its objectives, included the following:

a. Academic

The student population of the College averaged 395 undergraduates, undertaking a mixture of three- and four-year courses; and 243 graduates, of whom 72 were studying for taught masters degrees and 171 undertaking research for doctorates.

The examination performance of the undergraduates was outstanding. 45 out of 116 Finalists gained First Class Honours, with 5 of the 45 achieving the top result in the University in their respective Honour School. Magdalen was placed fourth in the Norrington Table, which ranks the final examination results of the colleges in the University. 45 undergraduates achieved distinctions or first-class results in University examinations taken in the earlier years of their courses. 24 graduates studying taught courses achieved distinctions in their final exams. Many University Prizes and Awards were won by undergraduates and graduates of the College.

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

Magdalen Fellows published a wide range of research papers and gave numerous lectures both within the University and around the globe. Of particular note were the awards and distinctions achieved by Fellows of the College including the 2011 Synthetic Organic Chemistry Award received by Professor Tim Donohoe, the selection of Professor Laurie Maguire to deliver the 2011 British Academy Shakespeare Lecture and the election of Professor Liam Dolan to membership of the European Molecular Biology Organization.

New Tutorial Fellows were elected in Philosophy, Engineering and Zoology to replace Fellows retiring or departing from the College. The newly created University Professor of Biomedical Engineering was elected a Fellow of the College, as was the new Head of the Humanities Division of the University.

Three new Fellows by Examination were elected, each for a fixed term of three years; and six Visiting Fellows from academic institutions outside Oxford were elected for varying terms of between three and seven months to undertake research projects in collaboration with the broader Oxford academic community.

An innovative development was the launch of the Calleva Research Centre for Evolution and Human Science at Magdalen. This new Centre has been endowed by a significant donation from a Member of the College. The first Junior Research Fellow associated with the Centre was appointed during the year.

In May the College, in association with the Humanities Division of the University, was host to the first Humanitas Professor in Fine Art, the distinguished photographer Thomas Struth. He was an active participant in a week of activities including lectures and instruction to students.

b. Personal Development and Extra-Curricular Activities

The student body was, as usual, active in extra-curricular activities. Of particular note was that a team of two undergraduates and two graduates won the national BBC TV quiz *University Challenge*, the fourth time Magdalen has won this high-profile competition. The Magdalen Players performed Bernard Shaw's *Pygmalion* for their Garden Show and there was a successful Arts week. Magdalen students were elected President of the Oxford University Sports Federation, Captain of the University Women's Boat Club and Captain of the University Swimming Club. The Women's First Boat retained their position as Head of the River in the Torpids Easter Rowing Races.

c. Financial Support for Students

In order to assist undergraduates entitled to public support, the College and the University jointly provide Oxford Opportunity Bursaries to help those of limited financial means. In 2010/11 95 students received Oxford Opportunity Bursaries and a total of £202k was awarded. The College also operates a Student Support Fund to assist any of its students who experience financial hardship. In 2010/11 the Student Support Fund made grants totalling £260k to 90 students. It also supports all its students through travel and research grants (£73k awarded in 2010/11), and sports hardship awards to those who engage in sport at the highest level (£8k awarded in 2010/11). Awards were also made from the Junior Members' Hardship Fund and the Rent Relief Fund, totalling £30k.

d. Chapel and Choir

Around 400 Chapel services were conducted during the year. Of these about 170 were sung by the College Choir. All Chapel services were open to the general public, regardless of the official opening and closing hours of the College. In addition to the usual term-time pattern, the College offered two services of 'Carols by Candlelight' and one of 'Music and Readings for Advent' in December 2010. In April 2011, the Choir sang special services during the Easter Triduum. A popular series of organ recitals was held on Saturdays. Other highlights of the past year included the Remembrance Sunday observances, the choral *Requiem for All Souls*—sung this year to the setting by Fauré—and the Choir's customary singing of madrigals from the top of the Great Tower on May Morning to large crowds of people gathered in the streets below. Overall attendance at Chapel services in the course of the past year is estimated at roughly 10,200 (not counting the services held in Chapel by Magdalen College School). The vast majority of those who attend Chapel services come from outside College. It is always the aim that Chapel services should be increasingly well known and well attended by the general public.

This year the Choir gave several performances outside the College, including at Durham Cathedral, Douai Abbey and on a tour of Belgium and Holland. A BBC Radio 3 broadcast was made and a new CD was recorded.

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

e. Public Access

The Old Library houses the College's large rare-books and manuscripts collection. During the year hundreds of visitors had tours or attended seminars there. 103 individual scholars consulted material in the Old Library to further their own research.

The College grounds, Chapel and Hall are open to the public throughout the year except over the Christmas period. Access is free for local residents, alumni and various special-interest groups. During 2010/11 there were 14,422 adult paying visitors and 19,703 visitors who paid at a concessionary rate.

The College participates in several programmes that offer free access to members of the public: The Oxford Open Doors weekend in September 2010 welcomed 8,647 members of the public to the College free of charge; on New Year's Day there were 1,550 visitors; and there were 522 visitors on Sunday 17 April 2011 for the National Gardens Scheme.

f. Development and Alumni Relations

Fundraising is crucial for supporting academic success and extracurricular activities in the College and maintaining College buildings and facilities. This is organised through the Development Office. 2010/11 was a successful year with over £2.4m received in charitable donations. The percentage of contactable alumni who donated to the College during 2010/11 was 19.3%, up from 18.6% in the previous year, continuing a steady trend of increasing participation.

Notable fundraising achievements during the year included securing the £2m donations required to complete the endowment of a Tutorial Fellowship in Philosophy; reaching the half-way point to securing the £4m donations required to endow two History Fellowships; and approaching the half-way point to securing the £2m required to endow a Law Fellowship.

The Development Office introduced a new annual alumni magazine and, for the first time, included contact update forms which resulted in over 700 alumni returning their news and details. A Development Office Report was also produced for the first time, which contained details of the College's finances and explained the role and importance of philanthropy in maintaining Magdalen's reputation for academic excellence; this will become an annual publication.

5. FINANCIAL REVIEW

a. Results for the Year

The consolidated net incoming resources before the group share of the loss of the joint venture of £358k, investment gains of £13.1m and the actuarial loss of £176k were £411k. The net increase in funds in the year was £13m. Net incoming resources of £11.7m were £2.1 m lower than in 2009/10 because of one very significant donation received in 2009/10. Expenditure, in total, has remained constant.

The group share of the loss of the Oxford Science Park joint venture (an investment asset held by Magdalen Development Company Limited) of £358k resulted from reductions in the value of property reflecting stagnant market conditions.

Under the College's total return investment policy, adopted by the Governing Body with effect from 31 July 2003 (see section 5c below), a transfer of £4m was made from the College's general endowment fund to the unrestricted general fund. This transfer, together with income and gains generated by investment assets held in unrestricted funds, represents the maximum annual drawdown of 3.5% of appropriately averaged investment asset values.

Actuarial losses arising on the liabilities of the Magdalen College Staff Retirement Benefit Scheme, on an FRS17 basis as at 31 July 2011 resulted in a charge of £176k. £15k of this loss results from the difference between actual and expected returns on scheme assets, £62k results from losses arising on the scheme liabilities and £99k results from changes in the demographic and financial assumptions underlying the valuation.

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

b. Reserves Policy

The College's reserves policy is to maintain sufficient free reserves to enable it—in the event of an unexpected revenue shortfall—to meet its short-term financial obligations, to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted services.

