



# Saint John Baptist College in the University of Oxford

Annual Report and Financial Statements

Year ended 31 July 2011

**Saint John Baptist College in the University of Oxford**  
**Annual Report and Financial Statements**  
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## **Report of the Governing Body**

**Year ended 31 July 2011**

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### **MEMBERS OF THE GOVERNING BODY**

The Members of the Governing Body are the College's charity trustees under charity law. The College has been given a dispensation by the Charity Commission from publishing the names of its trustees.

The Governing Body is responsible for the direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the President and is advised by a range of committees, which include the Educational Policy, Finance, Estates, Equality and Risk Management Committees.

### **COLLEGE ADVISERS**

#### **Investment managers**

Cazenove Capital Management Limited  
12 Moorgate  
London, EC2R 6DA

Edgewood Management LLC  
350 Park Avenue  
New York, NY 10022

Oxford Investment Partners Limited  
Christ Church, Oxford OX1 1DP

LGT Capital Partners Ltd.  
Schuetzenstrasse 6, P.O. Box  
8808 Pfaeffikon, Switzerland

#### **Investment property managers**

Savills (L&P) Limited  
Wytham Court  
11 West Way  
Botley  
OxfordSavills, Olim

OLIM Limited  
Pollen House  
10-12 Cork Street  
LONDON W1S 3NP

#### **Auditor**

Alliotts  
Friary Court  
13-21 High Street  
Guildford  
Surrey, GU1 3DL

# **Saint John Baptist College in the University of Oxford**

## **Report of the Governing Body**

**Year ended 31 July 2011**

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### **Bankers**

The Royal Bank of Scotland plc  
Incorporating Child & Co, Bankers  
1 Fleet Street  
London, EC4Y 1BD

### **Solicitors**

Darbys Solicitors LLP  
New Inn Hall Street  
Oxford OX1 2DN

### **College address**

St John's College  
Oxford  
OX1 3JP

### **Website**

<http://www.sjc.ox.ac.uk/>

### **Main Contact**

The "Principal Bursar" at the College address

# **Saint John Baptist College in the University of Oxford**

## **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 as amended by the Charities Act 2006 together with the audited financial statements for the year.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

Saint John Baptist College in the University of Oxford, which is known as St John's College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded by Sir Thomas White under a Royal Patent of Foundation, dated 1 May 1555.

The College registered with the Charities Commission on 10 January 2011 (registered number 1139733).

The College has been given a dispensation by the Charity Commission from publishing the names of its trustees.

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

#### **Governing documents**

The College is governed by its Letters Patents of 1555 and its Statutes which were most recently revised on 23 April 2007. These documents can be found on the College website ([http://www.sjc.ox.ac.uk/2312/College\\_Statutes2010.pdf.download](http://www.sjc.ox.ac.uk/2312/College_Statutes2010.pdf.download)).

#### **Governing Body**

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Bishop of Winchester. Nearly all members of Governing Body became members on the basis of an appointment to a substantive or titular academic post at the University of Oxford.

New members of the Governing Body are elected on the basis of an appointment process in which an expert selection committee makes a recommendation to the Governing Body. The committee always takes external advice and, in the large majority of cases, there are one or more external members of the selection committee. The formal appointment is a decision of the Governing Body acting as a whole. For the appointment of a new President, the Governing Body conducts the selection process directly itself.

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 President and is advised by various committees. The President is *ex officio* chairman of all committees.

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

New members of the Governing Body are recruited normally in response to an advertised academic position, in which the University of Oxford and the College become joint employers of the person appointed. The chief exception to joint appointment relates to certain individuals who hold Statutory Professorships at the University of Oxford in conjunction with a Professorial Fellowship at St John's College. All members of Governing Body are therefore working teachers and researchers at the University of Oxford (with the exception of President, Finance Bursar and Director of Development). The University and Colleges organize a variety of induction processes for new appointees, which cover a very wide range of the duties that they will undertake. All newly appointed Fellows are given guidance on how to access the official documentation of the College. There is an internal memorandum about College procedures and the rights and responsibilities of members of Governing Body.

# **Saint John Baptist College in the University of Oxford**

## **Report of the Governing Body**

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Members of the Governing Body are provided with advice from the President and other College Officers (for example, Senior Tutor, Principal Bursar, Estates Bursar, Finance Bursar, Senior Dean) to keep them informed on current issues in the higher education sector and on regulatory requirements. These individuals receive advice directly from professional sources or through the University and inter-collegiate bodies (the Conference of Colleges and its various Committees), which exist to promote communication on academic, governance and regulatory issues.

### **Organisational management**

The Governing Body is scheduled to meet 13 times a year. All major decisions about the running of the College require the authority of the Governing Body. Certain operational matters are delegated to appointed college officers (for example, Senior Tutor, Principal Bursar, Estates Bursar, Finance Bursar, Senior Dean), who are members of the Governing Body and accountable to it. The college bylaws can be found on the College website. ([http://www.sjc.ox.ac.uk/3299/By-laws\\_11-01-18.pdf](http://www.sjc.ox.ac.uk/3299/By-laws_11-01-18.pdf) download).

### **Group structure and relationships**

The College also has a wholly owned non-charitable subsidiary, The Lamb and Flag (Oxford) Limited, whose annual profits are donated to the College under the Gift Aid Scheme.

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 undertakes risk assessment on a continuing 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 President, including the Risk Management Committee. Financial and investment risks are assessed by the Finance Committee in conjunction with its Investment Sub-Committee. Recommendations of the committees are presented to Governing Body for their approval or rejection. Senior members of the college staff meet regularly with the Safety Officer or one of the Bursars to review health and safety issues. Training courses and other forms of career development are available 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 has 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 be "A perpetual college of learning sciences, sacred theology, philosophy and good arts", from the Latin: collegium perpetuum eruditionis scientiarum sacre theologie et philosophie ac bonarum artium.

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

## **Saint John Baptist College in the University of Oxford**

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

**Year ended 31 July 2011**

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As a charity, St John's College provides and conducts itself as a College of the University of Oxford for the benefit of the general public, in particular by carrying out teaching in the higher education sector and by supporting advanced study or research by its members and others.

