

# St Anne's College

Annual Report and Financial Statements

Year ended 31 July 2011

**St Anne's College**  
**Annual Report and Financial Statements**  
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## St Anne's 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 Governors during the year or subsequently are detailed below.

		(1)	(2)	(3)	(4)	(5)
Mr T D Gardam	Principal	•	•	•	•	
Prof. D Banister		•				
Dr. M Barnett						
Dr. N Bowles	Resigned 30 September 2011				•	
Prof G A D Briggs						
Dr. R Chard						
Dr. H C Christian				•		
Prof. A Cocks						•
Prof. R S Crisp			•			
Dr./ G B Davies						
Prof. P J Donnelly						
Dr. R Firth	Appointed 1 <sup>st</sup> October 2010					
Prof. B Flyvbjerg						•
Mrs C Foard				•		
Mr P Ghosh						
Dr. A Goodwin				•		
Dr. I Goold						
Prof. G Gottlob						
Dr. S Gronlie						
Prof. C R M Grovenor					•	
Dr. B M Hambly						
Prof. N Harnew						
Dr. D A Harris	Vice-Principal			•		
Dr. M Harry						
Dr. G Hazbun		•				
Prof. H Hotson						
Dr. P Irwin						
Mr. M L Jackson	Domestic Bursar	•	•			
Prof. P J Jeavons						
Dr. F Johnston						
Dr. A Klevan						
Dr. T Lancaster						
Dr. L Lazarus		•				
Prof. M G L Leigh		•				
Prof. T J Lyons					•	
Prof. S N MacFarlane						
Prof. N Marzari	Appointed 1 <sup>st</sup> October 2010 resigned 30 <sup>th</sup> September 2011					
Prof. P McGuinness				•		
Dr. A W Mullen	Senior Tutor	•		•		
Prof. D W Murray		•				
Dr. T J O'Shaughnessy		•	•	•	•	
Dr. D R Porcelli						
Prof. H A Priestley	Retired 30 <sup>th</sup> September 2011					
Prof D Pyle			•			
Dr. M Reynolds						
Dr. B Rosic						

## St Anne's College

### Governing Body, Officers and Advisers

Year ended 31 July 2011

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Prof. S Shuttleworth						
Mr. M Sibly			•			•
Dr. D F Smith		•		•		
Dr. M R Speight						
Prof. K Sutherland						
Dr F Szele		•				
Prof. S Talmon	Resigned 30 <sup>th</sup> September 2011					
Dr. S Waters					•	
Dr. K Watkins						
Mr. C G Wigg Treasurer		•	•		•	
Dr. P R Wilshaw						

The Governing Body has delegated certain powers as permitted by the statutes to five main committees. The current membership of these committees is shown above for each Fellow.

- (1) Council
- (2) Finance and Development Committee
- (3) Academic Committee
- (4) Investment Committee
- (5) Remuneration Committee

The statutes require the Investment Committee to have, as well as the members of Governing Body noted above, at least two members who are experienced and carrying on business in investment matters. These external members are supplemented by four other external members who are co-opted to the Committee.

The structure and membership of the Remuneration Committee has changed as a result of amendments to the Statutes approved by the Privy Council in May 2011. Members of the committee will not be Trustees or in receipt of benefits from the College.

## St Anne's 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.

The Principal	Mr T D Gardam
The Vice-Principal	Dr D F Smith from 1 <sup>st</sup> August 2010 to 30 <sup>th</sup> April 2011; Dr D A Harris from 1 <sup>st</sup> May 2011
The Treasurer	Mr. C G Wigg
The Senior Tutor	Dr. A W Mullen
The Domestic Bursar	Mr M L Jackson
The College secretary	Mrs. C Foard

#### COLLEGE ADVISERS

##### Investment managers

Newton Investment management Limited

##### Advisory Board

Although not required in the College Statutes, the Governing Body has created an Advisory Board which comprises seven external members with relevant experience, and includes alumnae of the College; The Principal, Vice-Principal, Senior Tutor, Treasurer and Domestic Bursar attend meetings as non-voting members.

The Board meets twice a year and reports to Governing Body. It has no formal responsibility for the College's governance and its remit is to offer independent advice to Governing Body on a range of issues, including financial and risk management, capital project planning, administrative effectiveness, College structures, and its key priorities.

##### Auditor

Grant Thornton UK LLP

##### Bankers

Yorkshire Bank Limited

Royal Bank of Scotland PLC

##### Solicitors

Blake Laphorn

##### College address

Woodstock Road

Oxford OX2 6HS

##### Website

[www.st-annes.ox.ac.uk](http://www.st-annes.ox.ac.uk)

## **St Anne's 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 together with the audited financial statements for the year.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

St Anne's College in the University of Oxford, which is known as St Anne's College ("the College"), is a charity incorporated by royal charter which was granted in 1952.

The College registered with the Charities Commission on 30<sup>th</sup> June 2011 (registered number 1142660).

St Anne's College traces its origin to the Association for the Education of Women in Oxford which was founded in 1878. In 1898 the name was changed to the Society for Home Students which endured until 1942 when it became St Anne's Society. Until 1921 activities were governed by a Council and the Delegacy for Women Students of the University. From 1921 the Society was governed by its own Delegacy of the University until 1952 when, with the grant of a Royal Charter, it was admitted to full college status in the University as St Anne's College. The statutes adopted in 1952 provided for a Council to control and oversee the organisation and in 1958 an amendment to the statutes replaced the Council with the Governing Body which is described in this report.

Further amendments to the statutes in 1977 allowed the appointment of men to the Governing Body and the admission of male students and the first male undergraduates arrived in 1979. St Anne's College is now one of the largest colleges for both undergraduate and post graduate students and is committed to furthering intellectual emancipation by attracting a wide range of students from different cultures and backgrounds.

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 two to four.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing documents**

The College is governed by its Charter and Statutes.

##### **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 Oxford. The Governing Body appoints the Principal, Fellows, Tutors, Lecturers, Librarian and such administrative and other Officers as the Governing Body thinks necessary from time to time. The Governing Body appoints Committees and delegates to them such powers as it thinks fit, again subject to the Statutes.

The Governing Body has such powers as are conferred on it by its Charter and shall subject thereto and to the Statutes, have the entire direction and management of the affairs of the College. The Governing Body determines 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 Principal and is advised by five main committees.