The consolidated free reserves at the year-end amounted to £3.8m (2010: £3.6m), representing retained unrestricted income reserves excluding an amount of £10.8m for the book value of freehold land and buildings and £3.8m designated for other purposes as scheduled in note 19 to the accounts.

c. Investment Policy, Objectives and Performance

The College's investment assets are held to support its activities across a spread of different asset classes. The investment assets are managed for total return. The investment policy is to generate optimum risk adjusted returns from the portfolio to fund annual expenditure of up to 3.5% of the rolling five year average value, whilst maintaining the real inflation adjusted value of the investment assets and having regard to balancing the needs of current and future beneficiaries. In managing the investments, a reasonable diversification of assets is maintained, and performance is measured by total return regardless of whether return is derived from income or from capital growth. It is the responsibility of the College's Investment Committee to recommend to the College policy for the investment of endowment and other assets, and to oversee the management of these assets in a manner consistent with the approved policy.

In the year to 31 July 2011 gross total return from the endowment assets was 11.87%; the total return net of management fees was 11.53%. The value of consolidated investment assets at year end was £149,681k. The asset allocation of these investments at 31 July 2011 was 47% marketable equities, 13% private equity, 12% the College's share of the Oxford Science Park joint venture, 10% other commercial property, 7% agricultural property and 11% cash, although the proportion of marketable equities and cash has varied during the course of the year. During the year the return from agricultural property, commercial property and private equity exceeded the average. The Oxford Science Park had a disappointing year reflecting depressed conditions in the local market for office accommodation.

6. OBJECTIVES for 2011/12

The College's core priorities for 2012 and future years remain unchanged: to further study, learning, education and research of the highest standard. Associated with these enduring priorities the College will address some particular projects during the coming year.

- A review of the overall number of students at the College, the balance between undergraduate and graduate student numbers, the subject range, numbers of Tutors, and the distribution of resources among the different subjects that the College offers.
- The appointment of an outreach and communications officer to encourage students from financially disadvantaged backgrounds to apply to Oxford University and Magdalen College. The work will incorporate modern methods of communications and enhancing the college website.
- The development of plans to refurbish and expand the College Library.
- Preparation for a major new fundraising drive to be called the Capital Campaign.

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2011

MEMBERS of the GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body who served in office as Trustees during the year or subsequently are detailed below.

President (Prof. D. C. Clary)		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Vice-President (Dr. J.S.T. Garfitt)		(1)	(2)		(4)	(5)			(8)
Ardavan, Dr. A.		(1)							
Bacon, Mr. A.	Appointed 1/10/2010								
Bagshaw, Mr. R.		(1)						(7)	
Baron, Dr. S.	Retired 30/9/2011								
Barr, Dr. G.		(1)							
Blandford-Baker, Mr. M.R.		(1)	(2)				(6)		
Braddick, Prof. O.	Retired 30/9/2011							(7)	
Bridson, Prof. M.R.									(8)
Brockliss, Prof. L.W.B.		(1)	(2)						
Buckling, Dr. A.G.	Resigned 31/12/2010								
Budelmann, Dr. F.J.		(1)	(2)						
Caney, Prof. S.L.		(1)	(2)						
Castle, Dr. J.L.		(1)					(6)		
Clark, Prof. D.M.	Appointed 1/10/2011								
Cleveland, Prof. J. R.	Appointed 1/10/2011	(1)							
Conde, Dr. J-C.		(1)							
Coussios, Prof. C-C.		(1)							
Davies, Prof. S.									
De Moor, Prof. O.		(1)							
Dolan, Prof. L.									
Donohoe, Prof. T.J.		(1)	(2)						
Douglas-Fairhurst, Dr. R.		(1)							

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2011

Dreyfus, Prof. L.		(1)							
Dudas, Mr. O.	Appointed 1/10/2010								
Due, Dr. R.		(1)							
Dunbar, Prof. R.I.M.					(5)		(7)	(8)	
Etheridge, Prof. A.		(1)	(3)						
Ferdinand, Dr. C.Y.		(1)		(4)					
Foster, Prof K. R.	Appointed 1/4/2011	(1)							
Fricker, Dr. E.M.		(1)							
Garland, Prof. C.J.		(1)		(4)		(6)			
Ghosh, Dr. S.	Appointed 1/10/2010								
Giansiracusa, Dr J.	Resigned 30/9/2010								
Gilbert, Dr. R.		(1)			(5)				
Goldacre, Prof. M.J.	Retired 30/9/2011								
Goodwin, Dr. S.		(1)							
Gregg, Prof. J.F.		(1)							(8)
Grevling, Dr. K.D.		(1)							
Haddad, Dr A.	Appointed 1/1/2011								
Harris, Dr. C.		(1)							
Harrison, Dr. E.F.									
Hawthorne, Prof. J.									
Highcock, Mr. E.	Appointed 1/10/2011								
Hill, Prof. A.V.S.									
Hobson, Mr. A.									
Holes, Prof. C.									
Holland, Dr. C.	Retired 30/9/2011								
Horobin, Dr. S.C.P.		(1)							
Houlbrook, Dr. M.		(1)							(8)

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2011

Hyde, Mr. D.S.		(1)				(5)			
Karenowska, Miss A.	Appointed 1/10/2011								
Kristensen, Dr. J.		(1)							
Kröning, Dr. D.									
Lau, Dr. J.Y-F.		(1)	(2)						
MacKenzie, Dr. S.R.		(1)							
Maguire, Prof. L.E.		(1)							(8)
McLaughlin, Prof. M.L.									
Miesenböck, Prof. G.									(8)
Moreno, Dr. A.		(1)							
Nightingale, Dr. J.B.W.		(1)			(4)				
Nizami, Dr. F.									
Norman, Dr. T.W.L.		(1)							
Piret, The Revd Dr. M.J.		(1)				(5)	(6)		
Pobjoy, Dr. M.P.		(1)					(6)	(7)	
Ratcliffe, Prof. P.									
Rossotti, Miss H.C.	Appointed 1/10/2011	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Rouquier, Prof. R.									
Russ, Dr. A.	Resigned 6/4/2011								
Russell, Mr. J.	Appointed 1/10/2011	(1)							
Sattentau, Prof. Q.		(1)							
Smith, Mr. R.J.		(1)			(4)				
Smith, Prof. J.A.C.		(1)					(6)		
Stargardt, Dr. N.		(1)	(2)	(3)					
Sullivan, Dr. P.B.								(7)	
Szulkin, Dr. M.	Retired 31/3/2011								
Turberfield, Prof. A.J.									

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2011

von der Goltz, Dr. A-M.	Retired 31/3/2011								
Walker, Dr. R.C.S.	Retired 30/9/2011								
Weller, Prof. A.S.		(1)							
West, Prof. S.	Appointed 1/8/2011								
Whitehouse, Prof. H.									
Wood, Dr. S.	Resigned 30/9/2011								
You, Dr. Z.		(1)							
Young, Mr. C.G.		(1)	(2)	(3)	(4)		(6)		

During the year the activities of the Governing Body were carried out through several Standing Committees. The current membership of the main Committees is shown above for each Fellow. These Committees are

- (1) Tutorial Board
- (2) Bursarial Committee
- (3) Investment Committee
- (4) Development and Alumni Relations Committee
- (5) Chapel and Choir Committee
- (6) Human Resources Committee
- (7) Remuneration Committee
- (8) Fellowship Committee

In addition, external members currently serve on College Committees as follows:

Investment Committee: Mr J Palmer, Mr S Butt, Mr P Davies, Mr W R A Ross, Mr J Wrigley

Development and Alumni Relations Committee: Mr M Loveday, Dr P Beckwith, Mr S Haslam, Ms J Hibbert

Remuneration Committee: Mr R Gisby, Prof. S Iversen, Prof. R Osborne.

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2011

COLLEGE ADVISERS

Investment managers

Cazenove Capital Management Ltd
12 Moorgate
London EC2R 6DA

Investment property managers

Savills
Wytham Court
11 West Way
Oxford OX2 0QL

Auditor

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford OX 1 1BE

Bankers

Nat West plc
Willow Court
Minns Business Park
7 West Way
Oxford OX2 0JB

Solicitors

Blake Laphorn
Seacourt Tower
West Way
Oxford OX2 0FB

College address

High Street
Oxford
OX1 4AU

Website

www.magd.ox.ac.uk

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2011

STATEMENT of ACCOUNTING and REPORTING RESPONSIBILITIES

The Governing Body is responsible for preparing the Report of the Governing Body and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governing Body to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Governing Body must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the College and of its net incoming or outgoing resources for that period. In preparing these financial statements, the Governing Body is required to:

- select the most suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue to operate.