The aim set for the College's non-charitable subsidiary is to provide some financial support for the achievement of the College's aims as above. The annual donation made under the Gift Aid Scheme is currently used to support Graduate Scholarships.

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

The activities and objectives of the College can be identified as:

- education of undergraduate students and postgraduate students within the University of Oxford;
- provision of student accommodation, meals and facilities;
- provision of a library and an historical archive;
- provision of a range of grants available to all students and a number of fully funded graduate scholarships (undergraduates have access to the University-wide Oxford Opportunity Bursary Scheme);
- employment of Junior Research Fellows;
- provision of staff and facilities to carry out research projects in the St. John's College Research Centre;
- provision of financial support and facilities for research undertaken by the teaching and other fellows of the college;
- support for such other educational or research activities as shall be determined by the Trustees.

Most of the College's research support is directed to individuals selected on the basis of open competition.

#### **Public benefit**

The College remains committed to the aim of providing public benefit in accordance with its founding principles, by its educational work and our contribution to the enlargement of human knowledge through its support for research. As can be seen from the financial statements, the charitable activity of the college is heavily subsidised, with charitable income covering only 26% of charitable expenditure.

People of lesser means or people in poverty are encouraged to, and are not excluded from, benefit from the educational and research activities of the College. UK and EU students currently attend St John's College and the University of Oxford on the same financial terms as they would attend any English institution of Higher Education, with Student Loan Company loans available to cover undergraduate fees and maintenance. Students from low-income households may qualify for both government grants and for the Oxford Opportunity Bursary. In the 2010/11 academic year, 94 of 395 undergraduates at St John's received the Oxford Opportunity Bursary, with 52 receiving the maximum level of support. The cost to St John's College of Oxford Opportunity Bursaries in the year was £203,373. The college also provided 24 full graduate scholarships at a cost of £474,805.

St John's College is committed to access and widening participation in higher education. The College devotes considerable time and resources to support this commitment: in 2010-11, the College spent more than £60,235 on access and outreach-related activities. This sum does not include the time individual academics spent visiting schools and spending time with people when they visited College.

Access and outreach work at St John's is directed and organised by the Tutor for Admissions and the Schools Liaison Officer, working closely with the Fellows, Tutors, Officers, Students and Alumni of the College. The

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Tutor for Admissions at St John's is always an academic Tutor and member of the Governing Body; this Tutor is elected for a term of office (typically three years) and during this time receives a stipend and some teaching support. Before academic year 2009-2010, St John's employed a part-time Schools Liaison Officer, shared on a 50:50 basis with another College. Since then, the College has employed a full-time Schools Liaison Officer. This appointment has allowed the College to develop its access and outreach strategy in both range and quantity; the additional support provided by a full-time post also allows St John's to monitor the effectiveness of its work. The College welcomes the opportunity to work with all schools and young people, regardless of social or educational background, but the focus of our access work is in the State sector in the UK.

The College offers a programme of events and activities aimed at widening participation, access and recruitment (see our website for more information: [www.sjc.ox.ac.uk/teachers](http://www.sjc.ox.ac.uk/teachers)). These include curriculum enhancement and aspiration-raising for pre-16s and post-16s, subject-specific academic study days in Oxford and in schools, and a range of events that are more specifically related to applying to Oxford. The College also holds events for teachers and produces an e- newsletter for teachers, which is available on its website and emailed to all schools and colleges in our regional contact areas (East and West Sussex, Brighton and Hove; Ealing; Harrow). This academic year saw the launch of the Student Ambassador Scheme, in which 40-50 of the current undergraduate students have been trained and supported to assist with the College's access and outreach work. They help with events in College, and visit schools up and down the country to inspire young people and encourage them to consider higher education in general, and Oxford and St John's more specifically. St John's collaborates closely with other Colleges, regularly offering tours around St John's for students attending events at other Colleges and providing lunches and accommodation. Sharing best practice, the College works closely with the various teams within the University Admissions Office, hosting joint events, attending centrally organized Higher Education fairs and participating fully in the UNIQ summer schools programme.

### **ACHIEVEMENTS AND PERFORMANCE**

In the 2010/11 academic year, the college admitted 110 new undergraduate students and 92 new postgraduate students. In total there were 395 undergraduate students, 184 postgraduate students on research courses and 33 postgraduate students on taught courses working towards degree qualifications within the College. 212 degrees were awarded.

The College opened the new Kendrew quadrangle in October 2010, providing accommodation for 70 students, 6 Junior research Fellows, a law library, an archive facility, a new cafeteria and other social and sporting facilities.

The College appointed a new Librarian, who has initiated a programme of appraisal of the current College library facilities. The Law Library was moved to its new location in the Kendrew Quadrangle.

94 undergraduate students received the Oxford Opportunity Bursary at a cost of £203K and 24 graduate students received full scholarships. A large number of students benefited from a range of academic, travel and sports grants. Details of the costs of these grants can be seen in note 7 of the Financial Statements.

The College supported the work of 16 stipendiary Junior research Fellows during the academic year 2010-11. A further three researchers were employed within the St John's College Research Centre.

### **FINANCIAL REVIEW**

Following registration with the Charity Commission, the College presents its results for the year ended 31 July 2011 in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005.

Incoming resources from charitable activities are virtually unchanged at £5.007million (2010: £5.035 million), although within this figure funds received from Oxford University under the College Funding Formula scheme, net of college fees received directly have fallen from £1.728 million to £1.663 million. The College therefore continues to rely heavily on income generated by its endowment funds. £10.907 million of investment income

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

**Year ended 31 July 2011**

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is recognised within the Statement of Financial Activities and a further £3.5 million has been transferred to unrestricted funds from endowment gains. Significant gains are reported on both the property and other investments of the college, £6.714 million and £21.854 million respectively. The college also reports donations of £1.542 million.