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

New Members of the Governing Body are recruited by competitive application for advertised vacancies and inducted into the workings of the College, including Governing Body policy and procedures, by meetings with College officers and reference to operating manuals.

Members of the Governing Body attend external trustee training and information courses to keep them informed on current issues in the sector and on regulatory requirements.

## St Anne's College

### Report of the Governing Body

Year ended 31 July 2011

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#### Organisational management

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

- The Council. The Principal, The Vice-Principal, The Senior Tutor, The Treasurer, and The Domestic Bursar are ex officio members of Council. There are also six elected Governing Body Fellows, engaged in full time academic employment, normally representing each of the academic divisions as defined by the University, and normally including at least one Professorial Fellow.

Council reports to Governing Body and meets ten times a year; it has the responsibilities of a General Purposes Committee to which Governing Body delegates certain responsibilities of decision making and College management, consistent with Governing Body's own responsibilities as the College's sovereign body as set out in the Statutes.

- The Finance and Development Committee: The Principal, The Treasurer, The Domestic Bursar, and The Development Director are ex officio members of the Finance and Development Committee. There are four other members of the committee, of whom at least three should be academic Fellows.

Finance and Development committee meets six times a year and is responsible for keeping the financial position of the College under review and to review the Medium Term Financial and Risk Management Strategies and to recommend any action deemed to be necessary or desirable consequent upon these.

- The Investment Committee: The Principal and The Treasurer are ex officio members of the committee and there are three further Governing Body members and five external members who are experienced in investment matters.

It meets four times a year, reports to Finance and Development Committee and it oversees the effective management of all the College's endowment funds in pursuit of the College's strategic objectives. The Principal stood down as Chairman of the committee in 2007/8 following his appointment as a non-executive director of Ofcom. He is a member of the committee but is not present for any part of the meetings which deals with the details of the College's shareholdings.

- The Academic Committee: The Principal, The Senior Tutor (acting also as The Tutor for Admissions and The Tutor for Graduates), The Librarian, and The College Secretary are ex officio members and there are five other academic members of the Governing Body.

Academic Committee reports to the Council and meets six times a year. It oversees the academic activities of the College and in particular makes recommendations to Council on all new or replacement academic appointments and on undergraduate and graduate admissions policy.

- The Remuneration Committee: Three members of Governing Body who are not also employees of the College formed a remuneration committee during the year which met once to consider remuneration of members of Governing Body. The Principal, Treasurer and HR Manager attend the meeting. The committee reports to Governing Body. The membership of the committee will be reviewed in the coming year.

The day-to-day running of the College is delegated to the College Senior Staff noted above.

#### Group structure and relationships

The College also administers many special trusts, as detailed in Notes 18 to 19 to the financial statements.

The College also has two wholly owned non-charitable subsidiaries: St Anne's College Services Company Limited, whose annual profits are donated to the College under the Gift Aid Scheme, and St Anne's College Developments Limited, which undertakes certain College building works and is currently not trading. The trading activities of St Anne's College Services primarily comprise revenue from letting of the College facilities when not in use by the College. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

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

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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 is engaged in risk assessment on an ongoing basis. 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 Principal or Vice-Principal. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Investment Committee. In addition, the Domestic Bursar and departmental representatives 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, which has ultimate responsibility for managing any risks faced by the College, has 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 Object and aims**

The College's Charitable Object as stated in the Charter is "the advancement of learning, education and research and to be a College within the University of Oxford where women and men may carry out academic study and research".

The College's aims for the public benefit are:

- To provide teaching facilities and individual or small-group tuition, as well as pastoral, administrative and academic support through its tutorial and graduate mentoring systems;
- To provide social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at St Anne's; and
- To support research work pursued by its Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and research materials; granting sabbatical leave from teaching duties on a regular basis, and encouraging Fellows to apply for grants from University and external bodies to support them in pursuing their research for longer periods. Where Fellows gain grants for research leave the College normally releases them from teaching for that period of time.

The aims set for the College's subsidiaries are to help finance the achievement of the College's aims as above.

**Activities and objectives of the College**

The College's principal activity, as described above is the advancement of learning, education and research by being a College in the University of Oxford. Each year St Anne's admits undergraduate and postgraduate students to study for degree courses. The core objectives to achieve this are:

- Students: to ensure that undergraduate and graduate students of potential academic excellence, whoever they are and wherever they come from, can study here and perform to the best of their ability.
- Research: to attract, reward and retain the best academic minds to work here, to create a world class academic research community that in turn supports the tutorial system and graduate development.
- Environment: to provide buildings and infrastructure of the quality to meet the needs of its academics and students and its supporting activities.



## St Anne's College

### Report of the Governing Body

Year ended 31 July 2011

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- Finance: to improve our financial security at the same time as maintaining our graduate and undergraduate academic experience and performance.

Specific development plans have been agreed for the separate departments within the College to ensure that the College continues to enhance its ability to provide a first-class education.

#### Significant activities in the year

In common with all Colleges of Oxford and Cambridge Universities St Anne's was exempt from regulation by the Charity Commission until June 2010 when this status was abolished by statutory instrument laid before parliament enacting part of the Charities Act 2006. In preparation for registration with the Commission the College conducted a review of its statutes. After consultation with the Commission the charitable objects have been restated in simple language and a committee structure created to deal with trustees' conflicts of interest. The amended Royal Charter and Statutes were approved by the Privy Council in May 2011 and the College was registered with the Commission on 30<sup>th</sup> June 2011.

St Anne's is committed to academic opportunity and academic excellence. It is an open, modern and integrated college, one of the largest in Oxford: a community of researchers and teachers, post graduates and undergraduates centred around one of the largest college libraries in Oxford. Students are from a wide range of backgrounds – from state, private and international schools and colleges – and their welfare is important to tutors and staff, who are known for being approachable and supportive.

Each year the College publishes an Annual Review giving details among other matters of the many events held in College, the awards, grants and distinctions received by the academic Fellows of the College and impressions of student life at College. Information is also available on the college website [www.st-annes.ox.ac.uk](http://www.st-annes.ox.ac.uk).

The uncertainty over government funding of Higher Education institutions has been a concern for several years. The Browne review in October 2010 was followed by a white paper in June 2011 setting out the government plans for university tuition fees from 2012/13. The College contributed to the responses from the University of Oxford during the process which eventually resulted in the new tuition fee regime to be introduced from October 2012.