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the College and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 30 November 2011 and signed on its behalf by:

President

MAGDALEN COLLEGE

Report of the Auditor to the Members of the Governing Body of Magdalen College

We have audited the financial statements of Magdalen College for the year ended 31 July 2011 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the College's Governing Body in accordance with section 44 of the Charities Act 1993. 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 its Governing Body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governing Body and auditor

As explained more fully in the Statement of Accounting and Reporting Responsibilities, the Governing Body is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governing Body; and the overall presentation of the financial statements. We read all the information in the Report of the Governing Body to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2011 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 1993.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Report of the Governing Body is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Critchleys LLP
Statutory Auditor
Oxford
Date:

Critchleys LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

MAGDALEN COLLEGE

Statement of Accounting Policies

Year ended 31 July 2011

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Cash Flow Statement comprising the consolidation of the College and its subsidiary and associated undertakings: Magdalen Development Company Limited, Magdalen College Trading Limited, Magdalen College Educational Conferences Limited, Magdalen College Development Trust and Magdalen College Law Tutorship Company Limited. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiaries and associated undertakings as included in the consolidated income, expenditure and results of the College are disclosed in note 14.

2. Basis of accounting

The financial statements have been prepared under the Charities Act 2006 and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005 ("the Charities SORP") and applicable accounting standards. The financial statements are drawn up on the historical cost basis of accounting as modified by the revaluation of investment properties and other investments.

3. Incoming resources from fee income, HEFCE support and other charges for services

Fees receivable, HEFCE support and charges for services and use of the premises are accounted for in the period in which the related service is provided.

4. Incoming resources from donations and legacies

Voluntary income is accounted for when the College has entitlement to the funds, the amount can be reliably quantified and there is reasonable certainty of its ultimate receipt.

Voluntary income received for the general purpose of the College is credited to unrestricted funds.

Voluntary income which is subject to specific wishes of the donor is credited to the relevant restricted fund or, where the donation, grant or legacy is required to be held as capital, to the endowment funds. Where donations are received otherwise than in cash, they are valued at the market value of the underlying assets received at the date of receipt.

5. Investment income

Interest on bank balances and fixed interest securities is accounted for in the period to which the interest relates.

Dividend income and similar distributions are accounted for in the period in which they become receivable.

Income from investment properties is accounted for in the period to which the rental income relates.

6. Expenditure

Expenditure is accounted for on an accruals basis. Indirect expenditure is apportioned to expenditure categories based on the estimated amount attributable to that activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the College and its subsidiaries are excluded from trading income and expenditure.

7. Joint Venture

The Oxford Science Park Joint Venture is accounted for in the consolidated accounts under the gross equity method.

MAGDALEN COLLEGE

Statement of Accounting Policies

Year ended 31 July 2011

8. Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £50,000 in aggregate, together with expenditure on equipment costing more than £1,500 is capitalised and carried in the balance sheet at historical cost.

Other expenditure on equipment incurred in the normal day-to-day running of the College and its subsidiaries is charged to the Statement of Financial Activities as incurred.

9. Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less their estimated residual value, in equal annual instalments over their expected useful economic lives as follows:

Freehold properties, including major extensions	50 years
Equipment	3 - 10 years

Freehold land is not depreciated. The cost of maintenance is charged in the Statement of Financial Activities in the period in which it is incurred.

10. Investments

Investment properties are valued as individual investments at their market values as at the balance sheet date. Purchases and sales of investment properties are recognised on exchange of contracts.

Listed investments are valued at their mid-market values as at the balance sheet date. Investments such as hedge funds and private equity funds which have no readily identifiable market value are included at the most recent valuations from their respective managers.

Gains and losses arising on the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

11. Stocks

Stocks are valued at the lower of cost and net realisable value, cost being the purchase price on a first in, first out basis.

12. Foreign currencies

Transactions denominated in foreign currencies during the year are translated at prevailing rates of exchange at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates applying at the Balance Sheet date or, where there are related forward foreign exchange contracts, at the contract rates. The resulting exchange differences are taken to the Statement of Financial Activities.

13. Total Return investment accounting

The College statutes authorise the College to adopt a 'total return' basis for the investment of its permanent endowment. The College can invest its permanent endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a capital supplement to the preserved ('frozen') value of the permanent endowment.

The Governing Body has decided that it is in the best interests of the College to account for its invested expendable endowment capital in the same way, though there is no legal restriction on the power to spend such capital.

For the carrying value of the preserved (frozen) permanent capital, the Governing Body have taken its open market value as at 31 July 2003, together with the original gift value of all subsequent endowments received.

MAGDALEN COLLEGE

Statement of Accounting Policies

Year ended 31 July 2011

14. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and the terms set by the donors. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted funds can be used in furtherance of the objects of the College at the discretion of the Governing Body. The Governing Body may decide that part of the unrestricted funds shall be used in future for a specific purpose and this will be accounted for by transfers to appropriate designated funds.

Restricted funds comprise gifts, legacies and grants where the donors have earmarked funds for specific purposes. They consist of *either* gifts where the donor has specified that both the capital and any income arising must be used for the purposes given *or* the income on gifts where the donor has required that the capital be maintained and the income used for specific purposes.

Permanent endowment funds arise where donors specify that the funds should be retained as capital for the permanent benefit of the College. Any income arising from the capital will be accounted for as unrestricted funds unless the donor has placed restrictions on the use of that income, in which case it will be accounted for as a restricted fund.

Expendable endowment funds are similar to permanent endowment in that they have been given, or the College has determined based on the circumstances in which they have been given, for the long term benefit of the College. However, the Governing Body may at their discretion determine to spend all or part of the capital.

15. Pension costs

The costs of retirement benefits provided to employees of the College through two multi-employer defined pension schemes are accounted for as if these were defined contribution schemes in accordance with the requirements of FRS 17. The College's contributions to these schemes are charged in the period in which the salaries to which the contributions relate are payable.

The costs of retirement benefits provided through the Magdalen College Retirement Benefits Scheme are accounted for in accordance with FRS 17.

MAGDALEN COLLEGE
Consolidated Statement of Financial Activities
For the year ended 31 July 2011

