



Linacre College

Annual Report and Financial Statements

Year ended 31 July 2012

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LINACRE COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2012

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	6	7
Alexander, Prof Jocelyn								
Allen, Prof Myles								
Assender, Dr Hazel								
Awrey, Dr Dan				•				
Bailey, Mr Simon		•	•	•	•	•		•
Bennett, Prof James								
Bhagwat, Dr Shonil		•	•					•
Brand, Dr Christian	From 16 th April 2012							
Brown, Dr Nick		•	•	•	•	•	•	•
Burlakov, Dr Victor								
Caplan, Prof Richard				•				
Castell, Prof Martin		•						
Catling, Prof Brian								
Corsi, Prof Pietro								
Dalrymple, Prof Mary								
Dudarev, Dr Sergei								
Ertl, Dr Hubert								•
Ewart, Dr Elizabeth								
Gibney, Dr Matthew								
Hall, Prof Jim								
Heffernan, Lt Col Patrick	Retired 1 st November 2011	•						
Holmes, Dr John				•		•	•	
Keene, Dr Anne		•		•		•		
Kirkland, Prof Angus		•						
Kleanthous, Prof Colin	From 16 th April 2012							
La Thangue, Prof Nick								
McVean, Prof Gil								
O'Donoghue, Dr Heather		•						

LINACRE COLLEGE**Governing Body, Officers and Advisers****Year ended 31 July 2012**

		1	2	3	4	5	6	7
O'Hanlon, Dr Michael								
Ozsoylev, Dr Han	Left 1 st July 2012							
Parkinson, Dr Stephen								
Parr, Dr Kate	Left 24 th February 2012							
Peers, Dr Laura		•	•	•		•		•
Petraglia, Prof Michael			•					
Pollard, Prof Mark		•			•			
Pratt, Dr Lloyd	From 1 st September 2011							
Preston, Dr Gail								
Reid, Mrs Alison		•		•	•	•		•
Rival, Dr Laura								
Sarkar, Prof Subir			•					
Sartbaeva, Dr Asel								
Saunders, Prof Simon								
Stein, Prof Alan				•				
Travis, Dr Simon				•				
Varese, Prof Federico			•					
Walter, Dr Catherine		•						•
Warren, Dr Bryan	Died 28 th March 2012					•	•	
Watson, Prof Anne			•					
Whatmore, Prof Sarah								
Whiteley, Dr Jonathan			•					•
Williams, Dr John Mark								
Ye, Dr Hua Cathy								
Zitzmann, Prof Nicole			•					

LINACRE COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2012

		1	2	3	4	5	6	7
Common Room President: Robert Noble Abdossalam Madkhali	April 2011 to March 2012 April 2012 to March 2013	•	•	•		•	•	•
Junior Research Fellow: John Bolin Katerina Douka	October 2010 to September 2011 November 2011 to September 2012							
Common Room Treasurer: Gaganpreet Tiwana Sam Jaffar	April 2011 to March 2012 April 2012 to March 2013	•	•					
Common Room Secretary: Roya Haghighat-Khah Katie Hsieh Jenny Hough	April 2011 to March 2012 April 2012 to September 2012 October 2012 to March 2013		•					
Common Room Welfare Officer: Meghan Bailey Eleanor James Ivan Zambrana Flores	April 2011 to March 2012 April 2012 to September 2012 October 2012 to March 2013		•	•				•

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

1. Finance Committee. The Finance Committee also had five external members, two of whom are students and one a Junior Research Fellow.
2. Academic Committee
3. Development Committee. The Development Committee also has five external members, of whom two are members of staff and two are students.
4. Remuneration Committee. The Remuneration Committee also has five external members.
5. Domestic Committee. The Domestic committee also has six external members of whom two are staff and four are students
6. Health and Safety committee. The Health and Safety committee also has nine external members of whom five are staff and four are students.
7. Equality committee. The Equality Committee also has three external members who are Members of Staff.

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Governing Body, Officers and Advisers

Year ended 31 July 2012

College Senior Staff

The senior members of staff of the College to whom day to day management was delegated during the year were as follows.