Oxford University agreed a fee of £9,000 supported by a package of measures to assist students in financial need and to encourage access by students from under-privileged backgrounds. This was approved by the Office of Fair Access (OFFA). There are still many unresolved aspects of government funding such as support for STEM subjects and post graduates and it is not clear yet whether the new regime will reduce the shortfall in funding for the tutorial system. 2012/13 is seen as a transition year by HEFCE with the prospect of more changes to come.

Teaching and research income of the University and colleges is pooled and distributed to colleges and University departments according to a resource allocation model which reflects academic strategy. There is still one year before the new regime starts and the HEFCE settlement for 2011/12 is a reduction of 4.5% in income per UK and EU undergraduate bringing the reduction over the last three years to 12%. It will not be until March 2012 when the announcement of the settlement for 2012/13 is made that the nature and impact of the transition phase of the new regime on the University of Oxford will be clearer.

The reduction in government funding of Universities increases the importance of philanthropy in ensuring that the College can continue to support the Tutorial system which is the core of undergraduate teaching in the University of Oxford. The first full year of the new Development team, assisted by the Development Board, saw good progress in shaping fundraising priorities as well as arranging an impressive number of well received events for alumnae of the College.

The agreed priorities for fundraising are teaching, buildings and student financial support. Campaigns were launched to raise £3m to endow existing Tutorial Fellowships in Classics, Philosophy and Mathematics. At the

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**Report of the Governing Body**  
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same time fundraising continued for the replacement kitchen and dining hall refurbishment culminating in a dinner and auction on 2<sup>nd</sup> July which raised over £80k toward the £1m target.

Many alumnae and parents of students are very committed to providing student bursaries and scholarships and funds available to College are growing steadily. The new fee regime in 2012/13 will generate new emphasis in this area.

**Public benefit**

The College remains committed to the aim of providing public benefit in accordance with its founding principles. The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, learning or research.

However, beneficiaries also include: students and academic staff from other Colleges in Oxford and the University of Oxford more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The general public are also able to attend various exhibitions and open days.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- there are no geographical restrictions in the College's objects and students and academic staff of the College are drawn from across the UK and internationally;
- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

**Financial support for students.**

The College charges the following fees:

- College fees at externally regulated rates to undergraduates entitled to Student Support and to graduate students (with those undergraduate fees being paid by grant funding through arrangements approved by the Government), and a fee determined by the College annually to International undergraduates and any Home/EU undergraduates not entitled to Student Support; and
- Accommodation and meal charges at reasonable rates.

In order to assist undergraduates entitled to Student Support, the College provides through a scheme operated in common with the University and other Colleges bursary support for those of limited financial means. For the academic year 2010/11, the number of awards made was 115, out of a Home/EU undergraduate population of 388; 54 of the awards were at the maximum value of £3,225; and the average value of the awards was £2,241. The scheme is approved by the Office of Fair Access and provides benefits at a substantially higher level than the minimum OFFA requirement.

To support the costs of graduate students, the College provides financial support including a number of scholarships each year to fund fees and living costs, and access to support and travel grants to meet costs involved in research, fieldwork and presenting papers at conferences.

The College also supports all students through a support and travel grant scheme to assist with the purchase of books and equipment, attendance at conferences, and travel grants.

In addition to its other programmes the College operates several hardship funds, for which all students incurring unexpected financial hardship are eligible.

## St Anne's College

### Report of the Governing Body

Year ended 31 July 2011

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The College operates an outreach programme to raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to the college. This programme includes visits by schools to the College, open days, and admissions seminars for teachers as well as guidance and information on the College website for prospective applicants. The College also assists and participates in the access and outreach activities of the University. Its activities are supported by the generous benefaction of The Drapers Company.

#### ACHIEVEMENTS AND PERFORMANCE

Outreach and access activities continue to expand with record numbers attending open days. Offers made to candidates at the December admissions round showed an increase in favour of maintained schools and also in favour of females compared to last year. It must be noted that a candidate's school is not the key indicator it once was of financial means as there are many bursary schemes at independent schools to help children from poor backgrounds.

For many years St Anne's has funded four Junior Research Fellows (JRFs). A fifth JRF was appointed in 2010/11 thanks to a generous alumna who is building up a fund to endow the position. During the year funding was secured for a sixth JRF on an annual basis and an appointment was made in October 2011. These positions are usually held for a maximum of three years and are a valuable route for young academics at the start of their career. As dedicated researchers they are particularly valuable in the college community. The College also offers support to a number of non-stipendiary JRFs.

Replacement of the temporary kitchen has been a priority for College for at least five years and planning permission was received in May 2010. Funding was arranged for the replacement kitchen and the main contractor selected by tender in April 2011.

Financial security of the College requires a sustainable annual operating surplus (defined as net incoming resources before legacies and donations for restricted purposes) of at least £100k and a successful fundraising campaign to raise £25m over ten years. The financial results for the year and fundraising activity represent good progress but there are uncertainties ahead in the economy and government funding which present major challenges in maintaining this position.

#### FINANCIAL REVIEW

Overall income at £10,279k (2009/10: 10,367k) was hardly changed from 2009/10 while expenditure increased by 1% to £9,271k (2009/10: £9,181k). The surplus for the year before investment gains/losses is £1,008k (2009/10: £1,186k); Included in the surplus is £252k of gifts to the endowment and £630k of gifts for buildings so that, excluding these, the operating surplus from charitable and trading activities was £127k.

This is the first year that the College has reported under the Charity SORP and figures for the previous year of 2009/10 have been restated to be comparable.

Total student numbers fell slightly to 618 (2009/10: 636) made up of 419 undergraduates (2009/10: 434) and 199 post graduates (2009/10: 202). Fee income for each UK and EU student fell by 6.5% following the second year of government cuts in funding. However, the reduction in undergraduate numbers and income was offset by increases in University fees for international students, a change in the mix of post graduates towards research rather than taught programmes and a further nine students in the visiting student programme.

Academic conference income fell compared with the previous record year so that College residential income was £3,280k (2009/10: £3,377k).

Trading income from other conference services increased slightly to £866k (2009/10: £837k). Investment income continued at a consistent level to previous years. Legacies and donations at £1,636k were down on the £1,769k figure for 2009/10 due to fewer major gifts, the annual fund at £472k was an improvement on the £436k of the previous year.