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2011 Total £'000	2010 Total £'000
INCOMING RESOURCES						
Resources from charitable activities						
Teaching and research	1	5,258	0	0	5,258	5,197
Public worship		7	0	0	7	7
Heritage		135	0	0	135	136
		<u>5,400</u>	<u>0</u>	<u>0</u>	<u>5,400</u>	<u>5,340</u>
Resources from generated funds						
Legacies and donations		361	454	1,628	2,443	4,806
Trading income	2	758	0	2,268	3,026	3,402
Investment income	3	52	0	2,990	3,042	2,606
Bank and other interest	4	4	0	0	4	7
		<u>1,175</u>	<u>454</u>	<u>6,886</u>	<u>8,515</u>	<u>10,821</u>
Other incoming resources		98	0	0	98	92
Total Incoming Resources		<u>6,673</u>	<u>454</u>	<u>6,886</u>	<u>14,013</u>	<u>16,253</u>
Less group share of joint venture's turnover		0	0	(2,268)	(2,268)	(2,412)
Net Incoming Resources		<u>6,673</u>	<u>454</u>	<u>4,618</u>	<u>11,745</u>	<u>13,841</u>
RESOURCES EXPENDED						
Cost of generating funds						
Fundraising	5	567	30	0	597	508
Trading expenditure		734	0	0	734	955
Investment management costs		10	0	576	586	691
		<u>1,311</u>	<u>30</u>	<u>576</u>	<u>1,917</u>	<u>2,154</u>
Charitable activities						
Teaching and research	5	8,076	615	0	8,691	8,633
Public worship		448	38	0	486	387
Heritage		203	0	0	203	207
		<u>8,727</u>	<u>653</u>	<u>0</u>	<u>9,380</u>	<u>9,227</u>
Governance costs	8	30	7	0	37	18
Total Resources Expended		<u>10,068</u>	<u>690</u>	<u>576</u>	<u>11,334</u>	<u>11,399</u>
Net incoming/(outgoing) resources						
before group share of joint venture's (loss)/profit and transfers between funds		(3,395)	(236)	4,042	411	2,442
Group share of joint venture's (loss)/profit	12	0	0	(358)	(358)	748
Transfers between funds	19	4,008	536	(4,544)	0	0
Net incoming/(outgoing) resources before other gains and losses		<u>613</u>	<u>300</u>	<u>(860)</u>	<u>53</u>	<u>3,190</u>
Investment gains		257	0	12,902	13,159	8,303
Actuarial (losses) on defined benefit pension scheme		(176)	0	0	(176)	(90)
Net movement in funds for the year		<u>694</u>	<u>300</u>	<u>12,042</u>	<u>13,036</u>	<u>11,403</u>
Fund balances brought forward	19	17,747	792	132,810	151,349	139,946
Funds carried forward at 31 July	19	<u>18,441</u>	<u>1,092</u>	<u>144,852</u>	<u>164,385</u>	<u>151,349</u>

MAGDALEN COLLEGE
Consolidated and College Balance Sheets
As at 31 July 2011

	Notes	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
FIXED ASSETS					
Tangible assets	10	12,518	12,755	13,148	13,385
Property investments	11	22,296	18,764	22,296	18,764
Investment in joint venture					
Share of gross assets	12	19,639	20,679	0	0
Share of gross liabilities		(2,195)	(2,489)	0	0
		17,444	18,190	0	0
Securities and other investments	13	109,941	98,576	126,941	113,387
		162,199	148,285	162,385	145,536
CURRENT ASSETS					
Stocks		485	495	485	495
Debtors	16	770	927	4,936	4,843
Deposits and other short term investments		46	46	46	46
Cash at bank and in hand		2,592	3,211	1,889	2,620
		3,893	4,679	7,356	8,004
CREDITORS: falling due within one year	17	1,048	1,108	1,020	1,091
NET CURRENT ASSETS/(LIABILITIES)		2,845	3,571	6,336	6,913
TOTAL ASSETS LESS CURRENT LIABILITIES		165,044	151,856	168,721	152,449
Provisions for liabilities and charges	18	659	507	659	507
NET ASSETS		164,385	151,349	168,062	151,942
FUNDS OF THE COLLEGE					
Endowment funds		144,852	132,810	144,594	129,433
Restricted funds		1,092	792	1,092	791
Unrestricted funds					
Designated funds		14,653	14,133	14,653	14,133
General funds		3,788	3,614	7,723	7,585
		164,385	151,349	168,062	151,942

The financial statements were approved and authorised for issue by the Governing Body of
MAGDALEN COLLEGE
on 30 November 2011

President:

Finance Bursar:

MAGDALEN COLLEGE
Consolidated Cash Flow Statement
For the year ended 31 July 2011

	Notes	2011 Group £'000	2010 Group £'000
Net cash inflow/(outflow) from operations	25	<u>(3,765)</u>	<u>(4,032)</u>
Returns on investments and servicing of finance			
Income from investments		3,046	2,606
Finance costs paid		(32)	(32)
		<u>3,014</u>	<u>2,574</u>
Capital expenditure and financial investment			
New endowment capital received		1,628	4,068
Payments for tangible fixed assets		(146)	(68)
Proceeds from sales of tangible fixed assets		0	0
Payments for investments		(3,361)	(999)
Proceeds from sales of investments		2,011	0
		<u>132</u>	<u>3,001</u>
Increase/(decrease) in cash in the year		<u>(619)</u>	<u>1,543</u>
Reconciliation of net cash flow to movement in net funds	26		
Increase/(decrease) in cash in the year		(619)	1,543
Transfers to/(from) term deposits and current investments		0	0
Change in net funds		<u>(619)</u>	<u>1,543</u>
Net funds at 1 August		3,257	1,714
Net funds at 31 July		<u>2,638</u>	<u>3,257</u>

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

1 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2011 Total £'000	2010 Total £'000
Teaching and research					
Tuition fees - UK and EU students	1,317	0	0	1,317	1,383
Tuition fees - Overseas students	399	0	0	399	419
Other fees	97	0	0	97	93
Other HEFCE support	472	0	0	472	429
Other academic income	265	0	0	265	297
College residential income	2,708	0	0	2,708	2,576
	5,258	0	0	5,258	5,197
Public worship					
Chapel offerings	3	0	0	3	2
Other	4	0	0	4	5
	7	0	0	7	7
Heritage					
Entrance fees	117	0	0	117	116
Other	18	0	0	18	20
	135	0	0	135	136

The above analysis includes £1,732k received from Oxford University under the CFF Scheme, net of College fees received directly (2010 - £1,779k).

2 TRADING INCOME

	2011 £'000	2010 £'000
Subsidiary company trading income	758	990
Group share of joint venture's turnover	2,268	2,412
	3,026	3,402

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2011 Total £'000	2010 Total £'000
Agricultural rent	0	0	272	272	261
Commercial rent	0	0	616	616	574
Other property income	0	0	424	424	376
Equity dividends	52	0	1,290	1,342	874
Income from fixed interest stocks	0	0	4	4	250
Interest on fixed term deposits and cash	0	0	45	45	33
Other investment income	0	0	339	339	238
	52	0	2,990	3,042	2,606

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2011 Total £'000	2010 Total £'000
Bank interest	4	0	0	4	7
	<u>4</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>7</u>

5 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	2011 Total £'000	2010 Total £'000
Costs of generating funds					
Fundraising	325	194	78	597	508
Trading expenditure	291	383	60	734	955
Investment management costs	119	446	21	586	691
Total costs of generating funds	<u>735</u>	<u>1,023</u>	<u>159</u>	<u>1,917</u>	<u>2,154</u>
Charitable expenditure					
Teaching and research	4,697	3,020	974	8,691	8,633
Public worship	185	273	28	486	387
Heritage	94	92	17	203	207
Total charitable expenditure	<u>4,976</u>	<u>3,385</u>	<u>1,019</u>	<u>9,380</u>	<u>9,227</u>
Governance costs	<u>0</u>	<u>37</u>	<u>0</u>	<u>37</u>	<u>18</u>
Total resources expended	<u>5,711</u>	<u>4,445</u>	<u>1,178</u>	<u>11,334</u>	<u>11,399</u>

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. Contributions to the Fund are calculated annually in accordance with regulations made by the Council of the University of Oxford.

The teaching and research costs include College Contribution payable of £186k (2010 - £167k).

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

6 SUPPORT COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2011 Total £'000	2010 Total £'000
Financial and domestic admin	126	344	12	13	495	500
Human resources	6	90	10	0	106	147
IT	21	139	2	0	162	195
Depreciation	2	373	4	4	383	381
Other finance charges	4	28	0	0	32	32
	159	974	28	17	1,178	1,255

Finance and domestic administration and human resources costs are allocated based on the estimated staff time spent on each of the activities. IT and depreciation costs are allocated based on the use made of the underlying assets. Interest and other finance charges are allocated based on the purpose of the related financing.

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2011 Total £'000	2010 Total £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted funds as follows:				
Scholarships, prizes and grants	134	57	191	197
Bursaries and hardship awards	248	252	500	499
Grants to other institutions	137	0	137	121
	519	309	828	817

Grants to other institutions comprises payments to Magdalen College School, Oxford, as a contribution towards the education of 16 choristers (2010 - £121k). This sum is included within the charitable expenditure on Public Worship. Other amounts for Grants and Awards are included within the charitable expenditure on Teaching and Research.

