



# Nuffield College Oxford

Annual Report and Financial Statements  
Year ended 31 July 2011

Registered Charity Number 1137506

[www.nuffield.ox.ac.uk](http://www.nuffield.ox.ac.uk)

**Nuffield College**  
**Annual Report and Financial Statements**  
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**Nuffield College**  
**Governing Body, Officers and Advisers**  
**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.

<b>Warden</b>	<b>Elected/Resigned/Retired</b>	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
S J Nickell		•	•	•	•	•
<b>Official Fellows</b>						
N D de Graaf						
G Evans				•		•
D I D Gallie					•	
D Gambetta		•				
P Hedstrom						
I Jewitt			•			
I McLean			•			
M A Meyer		•				
D L Miller					•	
J N J Muellbauer	Retired 30 September 2011	•	•			
D Myatt	Resigned 1 August 2011	•				
L A Whitehead			•			
<b>Professorial Fellows</b>						
R C Allen		•	•			
N Bermeo						•
M Browning						
L Carpenter	Retired 30 September 2010					
R Duch			•	•		
A Heath	Retired 30 September 2010					
D F Hendry			•			
D King		•				
P Klemperer						•
K W S Roberts			•	•		
G Sasse		•		•		
N Shephard					•	
D Snidal	Appointed 1 October 2010					

**Nuffield College**  
**Governing Body, Officers and Advisers**  
**Year ended 31 July 2011**

T Snijders						•
P Young			•			
<b>Faculty Fellows</b>						
J G Darwin						
R M Fitzpatrick						
Y F Khong						
K I MacDonald	Retired 30 September 2011				•	•
C Mills						
C Monden				•		
B Neilsen						
<b>Supernumerary Fellows</b>						
G F Hughes		•	•	•		•
<b>Research Fellows</b>						
S Bond			•			
M Belot						

During the year the main activities of the Governing Body were carried out through five committees. The current membership of these committees is shown above for each Fellow.

- (1) Strategy and Resources Committee
- (2) Investment Committee
- (3) Personnel & Domestic Committee
- (4) Library Committee
- (5) Information Systems Committee

In addition two committees, chaired by external non-trustees, advise the Governing Body. These are the Audit Committee and the Fellows' remuneration Review Committee.

**Nuffield College**  
**Governing Body, Officers and Advisers**  
**Year ended 31 July 2011**

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**COLLEGE SENIOR STAFF**

The senior staff of the College to whom day to day management is delegated are as follows.

Stephen Nickell	<i>Warden</i>
Gwilym Hughes	<i>Bursar</i>
Gwendolyn Sasse	<i>Senior Tutor</i>

**COLLEGE ADVISERS**

**Investment managers**

OLIM Ltd, Pollen House, 10/12 Cork Street, London W1S 3NP  
Majedie Asset Management, 10 Old Bailey, London EC4M 7NG

**Investment property managers**

Savills Plc, 20 Grosvenor Hill, London W1K 3HQ

**Auditor**

Critchleys LLP, Greyfriars Court, Oxford OX1 1BE

**Bankers**

Royal Bank of Scotland Group Plc, 36 St Andrew Square, Edinburgh EH2 2YB  
J P Morgan, 1 Knightsbridge, London SW1X 7LX.

**Solicitors**

Darbys LLP, 52 New Inn Hall Street, Oxford OX1 2DN

**Surveyors**

Savills Plc, 20 Grosvenor Hill, London W1K 3HQ  
Adkin Agricultural, Orpwood House, School Road, Ardington, Wantage, Oxfordshire, OX12 8PQ

**College address**

New Road  
Oxford OX1 1NF

**Registered Charity Number**

1137506

**Website**

[www.nuffield.ox.ac.uk](http://www.nuffield.ox.ac.uk)

**Nuffield College**  
**Report of the Governing Body**  
**Year ended 31 July 2011**

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The Members of the Governing Body present their Annual Report for the year ended 31 July 2011 under the Charities Act 1993 and 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

The Warden and Fellows of Nuffield College in the University of Oxford, which is known as Nuffield College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded by Viscount Nuffield under a Deed of Covenant and Trust dated 16 November 1937 and was granted the Royal Charter of Queen Elizabeth the Second on 18 April 1958. The corporation comprises the Warden and Fellows.

The College registered with the Charities Commission on 16 August 2010 (registered number 1137506).

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 senior staff and advisers of the College, are given on pages 3 to 4.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

The College is governed by its Charter and Statutes dated 18 April 1958.

**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 Master of the Rolls. The Governing Body is self-appointing, by election.

New members of the Governing Body are elected on the basis of academic distinction, or their ability to serve the College in other ways.

The Governing Body determines the ongoing 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 Warden and is advised by six principal committees.

**Recruitment and training of Members of the Governing Body**

New Members of the Governing Body are recruited by election and inducted into the workings of the College, including Governing Body policy and procedures.

Members of the Governing Body are made aware of Charity Commission guidance to trustees and may attend external trustee training and information courses to keep them informed on current issues in the sector and on regulatory requirements.