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

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Expenditure increased by 1% to £9,271K (2009/10: £9,181K). Increases in staff costs were offset by reduced volumes in conference catering and a lower depreciation charge.

Construction started in July 2011 of the replacement kitchen which accounts for £542k of the additions to fixed assets of £835k. The new kitchen is a £3.3m project and with associated works of demolishing the current temporary kitchen, relocating catering offices, landscaping and VAT the overall cost will be £4.1m. At least half the cost of the project will be met by College funds and a short term loan facility of £2m has been arranged with Royal Bank of Scotland; this will be repaid by fundraising.

Two investment properties were acquired in Oxford during the year at a value of £500k. The first is a joint equity purchase with a new tutorial fellow and the second is a very generous gift from an alumna of the College.

Surplus cash, which is earmarked for the new kitchen, was held in term deposits during the year. Cash flow was satisfactory with cash at bank and deposits together of £2,535k compared with £2,474k last year.

**Investment performance.**

The investment committee pursues a total return strategy for the funds invested subject to the generation of a target level of income each year. The endowment fund produced a total return of 12.2% (2009/10: 15.7%) over the year assisted by the appreciation of capital values. Income of £1,212k generated was on target and represented a yield of 4.9% on the value of the fund on 1<sup>st</sup> August 2010.

**Development and fundraising.**

Total funds raised in the year were £1,636k (2009/10: £1,769k). Gifts to the annual fund of £472k are mentioned above; gifts to the endowment were £252k; the amount raised towards the new kitchen building was £367k which takes the total for this project to £1.1m.

**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 £2,724k (2010: £1,984k), representing retained unrestricted income reserves excluding an amount of £8,950k for the book value of fixed assets less associated funding arrangements.

Designated reserves at the year-end included £1,068k for the new kitchen building to be spent in the next twelve months and £500k for the proposed Library and Learning Centre for which a start date is as yet unknown.

**Investment policy, objectives and performance**

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

- maintaining 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 to achieve maximum capital growth subject to meeting a specific annual income target, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. Income from investments is reported by the College when it is received

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 £26,763k.

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The overall total investment return was 12.2% and investment income received by the College during the year was £1,212k and is included in the calculation of total return.

**FUTURE PLANS**

The College's future plans as agreed by the Governing Body are set out in the Medium term plan. The objectives are unchanged and the challenge is to continue the progress of recent years in the face of changing government funding and uncertain and volatile global economic prospects.

**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 26 October 2011 and signed on its behalf by:

.....  
Principal

## **St Anne's College**

### **Report of the Auditor to the Members of the Governing Body of St Anne's College**

**Year ended 31 July 2011**

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#### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ST ANNE'S COLLEGE**

We have audited the financial statements of St Anne's College for the year ended 31 July 2011 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement, the Statement of Accounting Policies and the related notes. 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 charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page twelve, the trustees are responsible for the preparation of financial statements which 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 (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and 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; 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.

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Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Oxford

## **STATEMENT OF ACCOUNTING POLICIES**

### **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 with its wholly owned subsidiaries St Anne's College Services Company Limited and St Anne's College Developments 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 as included in the consolidated income, expenditure and results of the College are disclosed in note 13.

### **2. Basis of accounting**

The financial statements have been prepared under the Charities Acts 2006 and 1993 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, less any scholarships, bursaries or other allowances granted by the College, but including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

### **4. Incoming resources from donations and legacies**

Donations and legacies are 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.

Donations and legacies received for the general purpose of the College are credited to unrestricted funds.

Donations and legacies which are subject to specific wishes of the donor are 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 or legacies 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 consolidated trading income and expenditure.

**St Anne's College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2011**

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**7. 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.

**8. Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £1k together with expenditure on equipment costing more than £1k 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
Leasehold properties	50 years or period of lease if shorter
Building improvements	10 - 20 years
Equipment	5 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.

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. Investment accounting**

Income from endowments and other restricted income is credited to the SOFA on a receivable basis.



#### **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 given 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 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.

#### **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.

**St Anne's 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
<b>INCOMING RESOURCES</b>						
<b>Resources from charitable activities</b>						
Teaching and research	1	6,309	0	0	6,309	6,422
		<u>6,309</u>	<u>0</u>	<u>0</u>	<u>6,309</u>	<u>6,422</u>
<b>Resources from generated funds</b>						
Legacies and donations		761	623	252	1,636	1,769
Trading income	2	886	0	0	886	837
Investment income	3	500	712	0	1,212	1,187
Bank and other interest	4	28	0	0	28	18
		<u>2,175</u>	<u>1,335</u>	<u>252</u>	<u>3,762</u>	<u>3,811</u>
<b>Other incoming resources</b>		208	0	0	208	134
<b>Total Incoming Resources</b>		<u>8,692</u>	<u>1,335</u>	<u>252</u>	<u>10,279</u>	<u>10,367</u>
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>						
Fundraising	5	492	0	0	492	406
Trading expenditure		612	0	0	612	579
Investment management costs		19	0	0	19	18
		<u>1,123</u>	<u>0</u>	<u>0</u>	<u>1,123</u>	<u>1,003</u>
<b>Charitable activities</b>						
Teaching and research	5	7,164	939	0	8,103	8,137
		<u>7,164</u>	<u>939</u>	<u>0</u>	<u>8,103</u>	<u>8,137</u>
<b>Governance costs</b>	8	45	0	0	45	41
<b>Total Resources Expended</b>		<u>8,332</u>	<u>939</u>	<u>0</u>	<u>9,271</u>	<u>9,181</u>
<b>Net incoming resources before transfers</b>		360	396	252	1,008	1,186
<b>Net incoming resources before other gains and losses</b>		<u>360</u>	<u>396</u>	<u>252</u>	<u>1,008</u>	<u>1,186</u>
Investment gains		1	0	1,801	1,802	2,235
<b>Net movement in funds for the year</b>		<u>361</u>	<u>396</u>	<u>2,053</u>	<u>2,810</u>	<u>3,421</u>
Fund balances brought forward	18	14,770	560	24,710	40,040	36,619
<b>Funds carried forward at 31 July</b>	18	<u>15,131</u>	<u>956</u>	<u>26,763</u>	<u>42,850</u>	<u>40,040</u>