8 GOVERNANCE COSTS

	2011 £'000	2010 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	27	18
Legal and other fees on constitutional matters	10	0
	37	18

No amount has been included in Governance Costs for the direct employment costs or reimbursed expenses of the College Fellows on the basis that these payments relate to their involvement in the College's charitable activities. Details of the remuneration of the Fellows and their reimbursed expenses are included as a separate note within these financial statements.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

9 STAFF COSTS

The aggregate payroll costs for the year were as follows.	2011 £'000	2010 £'000
Salaries and wages	5,135	5,105
Social security costs	377	358
Pension costs	787	738
	<u>6,299</u>	<u>6,201</u>

The average number of permanent employees of the College, excluding Trustees, on a full time equivalent basis was as follows:	2011	2010
Tuition and research	11	11
College residential	88	88
Public worship	2	1
Heritage	0	0
Fundraising	5	4
Support	12	12
Total	<u>118</u>	<u>116</u>

The average number of employed College Trustees during the year was as follows:

University Lecturers	22	23
CUF Lecturers	11	11
Other teaching and research	18	18
Other	6	6
Total	<u>57</u>	<u>58</u>

The College also benefits from temporary staff, agency workers and those part-time external tutors who are not on the College payroll.

The following information relates to the employees of the College excluding the College Trustees. Details of the remuneration and reimbursed expenses of the College Trustees is included as a separate note in these financial statements.

The number of employees (excluding the College Trustees) during the year whose gross pay and benefits (excluding employer NI and pension contributions) fell within the following bands was:

£60,001-£70,000	<u>2</u>	<u>1</u>
-----------------	----------	----------

The number of the above employees with retirement benefits accruing was as follows:

In defined benefits schemes	<u>2</u>	<u>1</u>
-----------------------------	----------	----------

The College contributions to defined contribution pension schemes totalled	<u>£0</u>	<u>£0</u>
--	-----------	-----------

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

10 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
At start of year	14,813	2,671	17,484
Additions	52	94	146
Disposals	0	(37)	(37)
At end of year	14,865	2,728	17,593
Depreciation			
At start of year	3,789	940	4,729
Charge for the year	296	87	383
On disposals	0	(37)	(37)
At end of year	4,085	990	5,075
Net book value			
At end of year	10,780	1,738	12,518
At start of year	11,024	1,731	12,755
College	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
At start of year	14,813	3,293	18,106
Additions	52	94	146
Disposals	0	(37)	(37)
At end of year	14,865	3,350	18,215
Depreciation			
At start of year	3,789	932	4,721
Charge for the year	296	87	383
On disposals	0	(37)	(37)
At end of year	4,085	982	5,067
Net book value			
At end of year	10,780	2,368	13,148
At start of year	11,024	2,361	13,385

The College has substantial long-held historic assets all of which are used in the course of the College's charitable activities. These comprise listed buildings on the College site, together with their contents comprising works of art, ancient books and manuscripts and other treasured artefacts. Because of their age and, in many cases, unique nature, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Trustees the depreciated historical cost of these assets is now immaterial.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

11 PROPERTY INVESTMENTS

Group and College	Agricultural	Commercial	Other	2011	2010
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	8,720	6,830	3,214	18,764	18,271
Additions and improvements at cost	0	0	0	0	0
Disposals net proceeds	0	0	0	0	0
Revaluation gains/(losses) in the year	2,736	606	190	3,532	493
Valuation at end of year	11,456	7,436	3,404	22,296	18,764

A formal valuation of the agricultural, commercial and other properties was prepared by the College's Estate Managers, Savills, at 31 July 2011.

12 JOINT VENTURE

The Oxford Science Park Joint Venture is a 50:50 joint venture between Magdalen Development Company Limited and Prudential Development Management Limited. The joint venture engages in property development and management at the Oxford Science Park.

The group share of results of the joint venture and its assets and liabilities at the year end were as follows:

	2011 £'000	2010 £'000
Turnover	2,268	2,412
Expenditure	(2,626)	(1,664)
Result for the year	<u>(358)</u>	<u>748</u>
Fixed assets	11,894	12,800
Current assets	7,745	7,855
Liabilities due within one year	<u>(2,195)</u>	<u>(2,465)</u>
	<u>17,444</u>	<u>18,190</u>
Group share of joint venture assets at 1 August 2010	18,190	17,854
Group share of distribution from joint venture	(300)	(500)
Group share of revaluation loss	(88)	88
Group share of joint venture loss for the year	<u>(358)</u>	<u>748</u>
Group share of joint venture assets at 31 July 2011	<u>17,444</u>	<u>18,190</u>

Within the joint venture, fixed assets are valued on a market basis. The last valuation was carried out on 31 December 2010 by Jones Lang LaSalle.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

13 SECURITIES AND OTHER INVESTMENTS	2011	2010	2011	2010
	Group £'000	Group £'000	College £'000	College £'000
Valuation at start of year	98,576	89,109	113,387	104,035
New money invested	1,889	2,257	4,314	2,317
Amounts withdrawn	(1,437)	(1,284)	(1,432)	(1,278)
Reinvested income	1,472	1,146	1,429	1,112
Investment management fees	(274)	(375)	(266)	(364)
(Decrease)/increase in value of investments	9,715	7,723	9,509	7,565
Valuation at end of year	109,941	98,576	126,941	113,387
Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2011 Total £'000	2010 Total £'000
Equity investments	0	70,065	70,065	65,615
Property funds	0	3,763	3,763	3,696
Alternative and other investments	15,922	4,185	20,107	16,171
Fixed term deposits and cash	0	16,006	16,006	13,094
Total group investments	15,922	94,019	109,941	98,576
College investments comprise:	Held outside the UK £'000	Held in the UK £'000	2011 Total £'000	2010 Total £'000
Equity investments	0	70,065	70,065	63,716
Property funds	0	3,763	3,763	3,696
Investment in subsidiary companies	0	17,010	17,010	17,010
Alternative and other investments	15,922	4,185	20,107	16,171
Fixed term deposits and cash	0	15,996	15,996	12,794
Total college investments	15,922	111,019	126,941	113,387

14 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

The financial statements consolidate the accounts of Magdalen College and the following connected bodies:

Magdalen Development Company Limited (MDC) - a wholly owned trading subsidiary of Magdalen College. Its principal activity is that of property development.

Magdalen College Trading Limited (MCTL) - a wholly owned trading subsidiary of Magdalen College. It carries out general trading activities, including providing conference facilities at Magdalen College, operating a visitor scheme at the College, and providing accommodation for old members of the College.

Magdalen College Educational Conferences Limited (MCECL) is a company limited by guarantee. Its principal activity is to provide conference facilities at Magdalen College.

Magdalen College Law Tutorship Company Limited (MCLTC) is a company limited by guarantee. It was established to administer endowments set up to fund a Law Fellowship at Magdalen College in order to advance learning and academic knowledge for the public benefit. On 31 July 2011, the funds of the Magdalen College Law Tutorship Company Limited were transferred to Magdalen College Law Tutorship Trust under a uniting direction for accounting and registration purposes (section 96(5) Charities Act 1993).

Magdalen College Development Trust (MCDT) - a charitable trust. The Trust was established primarily as a fundraising body to meet the needs of the College and to support the College on fundraising strategy, projects and execution.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

14 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS - CONT.