**Organisational management**

The members of the Governing Body meet six times a year. The work of developing their policies and monitoring the implementation of these is carried out by six Committees:

- The Strategy and Resources Committee. Academic policies and the utilisation of College resources and functional assets.
- The Investment Committee. Supervision of the College investments and income policies.
- The Personnel and Domestic Committee. Personnel and health & safety policies. Domestic arrangements including catering and maintenance.
- The Library Committee. Supervision of the College Library.
- The Information Systems Committee. Information systems policies and maintenance. Provision of IT equipment and support.

## **Nuffield College**

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

**Year ended 31 July 2011**

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- The Audit Committee. To advise governing Body on the effectiveness of the financial and other internal control systems of the College. The Audit Committee has an external (not a trustee or employee) Chairman and two external members. Three trustees are also members.

#### **Group structure and relationships**

The College also has one wholly owned non-charitable subsidiary: Nuffield Properties Ltd, which was dormant throughout the relevant period and also the previous period.

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.

#### **Risk management**

The College engages in risk assessment. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Warden. Financial risks are assessed by the Strategy and Resources Committee and investment risks are monitored by the Investment Committee. Health and Safety and other compliance risks are monitored by Personnel and Domestic Committee. In addition, the Bursar and staff heads meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

The Governing Body, who have ultimate responsibility for managing any risks faced by the College, have given consideration to the major risks to which the College and its subsidiaries are exposed and have concluded that adequate systems are in place to manage these risks. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

### **OBJECTIVES AND ACTIVITIES**

#### **Charitable Objects and Aims**

The College's Objects are to advance post-graduate education and research.

The Governing Body is mindful of the requirement to provide public benefit and of the disclosure requirements of the Charities Act 2006. In this connection the Governing Body has monitored closely the general and supplemental guidance produced by the Charity Commission, in particular its public benefit guidance on advancement of education and on fee-charging.

The College's aims for the public benefit are:

- To elect students and present them for matriculation in the University of Oxford. Election is open to all and is subject only to academic merit;
- to supervise students who are studying for higher degrees; and
- to undertake advanced study and research.

#### **Activities and objectives of the College**

The College's principal activity, as specified in the Charter and Statutes, is to provide for students and Fellows who are studying and conducting research in the social sciences.

Significant activities in the year. The College elected 22 new research fellows. Student places were offered to 40 people. In the event 24 places were taken up, 18 by men and 6 by women. 12 current students completed either an MSc or M Phil. During the course of the year 19 students or former students completed their D Phil.

Policy on and provision of bursary support. The College only admits graduate students. It awards scholarships to cover or partially cover fees and maintenance costs. College funds provided £306,000 towards such costs.

## **Nuffield College**

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

**Year ended 31 July 2011**

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#### **Public benefit**

The College remains committed to the aim of providing public benefit in accordance with its founding principles.

The College is distinguished by being the first graduate-only foundation in the University of Oxford, by specialising in the social sciences and by being relatively small, admitting around 25 students each year. The charity exists to provide for men and women who are either students or more senior academics (called Fellows) carrying out post-graduate work and other activities that are conducive to advancing education, learning and research. In addition to the 36 permanent Fellows, who are the trustees of the College by virtue of being members of the Governing Body, the College has more Research Fellows (49) than any other college in the University.

#### **ACHIEVEMENTS AND PERFORMANCE**

Transfer of Nuffield Place to the National Trust.

Nuffield Place was the home of Lord Nuffield until his death. It was valued in 2010 at £1,750k by the college surveyor (Adkin), but this assumed vacant possession. In fact, the property has remained unchanged since 1963 when it was bequeathed to Nuffield College by its Founder, Lord Nuffield. It was the Founder's wish that the property be maintained as it was. Its distance from Oxford and the effective restriction on its use means that the College maintained the house and employed service staff with little or no academic benefit. The house has been open to the public in recent years, on a limited basis, but this activity only increased running costs.

The Governing Body of the College has taken the view that, by gifting Nuffield Place to the National Trust, it has saved the College the very significant long term burden of maintenance and other running costs, these monies can now be applied immediately to education and research. Furthermore, it has ensured the preservation of the Founder's philanthropic heritage which will be interpreted by the most prestigious heritage body in the country to a national and international audience. In view of this public benefit, an order for the disposal was granted by the Secretary of State for the Department of Environment, Food and Rural Affairs under the Universities and Colleges Estates Act 1925.

The benefits to the College are therefore immediate, financial and reputational - thus helping it provide its primary educational public benefit, which is education and research. The transfer was completed on 1 July 2011.

#### **FINANCIAL REVIEW**

The College's incoming resources of £1,054k from charitable activities are only 15% of its total income, and of this amount £173k came from fees paid by students. The College provides subsidised meals and accommodation to students. Graduate students follow courses or develop their research for most of the year so, unlike most universities and colleges, Nuffield College is not able to generate any trading income from its domestic estate. We do however have a busy calendar of academic lectures, seminars and conferences and these academic activities generate income to supplement student charges which together make an important contribution of £787k (2010: £758k) to the College's operating costs.