Brown, Dr. Nick	Principal
Peers, Dr. Laura	Vice Principal until 31 st December 2011 and from 1 st October 2012
Bailey, Mr Simon	Vice Principal from 1 st January 2012 to 30 th September 2012
Bhagwat, Dr Shonil	Senior Tutor
Reid, Mrs Alison	Finance Bursar until 30 th September 2011, Bursar from 1 st October 2011
Heffernan, Lt Col. Patrick	Domestic Bursar until 1 st November 2011
Keene, Dr. Anne	Development Director

College Advisors

Investment managers

Oxford University Endowment Management Limited, King Charles House, Park End Street, Oxford, OX1

Cazenove Capital Management, 12 Moorgate, London EC2R 6DA

Royal London Cash Management Limited, 55 Gracechurch Street, London EC3V 0RL

Auditor

Critchleys LLP, Greyfriars Court, Oxford OX1 1BE

Bankers

Barclays Bank plc, 54 Cornmarket street, Oxford OX1 3HS

The Royal Bank of Scotland plc, 32 St. Giles, Oxford OX1 3ND

Solicitors

Blake Laphorn, Seacourt Tower, West Way, Oxford OX2 0FB

Surveyors

Sidleys, 8 King Edward Street, Oxford OX1 4JL

Employment Advisors

Peninsula, 2 Cheetham Hill Road, Manchester M4 4FB

Health and Safety Consultants

Peninsula, 2 Cheetham Hill Road, Manchester M4 4FB

College address

Linacre College, St. Cross Road, Oxford OX1 3JA

Website

www.linacre.ox.ac.uk

LINACRE COLLEGE

Report of the Governing Body

Year ended 31 July 2012

Report of the Governing Body

The Members of the Governing Body present their Annual Report for the year ended 31 July 2012 under the Charities Act 2011 together with the audited financial statements for the year.

Reference and Administrative Information

The Principal and Fellows of Linacre College in the University of Oxford, which is known as Linacre College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was established by Oxford University in 1962 as a Society for men and women graduates reading for advanced degrees and diplomas of the University and granted a Royal Charter of Incorporation on 5 June 1986.

The College is registered with the Charities Commission (registered number 1142130).

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 2 to 5.

Structure, Governance and Management

Governing documents

The College is governed by its statutes dated 5 April 1986.

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 High Steward of The University of Oxford.

The Governing Body is self-appointing, with new members elected on the basis of academic distinction, their capacity to advise the College and its students on practices in the range of academic disciplines in the University and (Common Room members) their capacity to represent the interests of junior members of the College.

The Governing Body determines the on-going 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 seven committees.

Recruitment and training of Members of the Governing Body

The Principal and the President of the Common Room are *ex officio* members of the Governing Body. New Official, Professorial and Senior Research Fellows are elected by a majority decision of the official members of the Governing Body. Four members of the Common Room (including one Junior Research Fellow) are elected to the Governing Body by the members of the Common Room (excluding those who are already members of the Governing Body). New Members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, by the Principal and other senior staff members.

New members of the Governing Body receive information and guidance on the role and requirements of charity trustees prepared by the Charity Commission and are kept informed of regulatory requirements.

Organisational management

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

- The Finance Committee provides financial oversight of the College. It is responsible for budgeting and financial planning, investments and financial reporting. It monitors the cost, efficiency and effectiveness of operations, reliability of financial reporting, and compliance with laws and regulations. It makes decisions on investments taking account of risk, financial objectives, legal and ethical requirements.
- The Academic Committee co-ordinates academic activities in the College. It makes recommendations for the election of new Fellows, academic visitors and introduced and continuing members of the Common Room. It awards scholarships to students and small academic grants to Fellows. It sets student admissions targets and reviews admissions policies.