The results of the subsidiaries and associated undertakings and their assets and liabilities at the year end were as follows:

	MDC £'000	MCTL £'000	MCECL £'000	MCLTC £'000	MCDT £'000
Turnover / Incoming Resources	326	710	185	77	2,438
Expenditure	(128)	(629)	(185)	(111)	(2,438)
Donation to College under gift aid	(344)	(81)	-	-	-
Transfer of funds to College		-	-	(2,364)	-
Result for the year	<u>(146)</u>	<u>0</u>	<u>0</u>	<u>(2,398)</u>	<u>0</u>
Total assets	17,622	145	141	10	661
Total liabilities	(3,679)	(145)	(141)	(10)	(641)
Net funds at the end of year	<u>13,943</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20</u>

15 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 31 July 2003. The investment return to be applied as income is calculated as a maximum of 3.5% of appropriately averaged year-end values of the relevant investments. The preserved (frozen) value of the invested permanent endowment capital represents its open market value at 31 July 2003 together with all subsequent endowments valued at date of gift.

	Permanent Endowment £'000	Expendable Endowment £'000	Designated Funds £'000	Unrestricted Funds £'000	Total £'000
Investment total return					
Income distributions	75	2,915	43	9	3,042
Capital gains/losses	358	12,544	209	48	13,159
Investment management costs	(14)	(562)	(8)	(2)	(586)
Total return for the year	<u>419</u>	<u>14,897</u>	<u>244</u>	<u>55</u>	<u>15,615</u>
Amount applied as income for spending	<u>(18)</u>	<u>(4,526)</u>	<u>(161)</u>	<u>(57)</u>	<u>(4,762)</u>
Net increase in Unapplied Total Return in the year	401				
Unapplied Total Return at start of year	24				
Unapplied Total Return at end of year	<u>425</u>				
Preserved value of original permanent endowments	<u>3,792</u>				

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

16 DEBTORS

	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
Amounts falling due within one year:				
Trade debtors	308	366	62	117
Amounts owed by College members	133	153	133	153
Amounts owed by Group undertakings	0	0	4,587	4,369
Loans repayable within one year	6	10	6	10
Prepayments and accrued income	144	291	109	104
Other debtors	179	107	39	90
	<u>770</u>	<u>927</u>	<u>4,936</u>	<u>4,843</u>

17 CREDITORS: falling due within one year

	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
Trade creditors	173	179	173	178
Amounts owed to College members	54	67	54	67
Taxation and social security	210	199	186	199
College contribution	191	195	191	195
Accruals and deferred income	53	78	49	63
Other creditors	367	390	367	389
	<u>1,048</u>	<u>1,108</u>	<u>1,020</u>	<u>1,091</u>

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
At start of year	507	441	507	441
Charged in the Statement of Financial Activities	202	116	202	116
Settled in the year	(50)	(50)	(50)	(50)
At end of year	<u>659</u>	<u>507</u>	<u>659</u>	<u>507</u>

The above provision relates to the Magdalen College Staff Retirement Benefits Scheme (Note 23).

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

19 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2010 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2011 £'000
Endowment Funds - Permanent						
Fleet Fund	2,635	51	(10)	-	249	2,925
Kerruish Fund	507	10	(2)	(10)	48	553
Consolidated prizes/scholarships funds	309	6	(1)	(6)	29	337
Consolidated other sundry funds	365	8	(1)	(2)	32	402
Endowment Funds - Expendable						
General endowment fund	109,059	2,530	(490)	(4,008)	10,303	117,394
Calleva Fund	3,015	58	(11)	(44)	285	3,303
Perkin research studentship Fund	261	5	(1)	(6)	25	284
Dr Rose's Benefaction	505	19	(2)	(18)	48	552
Giles Bequest	518	10	(2)	(18)	49	557
History fellowship Fund	782	501	(3)	(27)	73	1,326
Law fellowship Fund	233	114	(1)	-	22	368
PPE Fund	1,253	377	(4)	(44)	118	1,700
Frank Richardson Fund	434	9	(2)	(15)	41	467
Robin Snow Fund	312	6	(1)	(11)	29	335
Duncan Mackinnon Fund	693	13	(3)	(24)	66	745
Student Support Fund	6,657	265	(24)	(159)	629	7,368
Tavella Stewart Fund	337	7	(1)	(12)	32	363
Boat Club Fund	274	19	(1)	(10)	26	308
Paul Getty Fund	409	8	(1)	(14)	39	441
Hong Kong Scholarship	-	395	-	-	-	395
Law Tutorship Trust	2,189	44	(8)	(69)	206	2,362
Consolidated prizes/scholarship funds	1,015	20	(4)	(26)	96	1,101
Consolidated chapel / choir funds	167	3	-	(6)	16	180
Consolidated gardens funds	209	4	(1)	(7)	20	225
Consolidated tutorial / research fellowship funds	97	125	-	(3)	9	228
Consolidated other sundry funds	575	11	(2)	(5)	54	633
Total Endowment Funds - Group	132,810	4,618	(576)	(4,544)	12,544	144,852
General endowment fund held by subsidiaries	(1,187)	425	58	-	446	(258)
Law Tutorship funds transferred to College	(2,189)	2,318	8	69	(206)	0
Total Endowment Funds - College	129,434	7,361	(510)	(4,475)	12,784	144,594
Group gains and losses comprise:						
Investment gains					12,902	
Group share of joint venture's loss					(358)	
					<u>12,544</u>	

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

19 ANALYSIS OF MOVEMENTS ON FUNDS - CONT.

	At 1 August 2010 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2011 £'000
Restricted Funds						
Transfer from endowment funds for spending	-	-	(536)	536	-	-
New Library Fund	660	148	-	-	-	808
Student Support Fund	57	66	(57)	-	-	66
Hruska Scholarship	-	125	-	-	-	125
Consolidated other sundry funds	75	115	(97)	-	-	93
Total Restricted Funds - Group	792	454	(690)	536	0	1,092
Law Tutorship funds transferred to College	(1)	(5)	6	-	-	0
Total Restricted Funds - College	791	449	(684)	536	0	1,092
Unrestricted Funds						
General unrestricted funds	3,614	6,631	(9,907)	3,578	(128)	3,788
Designated funds:						
Fixed asset designated	11,024	-	-	(244)	-	10,780
College building Fund	500	-	-	500	-	1,000
History fellowship Fund	403	8	(16)	16	38	449
Law fellowship Fund	318	6	(1)	57	30	410
George Freeman JRF Fund	787	15	(3)	13	75	887
Student Support Fund	217	4	(8)	44	20	277
Consolidated chapel / choir funds	653	6	(121)	-	30	568
Consolidated other sundry funds	231	3	(12)	44	16	282
Total Unrestricted Funds - Group	17,747	6,673	(10,068)	4,008	81	18,441
General unrestricted funds held by subsidiaries	3,971	(81)	45	-	-	3,935
Total Unrestricted Funds - College	21,718	6,592	(10,023)	4,008	81	22,376
Total Group Funds						164,385
Total College Funds						168,062

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

20 FUNDS OF THE COLLEGE DETAILS

The following is a summary of the origins and purposes of each of the Funds:

Endowment Funds - Permanent:

Fleet Fund	Lifetime gifts and legacy for endowing fellowships in Modern History and Economics
Kerruish Fund	Lifetime gift for the benefit of the choir
Consolidated prizes/scholarships funds	Individual gifts to establish prizes and scholarships for students
Consolidated other sundry funds	Individual gifts, none larger than £200k, for a variety of other purposes

Endowment Funds - Expendable:

General endowment fund
 Those funds required for the long term which fundamentally underpin and sustain the operation of the College at its desired level of activity. It has not been possible to distinguish between the original Founder's capital or assets purchased with sale proceeds therefrom, and invested surpluses, and so the entire fund is maintained as an expendable endowment used to fund the general purposes of the College