The College endowment is invested to provide an annual income sufficient for the needs of the College while maintaining its real value. The Investment Committee is neutral as to the generation of total return through income or capital growth. However, the College has a significant property portfolio and since the rent return on property is much greater than the equity dividend yield the College benefits from a positive cash flow. This has ensured that the College has not been a forced seller of assets in order to maintain income levels. In a period of such volatile asset prices this income stability has been very beneficial.



## **Nuffield College**

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

**Year ended 31 July 2011**

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#### **Reserves policy**

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

The College's free reserves at the year-end amounted to £3,207k (2010: £1,858k), representing retained unrestricted income reserves excluding an amount of £7,223k for the book value of fixed assets less associated funding arrangements.

Designated reserves at the year-end comprised £118k for specific research projects to be spent within ten years of the initial award of funding.

#### **Investment policy, objectives and performance**

The College's investment objectives are to balance current and future beneficiary needs by:

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable amount to support expenditure; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives the College's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. In line with this approach, the College statutes allow the College to invest permanent endowments to maximise the related total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment strategy, policy and performance is monitored by the Investment Committee. At the year end, the College's long term investments, combining the securities and property investments, totalled £152.3 million. The overall total investment return was 9.26% (2010:14%).

Under the total return accounting basis, it is the Governing Body's policy to use a long-term spending rate combined with a smoothing rule which adjusts spending gradually in accordance with changes in the endowment's market value (after costs). The amount released under this policy is currently based on an income component, determined by a weighted average of allowable prior spending adjusted for inflation (80% weight) and a market component, the amount which would have been spent using 4.3% of the current endowment value (20% weight). This smoothing results in a lag in reaching the long term rate. The sum of the income and market components is the total endowment income available for spending.

The equivalent of 4.64% of the opening value of the securities and property investments, plus costs, was extracted as income on the total return basis in the year (2010: 5.2%). The Governing Body will keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

#### **FUTURE PLANS**

The College's future plans as agreed by the Governing Body are to continue;

- to provide for students and Fellows.
- to increase support for students to help them complete their D Phil in a timely manner.

**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 2 November 2011 and signed on its behalf by:

S J Nickell  
Warden

## **Nuffield College**

### **Report of the Auditor to the Members of the Governing Body of Nuffield College**

We have audited the financial statements of Nuffield College for the year ended 31 July 2011 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the College Balance Sheet, the 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:

Auditor Name is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Nuffield College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2011**

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**1. 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.

**2. 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, including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

**3. 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.

**4. 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.

**5. 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 on a per capita basis. 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.

**6. Leases**

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the relevant lease terms.

The cost of the assets held under finance leases is included within fixed assets and depreciation is charged in accordance with the accounting policy for each class of asset concerned. The corresponding capital obligations under these leases are shown as liabilities. The finance charge element of rentals is charged to the Statement of Financial Activities and classified within finance costs as incurred.

**Nuffield College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2011**

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**7. Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £25,000 together with expenditure on equipment costing more than £5,000 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.

**8. 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
Leasehold properties	50 years or period of lease if shorter
Building improvements	25 years
Equipment	3 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.

**9. 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.

**10. 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.

**11. 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.

**12. 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.

**Nuffield College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2011**

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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 has taken its open market value as at 2003, together with the original gift value of all subsequent endowments received.

**13. 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 restricted 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 that 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.

**14. 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.

**Nuffield College**  
**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
<b>INCOMING RESOURCES</b>						
<b>Resources from charitable activities</b>	1					
Teaching and research		1,054	0	0	1,054	1,066
		<u>1,054</u>	<u>0</u>	<u>0</u>	<u>1,054</u>	<u>1,066</u>
<b>Resources from generated funds</b>						
Legacies and donations		7	18	0	25	24
Trading income	2	0	0	0	0	0
Investment income	3	50	185	5,787	6,022	6,401
Bank and other interest	4	0	3	0	3	0
		<u>57</u>	<u>206</u>	<u>5,787</u>	<u>6,050</u>	<u>6,425</u>
<b>Other incoming resources</b>		0	0	0	0	
<b>Total Incoming Resources</b>		<u>1,111</u>	<u>206</u>	<u>5,787</u>	<u>7,104</u>	<u>7,491</u>
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>	5					
Fundraising		18	0	0	18	35
Investment management costs		67	32	798	897	862
Loan interest payable		0	0	134	134	119
		<u>85</u>	<u>32</u>	<u>932</u>	<u>1,049</u>	<u>1,016</u>
<b>Charitable activities</b>	5					
Teaching and research		6,446	284	0	6,730	6,675
		<u>6,446</u>	<u>284</u>	<u>0</u>	<u>6,730</u>	<u>6,675</u>
<b>Governance costs</b>	8	16	1	0	17	15
<b>Total Resources Expended</b>		<u>6,547</u>	<u>317</u>	<u>932</u>	<u>7,796</u>	<u>7,706</u>
<b>Net incoming/(outgoing) resources before transfers</b>		(5,436)	(111)	4,855	(692)	(215)
Transfers between funds	19	6,074	29	(6,103)	0	
<b>Net incoming/(outgoing) resources before other gains and losses</b>		<u>638</u>	<u>(82)</u>	<u>(1,248)</u>	<u>(692)</u>	<u>(215)</u>
Investment gains/(losses)	11, 12	0	607	7,938	8,545	12,520
<b>Net movement in funds for the year</b>		<u>638</u>	<u>525</u>	<u>6,690</u>	<u>7,853</u>	<u>12,305</u>
Fund balances brought forward	19	9,910	5,484	132,621	148,015	135,710
<b>Funds carried forward at 31 July</b>	19	<u>10,548</u>	<u>6,009</u>	<u>139,311</u>	<u>155,868</u>	<u>148,015</u>