The College has continued its academic and research activity, at a total cost of £18.826 million. This figure includes the cost of teaching and academic facilities, of providing student accommodation and of supporting research. It includes £1.008 million of bursaries, studentships, scholarships, hardship grants and other awards made to students, in addition to facilities and resources provided directly.

Following completion of the Kendrew Quadrangle, the College's investment in new buildings was much lower than it has been in recent years. The Financial Statements show additions to fixed assets of £3.657 million (2010: £23.616 million) of which £2.818 million related to the completion of the quadrangle.

The College Contributions Scheme continues for 2011 and a creditor of £429k has been included as an estimate of the amount to be actually paid. The calculated contribution is £968k (2010 - £892k), but this figure is reduced proportionately to deliver a fixed total contribution from the donor colleges.

#### **Reserves policy**

The College's reserves policy is to maintain sufficient free reserves (i) to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall; (ii) to allow the College to be managed efficiently; (iii) to provide a buffer that would ensure uninterrupted services. In assessing the level of the College's ongoing activities and the support provided for different types of education and research, the Governing Body considers both current academic need and the financial environment in which the College operates (the health of the endowment, the gains which have been achieved on it in recent years and the return which can reasonably be expected from it over the medium term while also ensuring that the value of the capital in real terms is not diminished). The Governing Body will then manage the reserves of the College so as to support this level of charitable activity.

The Governing Body has reviewed the reserves of the College and has concluded that a general reserve of around one month's expenditure before depreciation, and excluding investment in fixed assets and the pension scheme, should be maintained for these purposes. A £3.5 million transfer has been made from endowments to the income and expenditure account to maintain these reserves. This transfer was funded out of investment gains on the unrestricted endowments.

The College's free reserves at the year-end amounted to £1.668 million (2010: £1.707 million), representing retained unrestricted income reserves, excluding amounts of £40.083 million for the book value of fixed assets less associated funding arrangements, and £1.613 million for the St John's College Staff Pension Fund.

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

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

- maintaining if possible (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. Investment income is credited to unrestricted funds in the Statement of Financial Activities unless it arises from assets in a restricted or endowment fund where the donor has placed restrictions on the use of that income, in which case it will be credited to restricted funds.

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The College's investment performance is assessed with a view to total return, hence it is expected that the College's activity will normally be funded by gains as well as by income, with transfers being made between the expendable endowment funds and the unrestricted funds as necessary to maintain the value of the investments and support the College's current activity. The Governing Body keeps the level of transfers under review, to balance the needs and interests of current and future beneficiaries of the College's activities.

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 £321.9 million, of which £128.2 million was property and £193.7 million was other investments. A more detailed breakdown of the College's investments can be seen in notes 11 and 12 to the accounts.

Gains on property investments were £6.714 million and gains on securities and other investments were £21.787 million. The overall total investment return on the main investment portfolio held by Cazenove was 13.83% over the year, with all asset classes outperforming the relevant benchmark returns. The total return on UK equities was 18.26% compared to 14.93% for the FTSE all share index; the total return on overseas equities was 17.15% compared to 13.50% for the FTSE world excluding UK index, and returns on corporate bonds and index-linked bonds were 12.77% and 15.81%, compared to benchmarks of 6.69% and 14.23% respectively. Cazenove operate a programme of socially responsible engagement with the management of companies in which they invest and the College takes account of advice from its investment and property managers about the social and ethical dimensions of its investment holdings.

### **FUTURE PLANS**

The College was established "in perpetuity" when it was founded in 1555. It will continue its support of access to higher education and its core activities of teaching undergraduate students, supporting graduate teaching and research, through a variety of scholarships and other mechanisms, increasingly in partnership with other funding sources in the University; and of supporting the advanced study and research of its Fellows, Lecturers and other senior members. The College will also continue its support for visiting scholars, at all levels of seniority, from other institutions.

### **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 it to ensure that the financial statements comply with the Charities Act 1993. It is also

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**Report of the Governing Body**

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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:

Sir Michael Scholar

President

## **Saint John Baptist College in the University of Oxford**

### **Independent Auditor's Report to the Members of the Governing Body of St John's College Oxford**

We have audited the group financial statements of St John's College Oxford for the year ended 31 July 2011 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 26.

This report is made solely to the College's Governing Body in accordance with section 43 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 group'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 and cash flows 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.

Alliotts

Statutory Auditor

Friary Court, 13-21 High Street, Guildford, Surrey. GU1 3DL

Date:

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

# Saint John Baptist College in the University of Oxford

## Statement of Accounting Policies

Year ended 31 July 2011

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### 1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Cash Flow Statement comprising the consolidation of the College and its wholly owned subsidiary The Lamb and Flag (Oxford) 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 subsidiary are included 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 Act 2006 and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005 ("the Charities SORP") and applicable accounting standards. The financial statements are drawn up on the historical cost basis of accounting as modified by the revaluation of investment properties and other investments.

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

Fees receivable, HEFCE support and charges for services and use of the premises, 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

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

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

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

### 5. Investment income

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

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

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

Investment income is credited to unrestricted funds in the Statement of Financial Activities unless it arises from assets in a restricted or endowment fund where the donor has placed restrictions on the use of that income, in which case it will be accounted credited to restricted funds.

### 6. Expenditure

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

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

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

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

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## Statement of Accounting Policies

Year ended 31 July 2011

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### 7. Leases

Rentals payable under operating leases are charged in the Statement of Financial Activities 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 £50,000 together with expenditure on equipment costing more than £50,000 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.

### 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]
Building improvements	[10 years]
Equipment	[5 years]

Freehold land is not depreciated. The costs of maintenance are charged in the Statement of Financial Activities in the period in which they are incurred.

### 10. Investments

Listed investments are valued at their mid-market values as at the balance sheet date and properties held as endowment asset investments are stated at market value. 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. Other investments are stated at the lower of cost and net realisable value.

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.

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### Statement of Accounting Policies

Year ended 31 July 2011

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#### 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 a restriction 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. The Governing Body may at its discretion determine to spend all or part of the capital.