Calleva Fund	Lifetime gift to establish a research centre for the study of Evolution and Human Science
Perkin research studentship Fund	Legacy to establish a research studentship in Chemistry
Dr Rose's Benefaction	Lifetime gift, augmented by numerous individual gifts to benefit the choir
Giles Bequest	Legacy to fund a fellowship by examination
History fellowship Fund	Numerous individual gifts to fund two fellowships in History
Law fellowship Fund	Numerous individual gifts to fund a fellowship in Law
PPE Fund	Numerous individual gifts to fund a fellowship in PPE
Frank Richardson Fund	Lifetime gift to fund a fellowship in Economics
Robin Snow Fund	Lifetime gift to fund a fellowship in Plant Sciences
Duncan Mackinnon Fund	Legacy to provide for scholarships for junior members
Student Support Fund	Numerous individual gifts to provide bursaries for junior members
Tavelia Stewart Fund	Legacy to provide for scholarships for junior members
Boat Club Fund	Numerous individual gifts to fund rowing
Paul Getty Fund	Lifetime gift to fund conservation
Hong Kong Scholarship Fund	Individual gift to fund a graduate scholarship
Law Tutorship Trust	Individual gifts to fund a fellowship in Law and to advance the study of Law
Consolidated prizes/scholarship funds	Numerous individual gifts to establish prizes and scholarships for students
Consolidated chapel/choir funds	Individual gifts and legacies to support the chapel and choir
Consolidated gardens funds	Individual gifts and legacies to maintain the College gardens, including the Lasker Rose Garden
Consolidated tutorial/research fellowship funds	Individual gifts and legacies to fund fellowships
Consolidated other sundry funds	Individual gifts, none larger than £200k, for a variety of other purposes

Restricted Funds:

New Library Fund	Donations for the improvement of Library facilities in College
Student Support Fund	Numerous individual gifts to provide bursaries for junior members
Hruska Scholarship	Individual gift to fund scholarships in science
Consolidated other sundry funds	Individual gifts for a variety of other purposes

Unrestricted Funds

General unrestricted fund
 These funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College

Designated Funds

Fixed asset designated	Unrestricted funds which are represented by the net book value of freehold land and buildings of the College and therefore not available for expenditure on the College's general purposes
College Building Fund	Unrestricted funds allocated by the Fellows for future costs of College buildings
Chapel and choir funds	funds allocated by the Fellows for future costs of the choir
History fellowship Fund	Unrestricted funds allocated by the Fellows to the History Fellowship fund
Law fellowship Fund	Unrestricted funds allocated by the Fellows to the Law Fellowship fund
George Freeman JRF Fund	Unrestricted funds allocated by the Fellows to fund a Junior Research Fellowship in Science
Student Support Fund	Unrestricted funds allocated by the Fellows to provide bursaries for junior members
Consolidated other sundry funds	Unrestricted funds allocated by the Fellows to a variety of other purposes

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	12,518	0	0	12,518
Property investments	0	0	22,296	22,296
Investment in joint venture	0	0	17,444	17,444
Securities and other investments	4,829	0	105,112	109,941
Net current assets	1,753	1,092	0	2,845
Provisions	(659)	0	0	(659)
	<u>18,441</u>	<u>1,092</u>	<u>144,852</u>	<u>164,385</u>

22 TRUSTEES' REMUNERATION

The trustees of the college comprise the governing body, many of whom are fellows engaged in teaching and research and who sit on governing body by virtue of their employment.

No trustee receives any remuneration for acting as a trustee. However, those trustees who are also employees of the college receive salaries for their work as employees. Where possible, these salaries are paid on external scales and often are joint arrangements with the University of Oxford. All taxable benefits provided to Fellows are defined and limited according to the Statutes and Bylaws of the College.

A Remuneration Committee considers matters relating to remuneration and benefits payable to Fellows and makes recommendations to the Governing Body. The membership of the Remuneration Committee is detailed in the Trustees' Annual Report.

Trustees of the college fall into the following categories:

Non Stipendiary (Professorial) Fellows

Tutorial Fellows

Fellows by Examination (Junior Research Fellows)

Full time College Officers (President, Fellow Librarian, Senior Tutor, Dean of Divinity, Investment Bursar, Finance Bursar, Home Bursar).

Additional stipends are paid to fellows, including some non-stipendiary fellows, who hold a position of part-time College Officer in addition to their academic work. There are 14 such posts including Senior and Junior Deans, Dean of Degrees, Tutor for Admissions, Tutor for Graduate Admissions and Women's Adviser. These amounts are included in the gross remuneration figures below.

Stipendiary fellows are entitled to reside in College accommodation. Those that elect not to live in College are entitled to receive a housing allowance, which is included in the gross remuneration figures below. 4 fellows live in houses owned by the College and either pay rent to the College or forgo a housing allowance. 1 fellow occupies a house that is jointly owned with the College under a joint equity scheme (note 29).

All trustees may eat at Common Table, free of charge. Staff of the College are also entitled to meals when on duty.

The total remuneration, taxable benefits and pension contributions as shown below is £2,330,940 (2009-10 £2,304,452). The total of pension contributions is £296,954 (2009-10 £291,673).

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

22 TRUSTEES' REMUNERATION - CONT.

Remuneration paid to trustees

Range	2010-2011		2009-2010	
	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £
£1-£999	4	661	6	2,164
£1,000-£1,999	3	3,273	1	1,068
£3,000-£3,999	1	3,632	1	3,603
£6,000-£6,999	1	6,963	-	-
£8,000-£8,999	1	8,695	1	8,384
£9,000-£9,999	1	9,234	-	-
£10,000-£10,999	3	31,459	2	20,701
£11,000-£11,999	-	-	1	11,359
£13,000-£13,999	1	13,718	2	26,571
£15,000-£15,999	1	15,467	-	-
£16,000-£16,999	1	16,724	-	-
£19,000-£19,999	-	-	1	19,690
£20,000-£20,999	1	20,469	-	-
£21,000-£21,999	1	21,969	4	86,069
£22,000-£22,999	10	226,308	15	334,879
£23,000-£23,999	5	117,095	2	47,416
£24,000-£24,999	2	49,041	1	24,505
£25,000-£25,999	3	75,633	-	-
£26,000-£26,999	-	-	1	26,310
£30,000-£30,999	-	-	1	30,835
£32,000-£32,999	1	32,865	1	32,684
£33,000-£33,999	1	33,427	-	-
£35,000-£35,999	1	35,308	-	-
£40,000-£40,999	-	-	1	40,896
£41,000-£41,999	2	83,834	-	-
£43,000-£43,999	-	-	1	43,105
£45,000-£45,999	1	45,866	1	45,260
£48,000-£48,999	1	48,292	1	48,967
£50,000-£50,999	1	50,677	1	50,810
£51,000-£51,999	-	-	6	308,616
£52,000-£52,999	5	260,450	1	52,093
£53,000-£53,999	-	-	1	53,488
£55,000-£55,999	2	111,513	1	55,150
£56,000-£56,999	-	-	1	56,799
£58,000-£58,999	1	58,901	-	-
£62,000-£62,999	1	62,700	1	62,066
£63,000-£63,999	-	-	1	63,546
£64,000-£64,999	1	64,365	-	-
£65,000-£65,999	1	65,794	-	-
£69,000-£69,999	1	69,269	1	69,680
£70,000-£79,000	-	-	1	70,069
£72,000-£72,999	1	72,559	1	72,491
£73,000-£73,999	-	-	1	73,584
£74,000-£74,999	1	74,087	-	-
£75,000-£75,999	2	150,605	1	75,495
£76,000-£76,999	-	-	1	76,787
£78,000-£78,999	1	78,186	-	-
£80,000-£80,999	-	-	1	80,636
£81,000-£81,999	1	81,428	-	-
£108,000-£108,999	-	-	1	108,557
£109,000-£109,999	1	109,548	-	-
£120,000-£120,999	1	120,925	1	120,119

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

22 TRUSTEES' REMUNERATION - CONT.

15 trustees have received no remuneration from the College (2009/10 - 13).

Trustee expenses

4 fellows were paid travel expenses for travel to trustee or other meetings (for example meetings in London in relation to college investments). The total cost of these expenses was £1,627 (2009/10 - 4 fellows were paid £2,354).