**Nuffield College**  
**Balance Sheet**  
**As at 31 July 2011**

		2011	2010
	Notes	£'000	£'000
<b>FIXED ASSETS</b>			
Tangible assets	10	7,223	7,923
Property investments	11	59,193	61,099
Securities and other investments	12	93,127	83,917
		<u>159,543</u>	<u>152,939</u>
<b>CURRENT ASSETS</b>			
Stocks		71	87
Debtors	15	710	1,094
Deposits and other short term investments		210	14
Cash at bank and in hand		3,473	2,005
		<u>4,464</u>	<u>3,200</u>
<b>CREDITORS: falling due within one year</b>	16	1,139	1,124
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>3,325</u>	<u>2,076</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		162,868	155,015
<b>CREDITORS: falling due after more than one year</b>	17	7,000	7,000
<b>Provisions for liabilities and charges</b>	18	0	0
<b>NET ASSETS</b>		<u>155,868</u>	<u>148,015</u>
<b>FUNDS OF THE COLLEGE</b>			
	19		
<b>Endowment funds</b>		139,311	132,621
<b>Restricted funds</b>		6,009	5,484
<b>Unrestricted funds</b>			
Designated funds		7,341	8,052
General funds		3,207	1,858
		<u>155,868</u>	<u>148,015</u>

*The financial statements were approved and authorised for issue by the Governing Body of Nuffield College*

on:

Trustee:

Trustee:



**Nuffield College**  
**Cash Flow Statement**  
**For the year ended 31 July 2011**

	Notes	2011 Group £'000	2010 Group £'000
<b>Net cash inflow/(outflow) from operations</b>	25	<u>(5,288)</u>	<u>(6,248)</u>
<b>Returns on investments and servicing of finance</b>			
Income from investments		6,011	6,395
Finance costs paid		(133)	(115)
		<u>5,878</u>	<u>6,280</u>
<b>Capital expenditure and financial investment</b>			
New endowment capital received		0	0
Payments for tangible fixed assets		(1)	(702)
Proceeds from sales of tangible fixed assets		536	96
Payments for investments		(7,297)	(9,076)
Proceeds from sales of investments		5,317	7,259
		<u>(1,445)</u>	<u>(2,423)</u>
<b>Management of liquid resources</b>			
Net (additions to) / withdrawals from term deposits		(196)	(2)
Net (purchase) / sale of current asset investments		0	0
		<u>(196)</u>	<u>(2)</u>
<b>Financing</b>			
		<u>0</u>	<u>0</u>
<b>Increase/(decrease) in cash in the year</b>		<u>(1,051)</u>	<u>(2,393)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash in the year		(1,051)	(2,393)
Transfers to/(from) term deposits and current investments		196	2
Increase/(decrease) in net funds as a result of currency exchange revaluation		(13)	379
<b>Change in net funds</b>		<u>(868)</u>	<u>(2,012)</u>
<b>Net funds at 1 August</b>		3,326	5,338
<b>Net funds at 31 July</b>	26	<u>2,458</u>	<u>3,326</u>

**Nuffield College**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

**1 INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2011 Total £'000	2010 Total £'000
<b>Teaching and research</b>					
Tuition fees - UK and EU students	83	0	0	83	96
Tuition fees - Overseas students	82	0	0	82	75
Other fees	8	0	0	8	13
Other HEFCE support	94	0	0	94	124
Other academic income	314	0	0	314	304
College residential income	473	0	0	473	454
	<u>1,054</u>	<u>0</u>	<u>0</u>	<u>1,054</u>	<u>1,066</u>

The above analysis includes £104k received from Oxford University under the CFF Scheme, net of College fees received directly (2010 - £136k)

Additionally, a grant of £30k was received from Esmée Fairbairn Foundation in July 2011.

**2 TRADING INCOME**

	2011 £'000	2010 £'000
Subsidiary company trading income	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

**3 INVESTMENT INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2011 Total £'000	2010 Total £'000
Agricultural rent	0	0	42	42	42
Commercial rent	0	0	4,565	4,565	4,849
Other property income	0	0	53	53	234
Equity dividends	0	182	1,094	1,276	1,196
Income from fixed interest stocks	0	0	0	0	0
Interest on fixed term deposits and cash	0	3	33	36	29
Other investment income	50	0	0	50	51
	<u>50</u>	<u>185</u>	<u>5,787</u>	<u>6,022</u>	<u>6,401</u>

**4 BANK AND OTHER INTEREST INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2011 Total £'000	2010 Total £'000
Bank interest	0	0	0	0	0
Other interest	0	3	0	3	0
	<u>0</u>	<u>3</u>	<u>0</u>	<u>3</u>	<u>0</u>