**St Anne's College**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2011**

	Notes	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
<b>FIXED ASSETS</b>					
Tangible assets	10	21,891	21,903	22,010	22,024
Property investments	11	745	245	745	245
Securities and other investments	12	26,605	24,554	26,605	24,554
		<b>49,241</b>	<b>46,702</b>	<b>49,360</b>	<b>46,823</b>
<b>CURRENT ASSETS</b>					
Stocks		75	60	75	60
Debtors	14	1,028	859	1,197	960
Deposits and other short term investments		764	557	764	557
Cash at bank and in hand		1,785	1,974	1,699	1,931
		<b>3,652</b>	<b>3,450</b>	<b>3,735</b>	<b>3,508</b>
<b>CREDITORS: falling due within one year</b>	15	<b>1,741</b>	<b>1,522</b>	<b>1,830</b>	<b>1,586</b>
<b>NET CURRENT ASSETS</b>		<b>1,911</b>	<b>1,928</b>	<b>1,905</b>	<b>1,922</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>51,152</b>	<b>48,630</b>	<b>51,265</b>	<b>48,745</b>
<b>CREDITORS: falling due after more than one year</b>	16	<b>8,302</b>	<b>8,590</b>	<b>8,302</b>	<b>8,590</b>
Provisions for liabilities and charges	17	0	0	0	0
<b>NET ASSETS</b>		<b>42,850</b>	<b>40,040</b>	<b>42,963</b>	<b>40,155</b>
<b>FUNDS OF THE COLLEGE</b>					
Endowment funds		26,763	24,710	26,763	24,710
Restricted funds		956	560	956	560
<b>Unrestricted funds</b>					
Designated funds		3,457	3,542	3,457	3,542
General funds		11,674	11,228	11,787	11,343
		<b>42,850</b>	<b>40,040</b>	<b>42,963</b>	<b>40,155</b>

*The financial statements were approved and authorised for issue by the Governing Body of St Anne's College*

on:

Trustee:

Trustee:

**St Anne's College**  
**Consolidated Cash Flow Statement**  
**For the year ended 31 July 2011**

	Notes	2011 Group £'000	2010 Group £'000
<b>Net cash inflow from operations</b>	24	<u>483</u>	<u>949</u>
<b>Returns on investments and servicing of finance</b>			
Income from investments		1,240	1,205
Finance costs paid		(453)	(496)
Investment management fees paid		(89)	(81)
		<u>698</u>	<u>628</u>
<b>Capital expenditure and financial investment</b>			
New endowment capital received		252	244
Payments for tangible fixed assets		(835)	(424)
Payments for investments		(5,623)	(4,293)
Proceeds from sales of investments		5,700	4,180
		<u>(506)</u>	<u>(293)</u>
<b>Management of liquid resources</b>			
Net (additions to) term deposits		(250)	(500)
Net sale of current asset investments		42	0
		<u>(208)</u>	<u>(500)</u>
<b>Financing</b>			
Bank loans repaid		(224)	(172)
		<u>(224)</u>	<u>(172)</u>
<b>Increase in cash in the year</b>		<u>243</u>	<u>612</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase in cash in the year		243	612
Transfers to term deposits and current investments		208	500
Decrease in loan and lease finance		224	172
<b>Change in net funds</b>		<u>675</u>	<u>1,284</u>
<b>Net funds at 1 August</b>		<u>(3,526)</u>	<u>(4,810)</u>
<b>Net funds at 31 July</b>		<u>(2,851)</u>	<u>(3,526)</u>

St Anne's College  
Notes to the financial statements  
For the year ended 31 July 2011

1	INCOME FROM CHARITABLE ACTIVITIES	Unrestricted	Restricted	Endowed	2011	2010
		Funds	Funds	Funds	Total	Total
		£'000	£'000	£'000	£'000	£'000
	<b>Teaching and research</b>					
	Tuition fees - UK and EU students	1,710	0	0	1,710	1,880
	Tuition fees - Overseas students	595	0	0	595	481
	Other fees	314	0	0	314	220
	Other HEFCE support	65	0	0	65	68
	Other academic income	345	0	0	345	396
	College residential income	3,280	0	0	3,280	3,377
		<b>6,309</b>	<b>0</b>	<b>0</b>	<b>6,309</b>	<b>6,422</b>

The above analysis includes £1,759k received from Oxford University under the CFF Scheme, net of College fees received directly (2010 - £1,881k)

2	TRADING INCOME	2011	2010
		£'000	£'000
	Subsidiary company trading income	866	837
	Other trading income	20	0
		<b>886</b>	<b>837</b>

3	INVESTMENT INCOME	Unrestricted	Restricted	Endowed	2011	2010
		Funds	Funds	Funds	Total	Total
		£'000	£'000	£'000	£'000	£'000
	Other property income	3	8	0	11	10
	Equity dividends	233	332	0	565	684
	Income from fixed interest stocks	204	291	0	495	350
	Interest on fixed term deposits and cash	56	81	0	137	139
	Other investment income	4	0	0	4	4
		<b>500</b>	<b>712</b>	<b>0</b>	<b>1,212</b>	<b>1,187</b>

4	BANK AND OTHER INTEREST INCOME	Unrestricted	Restricted	Endowed	2011	2010
		Funds	Funds	Funds	Total	Total
		£'000	£'000	£'000	£'000	£'000
	Bank interest	28	0	0	28	18
	Other interest	0	0	0	0	0
		<b>28</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>18</b>

St Anne's College  
Notes to the financial statements  
For the year ended 31 July 2011

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	226	126	140	492	406
Trading expenditure	246	166	200	612	579
Investment management costs	5	4	10	19	18
<b>Total costs of generating funds</b>	<b>477</b>	<b>296</b>	<b>350</b>	<b>1,123</b>	<b>1,003</b>
<b>Charitable expenditure</b>					
Teaching and research	3,874	2,393	1,836	8,103	8,137
<b>Total charitable expenditure</b>	<b>3,874</b>	<b>2,393</b>	<b>1,836</b>	<b>8,103</b>	<b>8,137</b>
<b>Governance costs</b>	<b>0</b>	<b>35</b>	<b>10</b>	<b>45</b>	<b>41</b>
<b>Total resources expended</b>	<b>4,351</b>	<b>2,724</b>	<b>2,186</b>	<b>9,271</b>	<b>9,181</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 £2k (2010 - £2k).