#### 14. Pension costs

The three principal pension schemes for the College's staff are the Universities Superannuation Scheme (USS), the University of Oxford Staff Pension Scheme (OSPS) and the St John's College Staff Pension Fund (SJCSPF). USS and OSPS are multi-employer defined benefit schemes where the share of the assets and liabilities applicable to each employer cannot be identified. The costs of these schemes to the College are therefore recognised within Statement of Financial Activities as if these were defined contribution schemes in accordance with the requirements of FRS 17. The College's contributions to these schemes are charged in the period in which the salaries to which the contributions relate are payable. The SJCSPF scheme is a defined benefit scheme and contributions are charged to the income and expenditure account in accordance with FRS17 over the period during which the College benefits from the employees' services.

**Saint John Baptist College in the University of Oxford**  
**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	4,969	38	0	5,007	5,035
		<u>4,969</u>	<u>38</u>	<u>0</u>	<u>5,007</u>	<u>5,035</u>
<b>Resources from generated funds</b>						
Legacies and donations		387	25	1,130	1,542	1,360
Trading income	2	759	0	0	759	675
Investment income	3	10,679	228	0	10,907	10,622
Bank and other interest	4	10	0	0	10	0
		<u>11,835</u>	<u>253</u>	<u>1,130</u>	<u>13,218</u>	<u>12,657</u>
<b>Other incoming resources</b>						
Profits on sale of charitable fixed assets		27	0	0	27	607
<b>Total Incoming Resources</b>		<u>16,831</u>	<u>291</u>	<u>1,130</u>	<u>18,252</u>	<u>18,299</u>
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>						
Fundraising	5	301	0	0	301	316
Trading expenditure		545	0	0	545	620
Investment management costs		0	41	3,080	3,121	3,806
		<u>846</u>	<u>41</u>	<u>3,080</u>	<u>3,967</u>	<u>4,742</u>
<b>Charitable activities</b>						
Teaching and research	5	18,560	266	0	18,826	15,677
Public worship		159	42	0	201	195
		<u>18,719</u>	<u>308</u>	<u>0</u>	<u>19,027</u>	<u>15,872</u>
<b>Governance costs</b>	8	128	0	0	128	159
<b>Total Resources Expended</b>		<u>19,693</u>	<u>349</u>	<u>3,080</u>	<u>23,122</u>	<u>20,773</u>
<b>Net incoming/(outgoing) resources before transfers</b>						
		(2,862)	(58)	(1,950)	(4,870)	(2,474)
Transfers between funds	17	3,500	0	(3,500)	0	0
<b>Net incoming/(outgoing) resources before other gains and losses</b>		<u>638</u>	<u>(58)</u>	<u>(5,450)</u>	<u>(4,870)</u>	<u>(2,474)</u>
Actuarial gain on pension asset	21	1,263	0	0	1,263	110
Investment gains/(losses)		0	1	28,568	28,569	25,437
<b>Net movement in funds for the year</b>		<u>1,901</u>	<u>(57)</u>	<u>23,118</u>	<u>24,962</u>	<u>23,073</u>
Fund balances brought forward	17	41,432	1,699	311,517	354,648	331,575
<b>Funds carried forward at 31 July</b>	17	<u>43,333</u>	<u>1,642</u>	<u>334,635</u>	<u>379,610</u>	<u>354,648</u>

All activities above relate to continuing activities and are of the College alone except for trading income and expenditure as disclosed in note 13 to these financial statements



**Saint John Baptist College in the University of Oxford**  
**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	75,086	74,273	75,083	74,268
Property investments	11	128,218	114,600	128,218	114,600
Securities and other investments	12	193,765	186,135	193,865	186,235
		<b>397,069</b>	<b>375,008</b>	<b>397,166</b>	<b>375,103</b>
<b>CURRENT ASSETS</b>					
Stocks		1,408	1,417	1,392	1,404
Debtors	14	1,647	1,363	1,699	1,411
Cash at bank and in hand		15,142	15,378	14,986	15,234
		<b>18,197</b>	<b>18,158</b>	<b>18,077</b>	<b>18,049</b>
<b>CREDITORS: falling due within one year</b>	15	<b>2,269</b>	<b>3,867</b>	<b>2,216</b>	<b>3,823</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>15,928</b>	<b>14,291</b>	<b>15,861</b>	<b>14,226</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>412,997</b>	<b>389,299</b>	<b>413,027</b>	<b>389,329</b>
<b>CREDITORS: falling due after more than one year</b>	16	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>
<b>NET ASSETS excluding pension asset</b>		<b>377,997</b>	<b>354,299</b>	<b>378,027</b>	<b>354,329</b>
<i>Pension Asset</i>	21	1,613	349	1,613	349
<b>NET ASSETS</b>		<b>379,610</b>	<b>354,648</b>	<b>379,640</b>	<b>354,678</b>
<b>FUNDS OF THE COLLEGE</b>					
	17				
<b>Endowment funds</b>		<b>334,635</b>	<b>311,517</b>	<b>334,635</b>	<b>311,517</b>
<b>Restricted funds</b>		<b>1,642</b>	<b>1,699</b>	<b>1,642</b>	<b>1,699</b>
<b>Unrestricted funds</b>					
Designated funds		112	121	112	121
General funds		43,221	41,311	43,251	41,341
		<b>379,610</b>	<b>354,648</b>	<b>379,640</b>	<b>354,678</b>

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

on:

Sir Michael Scholar, President

Prof Andrew Parker, Principal Bursar

**Saint John Baptist College in the University of Oxford**  
**Consolidated 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>	23	<u>(14,061)</u>	<u>(11,918)</u>
<b>Returns on investments and servicing of finance</b>			
Income from investments		10,916	10,622
Finance costs paid		(1,912)	(1,193)
Exchange (loss)/gain on cash balance		68	(302)
		<u>9,072</u>	<u>9,127</u>
<b>Capital expenditure and financial investment</b>			
New endowment capital received		1,130	1,077
Payments for tangible fixed assets		(3,657)	(23,616)
Proceeds from sales of tangible fixed assets		27	607
Payments for investments		(28,222)	(56,972)
Proceeds from sales of investments		35,475	50,947
		<u>4,753</u>	<u>(27,957)</u>
<b>Financing</b>			
Cash inflow from long term finance		0	35,000
		<u>0</u>	<u>35,000</u>
<b>Increase/(decrease) in cash in the year</b>		<u>(236)</u>	<u>4,252</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash in the year		(236)	4,252
<b>Change in net funds</b>		<u>(236)</u>	<u>4,252</u>
<b>Net funds at 1 August</b>		15,378	11,125
<b>Net funds at 31 July</b>		<u>15,142</u>	<u>15,377</u>