## 5 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	2011 Total £'000	2010 Total £'000
<b>Costs of generating funds</b>					
Fundraising	15	3	0	18	35
Trading expenditure	0	0	0	0	0
Investment management costs	41	856	0	897	862
Loan interest payable	0	134	0	134	119
<b>Total costs of generating funds</b>	<b>56</b>	<b>993</b>	<b>0</b>	<b>1,049</b>	<b>1,016</b>
<b>Charitable expenditure</b>					
Teaching and research	4,050	1,995	685	6,730	6,675
<b>Total charitable expenditure</b>	<b>4,050</b>	<b>1,995</b>	<b>685</b>	<b>6,730</b>	<b>6,675</b>
<b>Governance costs</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>17</b>	<b>15</b>
<b>Total resources expended</b>	<b>4,106</b>	<b>3,005</b>	<b>685</b>	<b>7,796</b>	<b>7,706</b>

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 the Council.

The teaching and research costs include College Contribution payable of £183k (2010 - £172k).

## 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	0	242	0	0	242	229
Human resources	0	11	0	0	11	8
IT	0	262	0	0	262	257
Depreciation	0	138	0	0	138	139
Loss/(profit) on fixed assets	0	27	0	0	27	(27)
Other finance charges	0	5	0	0	5	0
	<b>0</b>	<b>685</b>	<b>0</b>	<b>0</b>	<b>685</b>	<b>606</b>

Finance and administration and human resources costs are attributed on a per capita basis. Depreciation costs are attributed on a per capita basis. IT costs are attributed on a per capita basis.

## 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 fund as follows:				
Scholarships, prizes and grants	306	0	306	310
Grants to other institutions	4	0	4	4
	<b>310</b>	<b>0</b>	<b>310</b>	<b>314</b>

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions comprise donations to other charitable organisations.

**8 GOVERNANCE COSTS**

	2011 £'000	2010 £'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	14	15
Other governance costs	3	0
	<u>17</u>	<u>15</u>

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 the Fellows 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.

**9 STAFF COSTS**

	2011 £'000	2010 £'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	3,605	3,590
Social security costs	309	320
Pension costs	533	523
	<u>4,447</u>	<u>4,433</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	21	25
College residential	30	29
Fundraising	1	1
Support	12	12
Total	<u>64</u>	<u>67</u>

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

	2011	2010
University Lecturers	8	8
Other teaching and research	26	27
Other	2	2
Total	<u>36</u>	<u>37</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>1</u>	<u>1</u>
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The number of the above employees with retirement benefits accruing was as follows:

In defined benefits schemes	<u>1</u>	<u>1</u>
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10 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Total £'000
<b>Cost</b>					
At start of year	2,500	8,298	0	108	10,906
Additions	0	1	0	0	1
Disposals	(171)	(392)	0	0	(563)
<b>At end of year</b>	<b>2,329</b>	<b>7,907</b>	<b>0</b>	<b>108</b>	<b>10,344</b>
<b>Depreciation</b>					
At start of year	448	2,427	0	108	2,983
Charge for the year	38	100	0	0	138
On disposals	0	0	0	0	0
<b>At end of year</b>	<b>486</b>	<b>2,527</b>	<b>0</b>	<b>108</b>	<b>3,121</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>1,843</b>	<b>5,380</b>	<b>0</b>	<b>0</b>	<b>7,223</b>
At start of year	2,052	5,871	0	0	7,923

The College has substantial long-held historic assets all of which are used in the course of the College's teaching and research activities. These comprise listed buildings on the College site, together with their contents comprising works of art, ancient books 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.

## 11 PROPERTY INVESTMENTS

	Agricultural £'000	Commercial £'000	Other £'000	2011 Total £'000	2010 Total £'000
Valuation at start of year	1,750	57,599	1,750	61,099	59,171
Additions and improvements at cost	0	8	0	8	206
Disposals net proceeds	0	0	0	0	0
Gift of Nuffield Place to the National Trust*	0	0	(1,750)	(1,750)	0
Revaluation gains/(losses) in the year	200	(364)	0	(164)	1,722
<b>Valuation at end of year</b>	<b>1,950</b>	<b>57,243</b>	<b>0</b>	<b>59,193</b>	<b>61,099</b>

The College directly invests in a substantial portfolio of commercial property and one agricultural holding. All the property is held in the United Kingdom except for one asset in Berlin, Germany.

A formal valuation of the agricultural property in Liverpool was prepared by Simon Alden MRICS of Adkin as at 31 July 2011.

Formal valuations for the majority of the commercial properties were prepared as at 31 July 2011 by their respective managing agents: by Nicholas Rees MRICS of Savills for UK property and Volker Zwing of Meterhoch2! for Berlin.

The remaining commercial properties are shown at the value according to the last full five-yearly valuation of all College properties as at 31 July 2010. Nuffield Estate by Simon Alden MRICS of Adkin, 10a New Road by Martin Harris FRICS of Sidleys and Worcester Street Carpark by Nicholas Rees MRICS of Savills.