6 SUPPORT COSTS

	Generating Funds £'000	Teaching and Research £'000	2011 Total £'000	2010 Total £'000
Financial and domestic admin	195	471	666	574
Human resources	23	48	71	63
IT	51	98	149	139
Depreciation	65	782	847	969
Loss/(profit) on fixed assets	0	0	0	0
Bank interest payable	12	431	443	492
Other finance charges	4	6	10	4
	<b>350</b>	<b>1,836</b>	<b>2,186</b>	<b>2,241</b>

Finance and administration and human resources costs are attributed according to the staff time spent on each activity.

Depreciation costs are attributed according to the use made of the underlying assets.

IT costs are attributed according to staff time spent on each activity.

Interest and other finance charges are attributed according to 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 fund as follows:				
Scholarships, prizes and grants	233	0	233	203
Bursaries and hardship awards	260	0	260	309
Grants to other institutions	0	0	0	0
	<b>493</b>	<b>0</b>	<b>493</b>	<b>512</b>

The above costs are included within the charitable expenditure on Teaching and Research. There were no grants to other institutions.

**St Anne's College**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

**8 GOVERNANCE COSTS**

	2011	2010
	£'000	£'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	24	16
Auditor's remuneration - other services	0	0
Legal and other fees on constitutional matters	0	0
Other governance costs	21	25
	<u>45</u>	<u>41</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	2010
	£'000	£'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	4,170	3,945
Social security costs	282	269
Pension costs	538	500
	<u>4,990</u>	<u>4,714</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	13	13
College residential	73	74
Fundraising	5	4
Support	19	19
Total	<u>110</u>	<u>110</u>

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

	2011	2010
University Lecturers	27	28
CUF Lecturers	9	9
Other teaching and research	1	1
Other	6	6
Total	<u>43</u>	<u>44</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.

There were no employees (excluding the College Trustees) whose gross pay and benefits (excluding employer NI and pension contributions) exceeded £60,001

The College contributions to defined contribution pension schemes totalled	<u>£0</u>	<u>0</u>
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St Anne's College  
Notes to the financial statements  
For the year ended 31 July 2011

10 TANGIBLE FIXED ASSETS

Group	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	0	28,345	0	1,246	29,591
Additions	0	764	0	71	835
Disposals	0	0	0	0	0
<b>At end of year</b>	<b>0</b>	<b>29,109</b>	<b>0</b>	<b>1,317</b>	<b>30,426</b>
<b>Depreciation</b>					
At start of year	0	6,559	0	1,129	7,688
Charge for the year	0	795	0	52	847
On disposals	0	0	0	0	0
<b>At end of year</b>	<b>0</b>	<b>7,354</b>	<b>0</b>	<b>1,181</b>	<b>8,535</b>
<b>Net book value</b>					
At end of year	0	21,755	0	136	21,891
At start of year	0	21,786	0	117	21,903
<b>College</b>					
<b>Cost</b>					
At start of year	0	28,474	0	1,251	29,725
Additions	0	764	0	71	835
Disposals	0	0	0	0	0
<b>At end of year</b>	<b>0</b>	<b>29,238</b>	<b>0</b>	<b>1,322</b>	<b>30,560</b>
<b>Depreciation</b>					
At start of year	0	6,572	0	1,129	7,701
Charge for the year	0	797	0	52	849
On disposals	0	0	0	0	0
<b>At end of year</b>	<b>0</b>	<b>7,369</b>	<b>0</b>	<b>1,181</b>	<b>8,550</b>
<b>Net book value</b>					
At end of year	0	21,869	0	141	22,010
At start of year	0	21,902	0	122	22,024

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 including works of art, ancient books and manuscripts.

In the opinion of the Trustees the depreciated historical cost of these assets is now immaterial.



St Anne's College  
Notes to the financial statements  
For the year ended 31 July 2011

11 PROPERTY INVESTMENTS

Group and College	Properties £'000	2011	2010
		Total £'000	Total £'000
Valuation at start of year	245	245	245
Additions and improvements at cost	500	500	0
Disposals net proceeds	0	0	0
Revaluation gains/(losses) in the year	0	0	0
<b>Valuation at end of year</b>	<b>745</b>	<b>745</b>	<b>245</b>

Properties are held at Market Value as at 31 July 2011. They are valued by an external valuer every five years and Governing Body will review their market value on a regular basis.

12 SECURITIES AND OTHER INVESTMENTS

	2011 £'000	2010 £'000
<b>Group investments</b>		
Valuation at start of year	24,481	22,002
New money invested	252	244
Amounts withdrawn	0	0
Reinvested income	0	0
Investment management fees	(89)	(81)
(Decrease)/increase in value of investments	1,891	2,316
<b>Securities investments at end of year</b>	<b>26,535</b>	<b>24,481</b>
Investment in associate company	70	73
<b>Group investments at end of year</b>	<b>26,605</b>	<b>24,554</b>
Investment in subsidiaries	0	0
<b>College investments at end of year</b>	<b>26,605</b>	<b>24,554</b>

Group investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2011 Total £'000	2010 Total £'000
Equity investments	5,221	8,166	13,387	12,637
Property funds	0	232	232	224
Fixed interest stocks	4,746	4,544	9,290	8,391
Loan to College & Other Investments	0	2,620	2,620	2,663
Fixed term deposits and cash	0	1,006	1,006	566
<b>Total group investments</b>	<b>9,967</b>	<b>16,568</b>	<b>26,535</b>	<b>24,481</b>

**St Anne's College**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

**13 SUBSIDIARY UNDERTAKINGS**

The College holds 100% of the issued share capital in St Anne's College Services Company Limited, a company providing conference and other event services on the College premises, and 100% of the issued share capital in St Anne's Developments Limited, a company set up to provide design and build construction services to the College (not currently active).

The results of the subsidiaries and their assets and liabilities at the year end were as follows.