**Saint John Baptist College in the University of Oxford**  
**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	<b>2011 Total £'000</b>	2010 Total £'000
<b>Teaching and research</b>					
Tuition fees - UK and EU students	1,271	0	0	<b>1,271</b>	1,617
Tuition fees - Overseas students	474	0	0	<b>474</b>	487
Other HEFCE support	420	0	0	<b>420</b>	430
Other academic income	276	38	0	<b>314</b>	83
College residential income	2,528	0	0	<b>2,528</b>	2,418
	<u>4,969</u>	<u>38</u>	<u>0</u>	<u><b>5,007</b></u>	<u>5,035</u>

The above analysis includes £1.663m received from Oxford University under the CFF Scheme, net of College fees received directly (2010 - £1.728m)

**2 TRADING INCOME**

	<b>2011 £'000</b>	2010 £'000
Subsidiary company trading income	<b>497</b>	483
Other trading income	<b>262</b>	192
	<u><b>759</b></u>	<u>675</u>

**3 INVESTMENT INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	<b>2011 Total £'000</b>	2010 Total £'000
Rent	6,685	0	0	<b>6,685</b>	6,388
Other property income	83	0	0	<b>83</b>	78
Income from listed investments	3,911	228	0	<b>4,139</b>	4,156
	<u>10,679</u>	<u>228</u>	<u>0</u>	<u><b>10,907</b></u>	<u>10,622</u>

**4 BANK AND OTHER INTEREST INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	<b>2011 Total £'000</b>	2010 Total £'000
Bank interest	10	0	0	<b>10</b>	0
	<u>10</u>	<u>0</u>	<u>0</u>	<u><b>10</b></u>	<u>0</u>

**Saint John Baptist College in the University of Oxford**  
**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	187	90	24	301	316
Trading expenditure	175	356	14	545	620
Investment management costs	330	2,763	28	3,121	3,806
<b>Total costs of generating funds</b>	<b>692</b>	<b>3,209</b>	<b>66</b>	<b>3,967</b>	<b>4,742</b>
<b>Charitable expenditure</b>					
Teaching and research	6,764	6,767	5,295	18,826	15,677
Public worship	103	53	45	201	195
<b>Total charitable expenditure</b>	<b>6,867</b>	<b>6,820</b>	<b>5,340</b>	<b>19,027</b>	<b>15,872</b>
<b>Governance costs</b>	<b>63</b>	<b>56</b>	<b>9</b>	<b>128</b>	<b>159</b>
<b>Total resources expended</b>	<b>7,622</b>	<b>10,085</b>	<b>5,415</b>	<b>23,122</b>	<b>20,773</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 £370k (2010 - £502k).

**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, IT	22	635	2	0	659	739
Depreciation	44	2,757	43	0	2,844	1,898
Loan interest payable	0	1,839	0	0	1,839	1,193
Other support costs	0	73	0	0	73	60
	<b>66</b>	<b>5,304</b>	<b>45</b>	<b>0</b>	<b>5,415</b>	<b>3,890</b>

Finance, administration and IT costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Interest and other finance charges are attributed according to the purpose of the related financing.

**7 SCHOLARSHIPS AND GRANTS**

	Unrestricted Funds £'000	Restricted Funds £'000	2011 Total £'000	2010 Total £'000
During the year the College funded awards and bursaries to students from its restricted and unrestricted fund as follows:				
Bursaries, full studentships and scholarships and hardship awards	667	101	768	663
Other scholarships, prizes and grants	225	15	240	234
	<b>892</b>	<b>116</b>	<b>1,008</b>	<b>897</b>

**Saint John Baptist College in the University of Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

**8 GOVERNANCE COSTS**

	<b>2011</b>	2010
	<b>£'000</b>	£'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	<b>34</b>	30
Legal and other fees on constitutional matters	<b>12</b>	34
Other governance costs	<b>82</b>	95
	<b>128</b>	159

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**

	<b>2011</b>	2010
	<b>£'000</b>	£'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	<b>6,663</b>	6,504
Social security costs	<b>567</b>	574
Pension costs	<b>925</b>	761
	<b>8,155</b>	7,839

The average number of permanent employees of the College on a full time equivalent basis was as follows.

	<b>2011</b>	2010
Tuition and research	<b>91</b>	91
Other staff (full time)	<b>152</b>	153
Other staff (part time)	<b>45</b>	41
Total	<b>288</b>	285

The above figures include employed College Trustees as follows.

	<b>2011</b>	2010
Tuition and research	<b>49</b>	51
Other staff (full time)	<b>3</b>	3
Total	<b>52</b>	54

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

There were no employees (excluding the College Trustees) during the year whose gross pay and benefits (excluding employer NI and pension contributions) were above £60,000. Details of the remuneration and reimbursed expenses of the College Trustees are included as a separate note in these financial statements.