23 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") on behalf of its staff. 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, as required by the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

In September 2005 the government introduced legislation that an employer may not withdraw from a multi-employer scheme without funding (to a specified level) its share of any pension liability in the scheme. The funding level specified is the amount required to buy-out the liabilities with an insurance company, and is commonly known as the 'buy-out debt' or 'section 75 debt'. The buy-out debt is a more onerous funding requirement than the scheme's own cautious assumptions and the sums involved can be very substantial.

The latest actuarial valuation of the USS was carried out at 31 March 2008 and published in February 2009. This valuation showed the scheme assets to represent 103% of the scheme liabilities at that date. Based on this valuation the actuary recommended an employer contribution rate of 16% with an employee contribution rate of 6.35%. The full valuation is available on the USS website, http://www.uss.co.uk/Actuarial%20Valuation/actuarial_valuation_2008.pdf The next actuarial valuation of the USS is due to take place at 31 March 2011 and should be published early in 2012. In addition, a national review of the future of the USS is currently underway.

The latest actuarial valuation of the OSPS was carried out at 31 March 2010 and showed that this scheme had a deficit of approximately £82.4m. Following this valuation, the University and the participating Colleges agreed to maintain the Employer's contribution rate at 21.5%. This contribution should eliminate the scheme deficit by 31 March 2027.

In light of the actuarial deficit, and in order to ensure that the scheme remains sustainable in the long term, the University is working with the participating Colleges and the scheme's trustees to identify what changes need to be made to OSPS.

The pension charge for the year includes contributions payable to the USS of £308k (2010 - £305k) and contributions payable to the OSPS of £499k (2010 - £465k).

Prior to 1 October 2005, staff were able to accrue benefits for service in the Magdalen College Staff Retirement Benefits Scheme ("the SRBS"). All members of staff were offered the opportunity to join OSPS with effect from 1 October 2005 in order to secure benefits for service from that date. Staff were no longer able to accrue benefits in SRBS after 30 September 2005. The SRBS provides benefits based on length of service and final pensionable salary. The assets of the SRBS are held in separate trustee-administered funds. The scheme is periodically valued by qualified actuaries using the projected unit method.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

23 PENSION SCHEMES - CONT.

a) The amounts recognised in the balance sheet are as follows:

	2011 £'000	2010 £'000
Present value of funded obligations	(1,611)	(1,554)
Fair value of plan assets	952	1,047
Deficit	(659)	(507)

b) Changes in the present value of the defined benefit obligation are as follows:

	2011 £'000	2010 £'000
Opening defined benefit obligation	(1,554)	(1,386)
Service cost	0	0
Interest cost	(80)	(83)
Employee contributions	0	0
Actuarial loss	(161)	(92)
Benefits paid	184	7
Defined benefit obligation at end of year	(1,611)	(1,554)

c) Changes in the fair value of the scheme assets are as follows:

	2011 £'000	2010 £'000
Opening fair value of scheme assets	1,047	945
Expected return	54	57
Actuarial gain	(15)	2
Employer contributions	50	50
Employee contributions	0	0
Benefits paid	(184)	(7)
Fair value of scheme assets at the year end	952	1,047

d) The amounts included within the Statement of Financial Activities are as follows:

	2011 £'000	2010 £'000
Current service cost	0	0
Past service cost	0	0
Expected return on scheme assets	(54)	(57)
Interest on pension liabilities	80	83
Total amount charged within net incoming / (outgoing) resources	26	26
Actuarial gains and losses	176	90
Total amount charged to the Statement of Financial Activities	202	116

Magdalen College expects to contribute £64,000 to its defined benefit pension scheme in 2012.

The cumulative total of recognised actuarial gains and losses since the adoption of FRS17 is £27,000 loss.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

23 PENSION SCHEMES - CONT.

e) The major categories of scheme assets as a percentage of total Scheme assets are as follows:

	2011	2010
Phoenix Life / Scottish Mutual With-Profits Fund	100%	100%

The overall expected rate of return on the scheme assets is determined by reference to UK long dated bond yields at the balance sheet date. The expected long term rates of return applicable for each accounting period are:

	2011 £'000	2010 £'000
Phoenix Life / Scottish Mutual With-Profits Fund	5.50%	6.00%

f) Principal assumptions at the balance sheet date

	2011	2010
Discount rate	5.40%	5.50%
Price inflation	3.70%	3.40%
Rate of increase in salaries	n/a	n/a
Rate of increase of pensions in payment	3.70%	3.40%
Rate of increase of pensions in deferment	3.70%	3.40%
Proportion of employees opting for early retirement	n/a	n/a
Expected return on scheme assets	5.50%	6.00%
Assumed life expectations on retirements age 65:		
Retiring today - males	22.1	22.1
Retiring today - females	24.2	25.0
Retiring in 20 years - males	23.9	23.1
Retiring in 20 years - females	26.1	25.9

g) The amounts for the current and previous periods are as follows:

	2011 £'000	2010 £'000	2009 £'000	2008 £'000	2007 £'000
Defined benefit obligation	(1,611)	(1,554)	(1,386)	(1,251)	(2,117)
Scheme assets	952	1,047	945	856	1,443
Surplus / (deficit)	(659)	(507)	(441)	(395)	(674)
Experience adjustments on scheme liabilities	(15)	2	13	(390)	(277)
Experience adjustments on scheme assets	(62)	42	22	326	1,353

24 TAXATION

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the College's subsidiary companies because the directors of these companies have indicated that they intend to make donations each year to the College equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

25 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS

	2011 £'000	2010 £'000
Net incoming resources for the year	53	3,190
Elimination of non-operating cash flows:		
- Investment income	(3,046)	(2,606)
- Endowment donations	(1,628)	(4,068)
- Financing costs	32	32
-Group share of joint venture loss/(profit)	358	(748)
-Actuarial loss on pension scheme	(176)	(90)
Depreciation	383	381
Decrease/(Increase) in stock	10	13
Decrease/(Increase) in debtors	157	(369)
(Decrease)/Increase in creditors	(60)	227
(Decrease)/Increase in provisions	152	6
Net cash inflow/(outflow) from operations	(3,765)	(4,032)

26 ANALYSIS OF CHANGES IN NET FUNDS

	2010 £'000	Cash flow £'000	2011 £'000
Cash at bank and in hand	3,211	(619)	2,592
Deposits and other short term investments	46	0	46
	<u>3,257</u>	<u>(619)</u>	<u>2,638</u>

27 FINANCIAL COMMITMENTS

There were no annual commitments under non-cancellable operating leases at 31 July 2011.

28 CAPITAL COMMITMENTS

There were no contracted commitments at 31 July 2011 for future capital projects.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2011

29 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and of the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS8 ("Related party disclosures").

Members of the Governing Body, who are the trustees of the College and related parties as defined by FRS 8, receive remuneration and facilities as employees of the College. Details of these payments and reimbursed expenses as trustees are disclosed separately in these financial statements.

The following trustees had amounts outstanding in respect of the Oxford Colleges Healthcare Scheme, due to the College at the start and/or end of the year. The College pays the annual premium at the start of the scheme year and this is recovered on a monthly basis from trustees.

	2010-2011		2009-2010	
Range	Number of trustees/ fellows	Total amount outstanding £	Number of trustees/ fellows	Total amount outstanding £
£0-£999	17	8,968	20	10,659

The College has one property owned jointly with a trustee, Professor C. Garland, under a joint equity ownership agreement between the trustee and the College. The following amount, representing the financial contribution made by the College, is included within property investments.

	2011 £'000	2010 £'000
	150	150

Joint equity properties are subject to sale on the departure of the trustee from the College. In consideration for permitting a trustee to occupy a joint equity property, an annual occupation fee equating to 5% of the total amount of the College's financial contribution is payable by the trustee to the College.

30 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 July 2011.

31 POST BALANCE SHEET EVENTS

There were no material events occurring after the date of the balance sheet.