	St Anne's College Services Company Ltd £'000	St Anne's Developments Ltd £'000
Turnover	867	0
Expenditure	(613)	(0)
Donation to College under gift aid	(254)	0
Result for the year	<u>0</u>	<u>(0)</u>
Total assets	305	0
Total liabilities	(299)	(1)
Net funds at the end of year	<u>6</u>	<u>(1)</u>

**14 DEBTORS**

	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
<b>Amounts falling due within one year:</b>				
Trade debtors	600	645	509	490
Amounts owed by College members	55	8	55	8
Amounts owed by Group undertakings	0	0	6	0
Loans repayable within one year	0	2	0	2
Prepayments and accrued income	367	194	621	450
Other Debtors	6	10	6	10
<b>Amounts falling due after more than one year:</b>				
Loans	0	0	0	0
	<u>1,028</u>	<u>859</u>	<u>1,197</u>	<u>960</u>

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15 CREDITORS: falling due within one year

	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
Bank overdrafts	0	0	0	0
Bank loans	237	224	237	224
Endowment Loans due within one year	50	50	50	50
Trade creditors	261	194	245	188
Amounts owed to College Members	0	0	0	0
Amounts owed to Group undertakings	0	0	129	110
Taxation and social security	127	147	103	108
College contribution	0	29	0	29
Accruals and deferred income	645	450	645	450
Other creditors	421	428	421	427
	<u>1,741</u>	<u>1,522</u>	<u>1,830</u>	<u>1,586</u>

16 CREDITORS: falling due after more than one year

	2011 Group £'000	2010 Group £'000	2011 College £'000	2010 College £'000
Bank loans	5,838	6,075	5,838	6,075
Obligations under finance leases	0	0	0	0
Other creditors	2,464	2,515	2,464	2,515
	<u>8,302</u>	<u>8,590</u>	<u>8,302</u>	<u>8,590</u>

17 PROVISIONS FOR LIABILITIES AND CHARGES

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

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18	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>						
<u>Funds over £500k</u>						
St Anne's Capital Fund	7,168	0	0	0	525	7,693
St Anne's General Fund	1,426	0	0	0	105	1,531
English Fellow	1,266	0	0	0	93	1,359
Law Fellowship (Rhodes)	668	0	0	0	49	717
Bourne - JRF	606	0	0	0	45	651
Evans-Pritchard JRF	596	0	0	0	44	640
<u>Funds £251k - £500k</u>						
5 funds	1,748	0	0	0	129	1,877
<u>Funds £51k - £250k</u>						
10 funds	1,307	25	0	0	86	1,418
<u>Funds under £50k</u>						
18 funds	170	122	0	0	11	303
<b>Endowment Funds - Expendable</b>						
<u>Funds over £500k</u>						
Plumer Graduate schols & travel	1,425	0	0	0	104	1,529
Fellowship Fund	979	0	0	0	72	1,051
Balfour Fellowship	959	0	0	0	70	1,029
Centenary Fellow	722	0	0	0	53	775
Gwyneth Matthews Teaching Fund	704	0	0	0	52	756
Duffield MH Fellow	554	0	0	0	41	595
Rolls Royce Fellow	538	0	0	0	40	578
Barnes Music Fellowship	495	0	0	0	36	531
<u>Funds £251k - £500k</u>						
3 funds	931	96	0	0	68	1,095
<u>Funds £51k - £250k</u>						
18 funds	1,991	1	0	0	145	2,137
<u>Funds under £50k</u>						
24 funds	457	8	0	0	33	498
<b>Total Endowment Funds</b>	<b>24,710</b>	<b>252</b>	<b>0</b>	<b>0</b>	<b>1,801</b>	<b>26,763</b>
<b>Restricted Funds</b>						
	At 1 August 2010 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2011 £'000
<u>Funds generating over £100k</u>						
External grants	0	127	(127)	0	0	0
<u>Funds generating £51k to £100k</u>						
4 funds	0	262	(262)	0	0	0
<u>Funds generating £11k to £50k</u>						
17 funds	14	438	(419)	0	0	33
<u>Funds generating up to £10k</u>						
57 funds	18	143	(131)	0	0	30
Restricted Designated Building Fund	528	365	0	0	0	893
<b>Total Restricted Funds</b>	<b>560</b>	<b>1,335</b>	<b>(939)</b>	<b>0</b>	<b>0</b>	<b>956</b>
<b>Unrestricted Funds</b>						
	At 1 August 2010 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2011 £'000
<u>Funds generating over £100k</u>						
St Anne's Capital Fund	0	352	(352)	0	0	0
<u>Funds generating £51k to £100k</u>						
1 fund	0	70	(70)	0	0	0
<u>Funds generating £11k to £50k</u>						
2 funds	0	39	(39)	0	0	0
<u>Funds generating up to £10k</u>						
12 funds	1	38	(39)	0	0	0
General Reserve	1,984	8,192	(7,832)	379	1	2,724
Fixed asset designated Fund	9,243	0	0	(293)	0	8,950
Designated Building Fund 1	2,866	1	0	(86)	0	2,781
Designated Building Fund 2	676	0	0	0	0	676
<b>Total Unrestricted Funds</b>	<b>14,770</b>	<b>8,692</b>	<b>(8,332)</b>	<b>0</b>	<b>1</b>	<b>15,131</b>
<b>Total Funds</b>	<b>40,040</b>	<b>10,279</b>	<b>(9,271)</b>	<b>0</b>	<b>1,802</b>	<b>42,850</b>

19 FUNDS OF THE COLLEGE DETAILS

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

**Endowment Funds - Permanent. Capital may not be spent from these funds.**

St Anne's Capital Fund	This fund was created in 1965 and consists of gifts from the University to build the capital of the College. The income can be spent on unrestricted purposes.
St Anne's General Fund	Originally administered by the University on behalf of the Society of Home Students (from which St Anne's was formed), this fund transferred to St Anne's on its foundation in 1952. The income can be spent on unrestricted purposes.
English Fellow Fund	This fund was created from an appeal in the 1990's to endow the post of a Fellowship in English and the income must be spent on this purpose.
Law Fellowship Fund	This fund was established from a joint Appeal with the University to endow a Fellowship in Law and the income must be spent on this.
Bourne JRF Fund	This fund was established from a legacy from an alumna, Kathleen Bourne. The income can be spent on research and is currently used to fund a JRF.
Evans Pritchard JRF Fund	This fund was established from a legacy to fund a research fellowship in the Social Anthropology of Africa and income is spent on a JRF in this subject.
Other Funds	An amalgamation of 33 smaller funds, all with a capital value of less than £500k. They may have restricted or unrestricted purposes of use.