\*Nuffield Estate was valued by Simon Alden MRICS in September 2010. The estate comprises the home of the College's founder; Nuffield Place, woodland and let properties. Nuffield Place, which was valued at £1,750k, was given to the National Trust on 1 July 2011 with the intention that it be held in perpetuity as a national heritage asset. The College obtained an order from the Secretary of State for Environment Food and Rural Affairs, as stipulated by the Universities and College Estates Act 1925, and the Trustees are satisfied that the transfer is in the best interests of the College and consistent with its charitable objectives.

## 12 SECURITIES AND OTHER INVESTMENTS

	2011 £'000	2010 £'000
<b>Investments</b>		
Valuation at start of year	84,007	74,416
New money invested	6,588	8,079
Amounts withdrawn	(7,927)	(9,376)
(Decrease)/increase in value of investments	10,459	10,798
<b>Investments at end of year</b>	<b>93,127</b>	<b>83,917</b>

### Investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2011 Total £'000	2010 Total £'000
Equity investments	0	30,250	30,250	67,062
Global multi-asset funds	11,925	32,447	44,372	0
Property funds	149	374	523	0
Fixed interest stocks	3,292	0	3,292	3,097
Alternative and other investments	8,685	230	8,915	5,451
Fixed term deposits and cash	4,544	1,231	5,775	8,307
<b>Total group investments</b>	<b>28,595</b>	<b>64,532</b>	<b>93,127</b>	<b>83,917</b>

### 13 SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Nuffield Properties Limited, which has been dormant in the current and previous reporting periods.

### 14 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 weighted average of the prior year expenditure adjusted for inflation (80%) and the amount which would have been spent using 4.3% of the current endowment value (20%). The application of the above rule equates to a drawdown rate of 4.64% (2010 - 5.20%) of the opening balances of the endowment funds.

The preserved (frozen) value of the invested endowment capital represents its open market value in 2003 together with all subsequent endowments valued at date of gift.

	Permanent Endowment £'000	Expendable Endowment £'000	Total £'000
<b>Investment total return</b>			
Income distributions	4,034	1,753	5,787
Capital gains/losses	5,838	2,100	7,938
Investment management costs	(562)	(236)	(798)
Loan interest payable	(90)	(44)	(134)
Total return for the year	9,220	3,573	12,793
Amount applied as income for spending	(4,268)	(1,835)	(6,103)
Net increase in Unapplied Total Return in the year	4,952		
Unapplied Total Return at start of year	23,718		
<b>Unapplied Total Return at end of year</b>	<b>28,670</b>		
<b>Preserved value of original permanent endowments</b>	<b>69,527</b>		

### 15 DEBTORS

	2011 £'000	2010 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	626	696
Amounts owed by College members	4	314
Loans repayable within one year	6	5
Prepayments and accrued income	40	34
Other Debtors	34	45
<b>Amounts falling due after more than one year:</b>		
Loans	0	0
	<b>710</b>	<b>1,094</b>

**Nuffield College**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

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**16 CREDITORS: falling due within one year**

	<b>2011</b>	2010
	<b>£'000</b>	£'000
Trade creditors	259	227
Amounts owed to College Members	1	1
Taxation and social security	249	240
College contribution	184	186
Accruals and deferred income	332	365
Other creditors	114	105
	<u>1,139</u>	<u>1,124</u>

**17 CREDITORS: falling due after more than one year**

	<b>2011</b>	2010
	<b>£'000</b>	£'000
Bank loans	7,000	7,000
	<u>7,000</u>	<u>7,000</u>

A loan of up to £10million was arranged in 2008/09 with Royal Bank of Scotland to fund the purchase of Investment Properties. Two tranches of £3m and £4m have been drawn. The loan is repayable without penalty within 15 years (2024) and the interest rate is 1% above LIBOR.

**18 PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>2011</b>	2010
	<b>£'000</b>	£'000
At start of year	0	0
Charged in the Statement of Financial Activities	0	0
Settled in the year	0	0
<b>At end of year</b>	<u>0</u>	<u>0</u>