**Saint John Baptist College in the University of Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

**10 TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold land and buildings £'000</b>	<b>Building Improvements £'000</b>	<b>Buildings under Construction £'000</b>	<b>Fixtures, Fittings and Equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At start of year	31,257	13,198	42,486	203	<b>87,144</b>
Additions	103	614	2,818	122	<b>3,657</b>
Transfers	45,304	0	(45,304)	0	<b>0</b>
Disposals	0	0	0	0	<b>0</b>
<b>At end of year</b>	<b>76,664</b>	<b>13,812</b>	<b>0</b>	<b>325</b>	<b>90,801</b>
<b>Depreciation</b>					
At start of year	7,014	5,742	0	115	<b>12,871</b>
Charge for the year	1,531	1,259	0	54	<b>2,844</b>
On disposals	0	0	0	0	<b>0</b>
<b>At end of year</b>	<b>8,545</b>	<b>7,001</b>	<b>0</b>	<b>169</b>	<b>15,715</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>68,119</b>	<b>6,811</b>	<b>0</b>	<b>156</b>	<b>75,086</b>
At start of year	24,243	7,456	42,486	88	<b>74,273</b>
<b>College</b>					
<b>Cost</b>					
At start of year	31,257	13,029	42,486	129	<b>86,901</b>
Additions	103	614	2,818	122	<b>3,657</b>
Transfers	45,304	0	(45,304)	0	<b>0</b>
Disposals	0	0	0	0	<b>0</b>
<b>At end of year</b>	<b>76,664</b>	<b>13,643</b>	<b>0</b>	<b>251</b>	<b>90,558</b>
<b>Depreciation</b>					
At start of year	7,014	5,573	0	46	<b>12,633</b>
Charge for the year	1,531	1,257	0	54	<b>2,842</b>
On disposals	0	0	0	0	<b>0</b>
<b>At end of year</b>	<b>8,545</b>	<b>6,830</b>	<b>0</b>	<b>100</b>	<b>15,475</b>
<b>Net book value</b>					
<b>At end of year</b>	<b>68,119</b>	<b>6,813</b>	<b>0</b>	<b>151</b>	<b>75,083</b>
At start of year	24,243	7,456	42,486	83	<b>74,268</b>

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 manuscripts and other treasured artefacts. Because of their age and, in many cases, unique nature, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Trustees the depreciated historical cost of these assets is now immaterial.

**Saint John Baptist College in the University of Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

**11 PROPERTY INVESTMENTS**

<b>Group and College</b>	<b>Investment Property £'000</b>	<b>Other £'000</b>	<b>2011 Total £'000</b>	<b>2010 Total £'000</b>
Valuation at start of year	114,600	0	<b>114,600</b>	111,594
Additions and improvements at cost	7,521	0	<b>7,521</b>	1,891
Disposals net proceeds	(617)	0	<b>(617)</b>	(6,027)
Revaluation gains/(losses) in the year	6,714	0	<b>6,714</b>	7,142
<b>Valuation at end of year</b>	<b>128,218</b>	<b>0</b>	<b>128,218</b>	<b>114,600</b>

At 31 July 2011 the Estate land and property was valued by the College's Property Advisor Savills which is a member of the Royal Institution of Chartered Surveyors.

**12 SECURITIES AND OTHER INVESTMENTS**

	<b>2011 £'000</b>	<b>2010 £'000</b>
<b>Group investments</b>		
Valuation at start of year	<b>186,135</b>	157,378
Purchases	<b>20,701</b>	55,081
Disposals	<b>(34,858)</b>	(44,920)
(Decrease)/increase in value of investments	<b>21,787</b>	18,596
<b>Group investments at end of year</b>	<b>193,765</b>	<b>186,135</b>
Investment in subsidiaries	<b>100</b>	100
<b>College investments at end of year</b>	<b>193,865</b>	<b>186,235</b>

<b>Group investments comprise:</b>	<b>Held outside the UK £'000</b>	<b>Held in the UK £'000</b>	<b>2011 Total £'000</b>	<b>2010 Total £'000</b>
Equity investments	58,247	60,693	<b>118,940</b>	102,335
Fixed interest stocks	45,693	6,784	<b>52,477</b>	54,596
Investment Funds and Other Securities	38	22,310	<b>22,348</b>	29,204
<b>Total group investments</b>	<b>103,978</b>	<b>89,787</b>	<b>193,765</b>	<b>186,135</b>

**13 SUBSIDIARY UNDERTAKING**

The College holds 100% of the issued share capital in The Lamb and Flag (Oxford) Limited, a company which runs the Lamb and Flag public house.

The profits of the subsidiary company are donated to the college under the Gift Aid scheme and used to support graduate scholarships.

**Saint John Baptist College in the University of Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

The results of the subsidiary and its assets and liabilities at the year end were as follows.

	<b>2011</b>	2010
	£'000	£'000
Turnover	497	483
Expenditure	(442)	(430)
Donation to College under gift aid	(55)	(51)
Result for the year	<u>0</u>	<u>2</u>
Total assets	188	176
Total liabilities	(118)	(106)
Net funds at the end of year	<u>70</u>	<u>70</u>

**14 DEBTORS**

	<b>2011</b>	2010	<b>2011</b>	2010
	Group	Group	College	College
	£'000	£'000	£'000	£'000
<b>Amounts falling due within one year:</b>				
Trade debtors	861	753	861	753
Amounts owed by College members	261	211	261	211
Amounts owed by Group undertakings	0	0	66	62
Prepayments and accrued income	307	243	293	229
Other Debtors	218	156	218	156
	<u>1,647</u>	<u>1,363</u>	<u>1,699</u>	<u>1,411</u>

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

	<b>2011</b>	2010	<b>2011</b>	2010
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	1,269	2,608	1,234	2,578
Amounts owed to College Members	1	0	1	0
Taxation and social security	77	240	59	226
College contribution	429	488	429	488
Accruals and deferred income	253	290	253	290
Other creditors	240	241	240	241
	<u>2,269</u>	<u>3,867</u>	<u>2,216</u>	<u>3,823</u>

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

	<b>2011</b>	2010	<b>2011</b>	2010
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	35,000	35,000	35,000	35,000
	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>