**Endowment Funds - Expendable. Capital may be spent if required from these funds.**

Plumer Grad Schols & Travel Fund	Named after Eleanor Plumer, the first Principal of St Anne's College, and funded from her legacy, this fund provides scholarships and travel grants to post-graduates for whom public funds are not available.
Fellowship Fund	This fund was created in 1970 to provide income to pay for the growing Fellowship of the College.
Balfour Fellowship Fund	A legacy left to the College 'to fund a Fellowship' provided the capital for this fund. The income can be spent on any Fellowship post and is currently used to fund a Fellowship in Politics.
Centenary Fellowship Fund	This fund was established following an Appeal on the occasion of the College's Centenary in 1979 to support Fellowship costs. It currently provides income for two Fellowships.
Gwyneth Matthews Teaching Fund	Established from a legacy from a former Fellow, this fund must be spent on teaching or the promotion of graduate studies.
Duffield MH Fellowship Fund	This fund was established from a donation to support a Fellowship in Modern History. The capital can be expended.
Rolls Royce Fellowship Fund	This fund was built up during the 1980's to support a Fellowship in Engineering.
Barnes Music Fellowship Fund	Created from a legacy from a former Fellow, this fund was set up to support a Fellowship, with a non-binding wish that this would be a Fellowship in Music.
Other Funds	An amalgamation of 45 smaller funds, all with a capital value of less than £500k. These may have restricted or unrestricted purposes of use.

**Restricted Funds:**

These funds represent unspent income from permanent or expendable endowment funds and income from external bodies in the form of grants which have a restricted purpose.

Restricted Designated Building Fund This represents funds given for building works that have not yet been completed.

**Designated Funds**

Fixed asset designated Fund	These are Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Designated Building Fund 1	This represents funds given for building works that have been completed and are being depreciated according to the College's depreciation policy.
Designated Building Fund 2	This represents funds that have been designated by Governing Body to be used for future planned building works.

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.

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	21,891	0	0	21,891
Property investments	500	0	245	745
Securities and other investments	87	0	26,518	26,605
Net assets	(7,347)	956	0	(6,391)
	<u>15,131</u>	<u>956</u>	<u>26,763</u>	<u>42,850</u>

21 TRUSTEES' REMUNERATION

**Trustee remuneration**

The trustees of the college comprise the governing body, primarily fellows who are teaching and research employees of the college 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.

In addition to the Principal, Trustees of the college fall into the following categories:  
Official Fellow, Professorial Fellow

There are also 5 trustees (Senior Tutor, Librarian, Treasurer, Domestic Bursar, College Secretary) who work full time on management and administration.

Governing Body Trustees are eligible for college housing schemes. No trustees currently live in houses owned by the college. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Three trustees live in houses owned jointly with the college.

Some trustees receive additional allowances for additional work carried out as part time college officers. These are the Vice-Principal and the Dean. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,402k (2009-10 £1,342k). The total of pension contributions is £187k (2009-10 £176k).

**Remuneration paid to trustees**

Range	2011	2010
	Number of trustees/ fellows	Number of trustees/ fellows
£2,000-£2,999	0	1
£7,000-£7,999	1	1
£9,000-£9,999	1	1
£10,000-£10,999	2	2
£12,000-£12,999	1	1
£13,000-£13,999	1	1
£14,000-£14,999	1	1
£15,000-£15,999	1	1
£18,000-£18,999	3	3
£19,000-£19,999	11	11
£20,000-£20,999	3	3
£21,000-£21,999	2	2
£41,000-£41,999	2	2
£45,000-£45,999	1	1
£48,000-£48,999	4	4
£49,000-£49,999	1	1
£50,000-£50,999	1	1
£57,000-£57,999	1	1
£68,000-£68,999	1	1
£71,000-£71,999	1	1
£75,000-£75,999	3	3
£90,000-£90,999	1	1

Fourteen trustees are not employees of the college and do not receive remuneration.

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

**Trustee expenses**

No fellow claimed any expenses for work as a trustee.

**Other transactions with trustees**

None.

22 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](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.

OSPS' actuarial valuation as at 31 March 2010 identified a required long-term employer contribution rate of 18.2% of total pensionable salaries, but also a funding deficit of £84.2m. The University, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by 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.

The pension charge for the year includes contributions payable to the USS of £281k (2010 - £259k) and contributions payable to the OSPS of £257k (2010 - £214k). At 31 July 2011 £0 was accrued in respect of pension contributions (2010 - £0).

23 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.

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

	2011 £'000	2010 £'000
<b>Net incoming resources for the year</b>	<b>1,008</b>	<b>1,186</b>
Elimination of non-operating cash flows:		
- Investment income	(1,240)	(1,205)
- Endowment donations	(252)	(244)
- Financing costs	453	496
Depreciation	847	969
Gift of property	(350)	0
(Surplus)/loss on sale of fixed assets	0	0
Decrease/(increase) in stock	(15)	(32)
Decrease/(increase) in debtors	(169)	0
(Decrease)/Increase in creditors	198	(224)
(Decrease)/Increase in provisions	0	0
Write down of fixed asset investment	3	3
<b>Net cash inflow/(outflow) from operations</b>	<b>483</b>	<b>949</b>

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**25 ANALYSIS OF CHANGES IN NET FUNDS**

	2010 £'000	Cash flow £'000	2011 £'000
Cash at bank and in hand	1,974	(189)	1,785
Bank overdrafts	0	0	0
Endowment Asset cash	292	433	725
	<u>2,266</u>	<u>244</u>	<u>2,510</u>
Deposits and other short term investments	557	207	764
Bank loans due within one year	(224)	(13)	(237)
Bank loans due after one year	(6,075)	237	(5,838)
Loans from endowment due within one year	(50)	0	(50)
Finance lease obligations due after one year	0	0	0
	<u>(3,526)</u>	<u>675</u>	<u>(2,851)</u>

**26 FINANCIAL COMMITMENTS**

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

**27 CAPITAL COMMITMENTS**

The College had contracted commitments at 31 July for future capital projects totalling £3,150k (2010 - £516k).

**28 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
Professor N MacFarlane	0	2

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

	2011 £'000	2010 £'000
Dr F Szele	150	150
Dr K Watkins	95	95
Dr A Goodwin	150	0

All joint equity properties are subject to sale on the departure of the trustee from the College. The trustees forego housing allowance on the College owned share of the properties at the assessed current market rate.

**29 CONTINGENT LIABILITIES**

None.

**30 POST BALANCE SHEET EVENTS**

None.