**19 FUNDS OF THE COLLEGE MOVEMENTS**

	At 1 August 2010 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2011 £'000
<b>Endowment Funds - Permanent</b>						
General	79,750	3,551	(567)	(3,704)	4,253	83,283
Guardian Fellowship Fund	1,243	45	(8)	(44)	146	1,382
GS Pollard Memorial Bursary	116	4	(1)	(4)	13	128
Ford Foundation Endowment	6,814	243	(43)	(317)	800	7,497
Gwilym Gibbon Bequest	3,391	119	(21)	(120)	393	3,762
Arthur Goodhart Fund	273	10	(2)	(10)	33	304
Andrew Mellon	910	35	(6)	(42)	115	1,012
PM Williams Memorial Appeal	69	3	0	(3)	8	77
Jemolo Research Fellowship	678	24	(4)	(24)	77	751
<b>Subtotal (Permanent endowment)</b>	<b>93,244</b>	<b>4,034</b>	<b>(652)</b>	<b>(4,268)</b>	<b>5,838</b>	<b>98,196</b>
<b>Endowment Funds - Expendable</b>						
General	39,377	1,753	(280)	(1,835)	2,100	41,115
<b>Total Endowment Funds</b>	<b>132,621</b>	<b>5,787</b>	<b>(932)</b>	<b>(6,103)</b>	<b>7,938</b>	<b>139,311</b>
<b>Restricted Funds</b>						
Guardian Fellowship Fund	21	0	0	2	1	24
GS Pollard Memorial Bursary	131	5	(2)	3	15	152
Ford Foundation Endowment	1,224	39	(132)	0	129	1,260
Gwilym Gibbon Bequest	3,113	109	(127)	1	355	3,451
Arthur Goodhart Fund	508	19	(7)	8	61	589
Andrew Mellon	167	6	(11)	0	19	181
PM Williams Memorial Appeal	31	1	0	2	4	38
Jemolo Research Fellowship	200	6	(4)	13	23	238
Studentship Appeal and Studentship Supp	89	21	(34)	0	0	76
<b>Total Restricted Funds</b>	<b>5,484</b>	<b>206</b>	<b>(317)</b>	<b>29</b>	<b>607</b>	<b>6,009</b>
<b>Unrestricted Funds</b>						
General	1,858	1,111	(6,536)	6,774	0	3,207
Fixed asset designated fund	7,923	0	0	(700)	0	7,223
Other designated funds	129	0	(11)	0	0	118
<b>Total Unrestricted Funds</b>	<b>9,910</b>	<b>1,111</b>	<b>(6,547)</b>	<b>6,074</b>	<b>0</b>	<b>10,548</b>
<b>Total Funds</b>	<b>148,015</b>	<b>7,104</b>	<b>(7,796)</b>	<b>0</b>	<b>8,545</b>	<b>155,868</b>

## 20 FUNDS OF THE COLLEGE DETAILS

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

### Endowment Funds - Permanent:

	<u>Sources/Origins</u>	<u>Purposes</u>
General endowment	Lord Nuffield's Benefaction Nuffield Foundation	To provide a College for post-graduate work especially in the study of social (including economic and political) problems.
Guardian Research Fellowship	The Scott Trust	Research by persons with experience in the print and broadcast media
GS Pollard Memorial Bursary	CIPFA	To provide for studentship or research funding into modern developments in public finance
Ford Foundation Endowment	The Ford Foundation	Supports Fellows of the College in the field of politics, with particular reference to European politics
Gwilym Gibbon Bequest	Sir I. Gwilym Gibbon	For the study of the problems of Government
Arthur Goodhart Fund	Professor Goodhart, (organised by the Association of American Rhodes Scholars)	Provides for travel grants to and from North America
Andrew Mellon Fund	The Andrew W. Mellon Foundation	Supports scholarly activities in conjunction with the Andrew Mellon Professorship, and the field of American Government
PM Williams Memorial Appeal	Appeal issued in 1984, administered by Nuffield College	Student support, and Library expenditure
Jemolo Research Fellowship	The Bank of Italy, the Banca Commerciale Italiana, the Banco di Santo Spirito, The Istituto S. Paolo di Torino and the Assicurazioni Generali	A visiting Fellowship by persons whose field of research is Italy.

### Endowment Funds - Expendable:

Lord Nuffield's Bequest Sir Norman Chester's Bequest P.M. Williams' Bequest	To provide additional funds to support the College for post-graduate work especially in the study of social (including economic and political) problems.
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### Restricted Funds:

The following funds represent unspent income from the respective endowment fund:

Guardian Research Fellowship  
GS Pollard Memorial Bursary  
Ford Foundation Endowment  
Gwilym Gibbon Bequest  
Arthur Goodhart Fund  
Andrew Mellon Fund  
PM Williams Memorial Appeal  
Jemolo Research Fellowship

Studentship Appeal and Studentship Support	Annual appeal organised by Nuffield College	For student financial support
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**Designated Funds**

Fixed asset designated fund                      Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes

Other designated funds                                      Unrestricted Funds allocated by the Fellows for future costs of specific research projects.

The General Unrestricted Funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College

**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	7,223	0	0	7,223
Property investments	0	0	59,193	59,193
Securities and other investments	0	6,009	87,118	93,127
Net current assets	3,325	0	(7,000)	(3,675)
	<u>10,548</u>	<u>6,009</u>	<u>139,311</u>	<u>155,868</u>

**22 TRUSTEES' REMUNERATION**

**Trustee remuneration**

The trustees of the college comprise the permanent governing body fellows who sit on governing body by virtue of their employment.

No trustee receives any remuneration for acting as a trustee. However, the trustees are also employees of the college who receive salaries for their work as employees. These salaries are paid with reference to external scales.

Proposed changes in remuneration are scrutinised by the Fellows' Remuneration Review Committee

Trustees of the college fall into the following categories:

- Official Fellow
- Professorial Fellow
- Faculty Fellow
- Research Fellow

There are also two trustees, the Warden and the Bursar, who work full time on management.

Trustees are eligible for participation in the college housing scheme. Sixteen trustees live in houses owned jointly with the college.

Some trustees receive additional allowances for additional work carried out as part time college officers. eg Senior Tutor, Dean. These amounts are included within the remuneration figures below.