**Saint John Baptist College in the University of Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2011**

**17 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>						
Permanent Endowment Funds	2,696	130	(27)		251	<b>3,050</b>
<b>Endowment Funds - Expendable</b>						
General Endowment Fund	296,027	100	(2,927)	(3,500)	26,842	<b>316,542</b>
Designated Endowment Funds	3,571	23	(35)	0	372	<b>3,931</b>
Specific Endowment Funds	9,223	877	(91)	0	1,103	<b>11,112</b>
<b>Total Endowment Funds</b>	<b>311,517</b>	<b>1,130</b>	<b>(3,080)</b>	<b>(3,500)</b>	<b>28,568</b>	<b>334,635</b>
<b>Restricted Funds</b>						
Restricted Funds	1,699	291	(349)	0	1	<b>1,642</b>
<b>Total Restricted Funds</b>	<b>1,699</b>	<b>291</b>	<b>(349)</b>	<b>0</b>	<b>1</b>	<b>1,642</b>
<b>Unrestricted Funds</b>						
General Reserve	40,992	16,760	(19,614)	3,500	0	<b>41,638</b>
Designated Reserves	121	70	(79)	0	0	<b>112</b>
Pension Reserve	349	1	0	0	1,263	<b>1,613</b>
<b>Total Unrestricted Funds</b>	<b>41,462</b>	<b>16,831</b>	<b>(19,693)</b>	<b>3,500</b>	<b>1,263</b>	<b>43,363</b>
<b>Total Funds of the College</b>	<b>354,678</b>	<b>18,252</b>	<b>(23,122)</b>	<b>0</b>	<b>29,832</b>	<b>379,640</b>

**18 FUNDS OF THE COLLEGE DETAILS**

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

**Endowment Funds - Permanent:**

Permanent Endowment Funds Capital balance of donations where related income, but not the original capital, can be used only for restricted purposes of the College

**Endowment Funds - Expendable:**

General Endowment Fund Capital balance of donations and past capitalisation of income where either income, or income and capital, can be used for the general purposes of the College

Designated Endowment Funds Capital balance of donations where related income, or income and capital, can be used for the general purposes of the College but have been designated for specific purposes by the Trustees

Specific Endowment Funds Capital balance of donations where either the related income, or both income and capital, can be used only for restricted purposes of the College

**Restricted Funds:**

Restricted Funds Revenue gifts given for restricted purposes together with income generated from Permanent and Specific Endowment Funds

**Designated Funds**

Designated Reserves Unrestricted Funds allocated by the Fellows for designated future purposes, together with income generated from Designated Endowment Funds

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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  
 Specific endowments (consolidated and College) include funds valued at £1.264m which provide income for purposes that lie outside the objects of the College. Income arising amounted to £41k.  
 The Governing Body has reviewed the reserves of the College and has concluded that a general reserve of around one month's expenditure before depreciation and excluding investment in fixed assets and the pension scheme, should be maintained for these purposes. A £3.5 million transfer has been made from endowments to the income and expenditure account to maintain these reserves.

**19 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	75,083	0	0	<b>75,083</b>
Property investments	0	0	128,218	<b>128,218</b>
Securities and other investments	0	11	193,854	<b>193,865</b>
Net current assets	1,668	1,631	12,563	<b>15,862</b>
Long term creditors	(35,000)	0	0	<b>(35,000)</b>
Defined benefit pension asset	1,613	0	0	<b>1,613</b>
	<u>43,364</u>	<u>1,642</u>	<u>334,635</u>	<u><b>379,641</b></u>

**20 TRUSTEES' REMUNERATION**

The Fellows who are the Trustees of the College for the purposes of charity law receive no remuneration for acting as charity trustees but are paid by either or both of the University and the College for their work as employees of the College and the University.

The details on the following page summarise the remuneration and reimbursed expenses received from the College by those Fellows who are also trustees of the College

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Range	Number of Fellows		Total gross remuneration, taxable benefits and pension contributions	
	2011 Total	2010 Total	2011 Total £'000	2010 Total £'000
£4,000-£4,999	0	1	0	5
£5,000-£5,999	4	7	23	40
£6,000-£6,999	3	4	19	25
£7,000-£7,999	1	2	7	15
£8,000-£8,999	1	1	8	9
£9,000-£9,999	3	1	29	10
£10,000-£10,999	0	1	0	10
£12,000-£12,999	1	1	12	12
£13,000-£13,999	0	2	0	28
£14,000-£14,999	4	2	57	28
£15,000-£15,999	1	0	15	0
£16,000-£16,999	2	2	33	32
£18,000-£18,999	0	1	0	19
£19,000-£19,999	2	0	39	0
£20,000-£20,999	0	1	0	21
£21,000-£21,999	0	1	0	22
£22,000-£22,999	0	2	0	45
£23,000-£23,999	2	1	48	23
£24,000-£24,999	1	1	25	24
£25,000-£25,999	2	1	51	25
£26,000-£26,999	2	0	54	0
£27,000-£27,999	0	3	0	84
£28,000-£28,999	4	2	113	56
£29,000-£29,999	1	1	29	29
£30,000-£30,999	1	1	30	30
£32,000-£32,999	0	1	0	33
£36,000-£36,999	1	0	36	0
£42,000-£42,999	0	1	0	43
£43,000-£43,999	1	1	44	43
£45,000-£45,999	1	1	46	46
£47,000-£47,999	0	1	0	47
£48,000-£48,999	0	1	0	49
£50,000-£50,999	2	1	101	50
£51,000-£51,999	1	0	51	0
£53,000-£53,999	0	1	0	53
£54,000-£54,999	2	4	110	218
£55,000-£55,999	2	0	110	0
£56,000-£56,999	0	1	0	56
£58,000-£58,999	1	0	58	0
£59,000-£59,999	0	1	0	60
£62,000-£62,999	1	0	63	0
£64,000-£64,999	1	1	64	64
£66,000-£66,999	0	1	0	66
£71,000-£71,999	0	2	0	144
£72,000-£72,999	1	0	72	0
£74,000-£74,999	1	0	74	0
£79,000-£79,999	1	0	80	0
£83,000-£83,999	0	1	0	83
£85,000-£85,999	1	0	85	0
£97,000-£97,999	0	1	0	97
£100,000-£100,999	1	0	100	0
£103,000-£103,999	0	1	0	104
£104,000-£104,999	1	0	105	0
	<u>54</u>	<u>60</u>	<u>1,791</u>	<u>1,848</u>

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No reimbursement was made to Fellows during the year of personal expenses incurred in connection with their services to the College as Trustees.

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**21 PENSION SCHEMES**

The three principal pension schemes for the College's staff are the Universities Superannuation Scheme (USS), the University of Oxford Staff Pension Scheme (OSPS) and the St John's College Staff Pension Fund (SJCSPF). USS and OSPS are contributory and are contracted out from the State Earnings Related Pension Scheme, SJCPF is a non-contributory scheme and is contracted in to the State Earnings Related Pension Scheme. Each provides benefits based on length of service and final pensionable salary. The assets of USS, OSPS and SJCSPF are each held in separate trustee-administered funds.

**Multi-employer schemes**

Both USS and OSPS 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 was 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 2007 and showed that this scheme had a deficit of approximately £43m. Following this valuation a recovery plan was put in place, which required the University and the participating and the participating Colleges to increase their contribution rate from 17.5% to 21.5% to help reduce the deficit.

Since the last funding valuation, the economic downturn has had a significant impact on the value of the assets held by the scheme. An estimate of OSPS's funding position as at 31 July 2009 indicated that the shortfall had risen to £166 million.

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 College has only one remaining employee who is a member of this scheme and its liability is therefore limited.

The pension charge for the year includes contributions payable to the USS of £456k (2010 - £416k) and contributions payable to the OSPS of £9k (2010 - £28k).

**St John's College Staff Pension Fund**

Details of the most recent actuarial valuation and the assumptions and other data that have the most effect on the determination of the contribution levels are as follows:

	<u>SJCSPF</u>
Date of latest actuarial valuation	2009
Investment returns per annum	6.40%
Salary increases per annum	4.70%
Pension increases per annum	3.70%
Market value of assets at latest actuarial valuation	£9.264m
Proportion of accrued benefits covered by the actuarial value of these assets	107%

The contributions payable by the College during the accounting period were equal to 14% of total pensionable salaries.

The pensions charge recorded by the College during the accounting period is shown in the analysis of movements in surplus

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given below. At 31 July 2011 the fund owed £218k (2010: £156k) to the College.

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The valuation used for FRS 17 disclosures has been based upon the most recent actuarial valuation as at 31 July 2009 and information provided by Aon Hewitt to take account of the requirements of FRS 17 in order to assess the assets and liabilities of the St John's College Staff Pension Fund at 31 July 2009. The Scheme's assets are stated at their market value at the respective balance sheet dates.

Main Assumptions	2011	2010	2009
	%	%	%
Rate of increase in salaries	4.7	4.5	4.7
Rate of increase in pensions in payment	2.2	2.2	2.3
Discount rate	5.3	5.4	6.0
Inflation assumption	3.7	3.5	3.7

The assets and liabilities of the Fund and the expected rates of return at 31 July are:

	2010		2010		2009	
	Long term rate of return expected %	Value £000	Long term rate of return expected %	Value £000	Long term rate of return expected %	Value £000
Equities	6.9	6,272	7.2	5,305	7.5	4,485
Bonds	3.9	4,919	4.2	4,411	4.5	3,731
Other	4.0	1,076	4.1	904	4.8	1,048
Total market value of assets		12,267	5.7	10,620	6.0	9,264
Present value of Fund liabilities		10,654		10,271		8,786
Net pension asset		1,613		349		478

Analysis of the defined benefit cost for the year ended 31 July 2011 is as follows:

	2011 £,000	2010 £,000
Current Service cost	507	523
Total operating charge	507	523

Other finance costs: Expected return on Pension Fund Assets	610	500
Other finance costs: interest on Pension Fund liabilities	(562)	(534)
Net Return from other finance income	48	(34)

Actual return less expected return on Pension Fund assets	816	836
Actuarial gains/losses arising on Fund liabilities	447	(726)
Actuarial gain recognised in the Statement of Financial Activities	1,263	110

Analysis of movements in surplus during the year

As at 1 August	349	478
Total operating charge	(507)	(523)
Net Return from other finance income	48	(34)
Actuarial gain /(loss) in the Statement of Financial Activities	1,263	110
Contributions	460	318
	1,613	349

History of experience gains and losses	2011	2010	2009	2008	2007
Experience gains /(losses) on fund assets					
- amount (£000)	816	836	(861)	(1,101)	215
- % of Fund assets	6.7	7.9	-9.3	-11.6	2.2
Experience gains /(losses) on fund liabilities					
- amount (£000)	637	0	(29)	0	(93)
- % of the present value Fund liabilities	6.0	0.0	0.0	0	-1.3

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**22 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 company because the directors of this company 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.

**23 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS**

	<b>2011</b>	2010
	<b>£'000</b>	£'000
<b>Net incoming resources for the year</b>	<b>(4,870)</b>	(2,474)
Elimination of non-operating cash flows:		
- Investment income	<b>(10,916)</b>	(10,622)
- Endowment donations	<b>(1,130)</b>	(1,077)
- Financing costs	<b>1,912</b>	1,193
Depreciation	<b>2,844</b>	1,898
(Surplus)/loss on sale of fixed assets	<b>(27)</b>	(607)
Decrease/(Increase) in stock	<b>9</b>	28
Decrease/(Increase) in debtors	<b>(284)</b>	226
(Decrease)/Increase in creditors	<b>(1,598)</b>	(722)
Non-cash pension charge under FRS17	<b>(1)</b>	239
<b>Net cash inflow/(outflow) from operations</b>	<b><u>(14,061)</u></b>	<u>(11,918)</u>

**24 ANALYSIS OF CHANGES IN NET FUNDS**

	2010	Cash flow	2011
	£'000	£'000	£'000
Cash at bank and in hand	15,378	(236)	<b>15,142</b>
Bank overdrafts	0	0	<b>0</b>
	<u>15,378</u>	<u>(236)</u>	<u><b>15,142</b></u>
Bank loans due after one year used for financing of Fixed Assets	35,000	0	<b>35,000</b>

**25 CAPITAL COMMITMENTS**

The College had contracted commitments at 31 July for future capital projects totalling £314k (2010 - £2.622m)

**26 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.