## 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 £
£1,000-£1,999			1	1,544
£13,000-£13,999			1	13,813
£14,000-£14,999	1	14,299	1	14,501
£15,000-£15,999	1	15,496		
£21,000-£21,999			1	21,740
£22,000-£22,999	1	22,117		
£23,000-£23,999	4	94,937	3	71,008
£24,000-£24,999	1	24,470	4	99,001
£25,000-£25,999	4	101,237	3	76,750
£26,000-£26,999			1	26,331
£27,000-£27,999				
£29,000-£29,999	1	29,452	2	58,740
£30,000-£30,999	1	30,814		
£31,000-£31,999				
£34,000-£34,999	2	68,743	2	68,264
£38,000-£38,999	1	38,369	1	38,056
£39,000-£39,999	1	39,430		
£43,000-£43,999	1	43,918		
£44,000-£44,999	1	44,953	1	44,607
£47,000-£47,999			1	47,907
£48,000-£48,999	1	48,236		
£53,000-£53,999			1	53,693
£59,000-£59,999	1	59,912		
£89,000-£89,999	1	89,876		
£93,000-£93,999	1	93,402		
£95,000-£95,999	1	95,624	1	95,209
£96,000-£96,999			2	192,863
£97,000-£97,999	3	291,650	4	388,862
£98,000-£98,999	3	294,201	1	98,253
£99,000-£99,999			1	99,930
£100,000-£100,999	2	201,508	2	200,437
£101,000-£101,999	1	101,029		
£103,000-£103,999	1	103,454		
£104,000-£104,999			1	104,578
£115,000-£115,999			1	115,206
£117,000-£117,999	1	117,593		
£127,000-£127,999			1	127,446
	<b>36</b>	<b>2,064,720</b>	<b>37</b>	<b>2,058,739</b>

All employees are eligible for private health insurance as part of their package of remuneration.

All trustees may eat at common table, as can other employees who are entitled to meals while working.

## Trustee expenses

No trustee claimed any expenses for work as a trustee.

## Other transactions with trustees

None

## 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 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](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 £82m. The University, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by continuing the employer contribution rate at the previously agreed rate of 21.5% of total pensionable salaries (this being the rate paid by the employer since 1 August 2008). The actuary has certified that the additional contribution should eliminate the 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 £382k (2010 - £343k) and contributions payable to the OSPS of £151k (2010 - £180).

## 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.

**25 NET CASH FLOW FROM OPERATIONS**

	2011 £'000	2010 £'000
<b>Net incoming resources for the year</b>	<b>(692)</b>	<b>(215)</b>
Elimination of non-operating cash flows:		
- Investment income	(6,025)	(6,401)
- Financing costs	134	119
Investment management costs	897	791
Depreciation	138	139
(Surplus)/loss on sale of fixed assets	27	(27)
Decrease/(Increase) in stock	16	(14)
Decrease/(Increase) in debtors	398	(543)
(Decrease)/Increase in creditors	15	(95)
(Decrease)/Increase in provisions	0	0
Decrease/(Increase) in short term investments	(196)	(2)
<b>Net cash inflow/(outflow) from operations</b>	<b>(5,288)</b>	<b>(6,248)</b>

**26 ANALYSIS OF CHANGES IN NET FUNDS**

	2010 £'000	Cash flow £'000	2011 £'000
Cash at bank and in hand	2,005	1,468	3,473
Endowment asset cash	8,307	(2,532)	5,775
	<u>10,312</u>	<u>(1,064)</u>	<u>9,248</u>
Deposits and other short term investments	14	196	210
Bank loans due after one year	(7,000)	0	(7,000)
	<u>3,326</u>	<u>(868)</u>	<u>2,458</u>

**27 FINANCIAL COMMITMENTS**

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

**28 CAPITAL COMMITMENTS**

The College had contracted commitments at 31 July for future capital projects totalling £4,574k (2010 - £4,208k)

## 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 loans outstanding from the College at the start and/or end of the year.

	2011 £'000	2010 £'000
D Miller	0	310

Interest is charged on the above loans at 1.5% above base rate per annum.

The College has properties with the followings net book values owned jointly with trustees under joint equity ownership agreements between the trustee and the College.

	2011 £'000	2010 £'000
K MacDonald	173	173
D Gallie	111	111
P Klemperer and M Meyer	222	222
R Allen	155	155
B Nielsen	208	208
I Jewitt	316	316
D Gambetta	176	176
C Mills	165	164
J Darwin	289	289
J Muellbauer	361	361
M Browning	266	266
G Evans	608	608
G Sasse	0	392
D Myatt	427	427
P Young	371	371
P Hedstrom	0	171
S Bond	159	159
	<b>4,007</b>	<b>4,569</b>

Joint equity properties are subject to sale if the Trustee ceases to be a member of the College (or of an equivalent institution with Oxford University) other than by retirement.

The trustees pay compensation to the College on the College owned share of the properties, at the rate of 1% of the original college equity, indexed by RPI.

## 30 CONTINGENT LIABILITIES

There were no contingent liabilities which require disclosure.

## 31 POST BALANCE SHEET EVENTS

There are no material events occurring after the date of the balance sheet where disclosure is deemed to contribute to a proper understanding of the financial statements.