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Report of the Governing Body

Year ended 31 July 2012

- The Development Committee is responsible for planning and overseeing all activities to raise money and other forms of support for the College through voluntary donations and for encouraging Old Members of the College to remain actively engaged in its development.
- The Remuneration Committee determines the salaries and stipends paid to the Principal and Fellows of the College to ensure that they are set and maintained at an appropriate level.
- The Domestic and Buildings Committee oversees the operation and maintenance of the all College buildings and estate. It monitors the provision of security, catering and cleaning.
- The Health and Safety Committee is responsible for ensuring regulatory compliance with all health and safety legislation, for setting emergency procedures, for monitoring and updating risk assessments, for reviewing reports and statistics on accidents and ill health, and for health and safety training.
- The Equality Committee reviews policies and practice to ensure that they do not result in unintended discrimination, monitors the effectiveness of equal opportunity programmes in the College, ensures regulatory compliance with equality legislation and advises Governing Body on matters that may affect equal opportunities.

The day-to-day running of the College is delegated to a senior management team comprised of the Principal, the Vice-Principal, the Bursar, the Senior Tutor and the Development Director, supported by 13 administrative staff, three maintenance staff, catering and cleaning teams. The Principal and/or Vice-Principal attend all meetings of the Governing Body's Committees.

Group structure and relationships

The College also administers many special funds as detailed in Notes 14 to 16 to the financial statements.

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

Risk management

The College is engaged in risk assessment on an on-going 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. Financial and investment risks are assessed and monitored by the Finance Committee. In addition, the Bursar and domestic departmental managers meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

The Governing Body, who have ultimate responsibility for managing any risks faced by the College, have given consideration to the major risks to which the College is 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.

Charitable Purpose, Aims and Activities

The College's purpose is to benefit society by the advancement of knowledge and understanding through excellence in education and research as a College of the University of Oxford.

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 2011. In this connection the Governing Body has monitored closely the general and supplemental guidance produced by the Charity Commission, in particular its public benefit guidance on advancement of education and on fee-charging.

The College's aims for the public benefit are:

- to provide academic, pastoral, administrative, and financial support for the post-graduate education, at Oxford University, of students who have the highest potential to benefit, regardless of their financial, social, religious or ethnic background;
 - to facilitate and support research and teaching at Oxford University, by a community of advanced scholars in order to increase public learning and knowledge in specific areas of study that are of academic merit and value.
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LINACRE COLLEGE

Report of the Governing Body

Year ended 31 July 2012

Activities and objectives of the College

The College's principal activities in the furtherance of its purpose are:

1. Academic activity, including hosting a high profile public lecture series ("The Linacre Lectures") on a theme related to the environment and regular research seminars by members; hosting academic meetings and workshops and fostering peer support of members through subject related groupings.
2. Monitoring the academic progress of graduate students and the provision of independent advice and guidance to those who are facing problems in their study in order to help them gain maximum benefit from their studies at Oxford University;
3. Provision of affordable, comfortable, secure and well-equipped accommodation for graduate students, in close proximity to their places of study;
4. Provision of a Common Room and dining hall where students and Fellows can meet and interact in ways which support and enhance their academic study;
5. Provision of a library, quiet study spaces, high quality IT facilities and technical support in order to assist Fellows and students in their academic study;
6. Administration of the admission, induction, financial provision, accommodation, academic progression, examination and graduation of graduate students at Oxford University;
7. The provision of prizes and scholarships to those students in need of financial support who are deemed to have the highest academic potential;
8. Provision of bursaries and interest-free loans to students facing financial hardship;
9. Provision of Junior Research Fellowships to early-career academics to help them establish their professional networks and integrate them more closely into the University academic community;
10. Provision of small grants to students and Fellows for travel in pursuance of their research;
11. On-going and dedicated promotion of the College to its Old Members and Friends, and fundraising from these constituencies;
12. Representing the interests of Fellows and graduate students in the wider University and contributing to the development of University policies and practices that affect them in order to assist them in their learning, teaching and research;
13. Provision of social events and recreational facilities for students and Fellows that enhance their enjoyment of Oxford University and help them maintain an appropriate work-life balance;

Public benefit

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

The College admitted 182 new students in October 2011. A break-down of student admissions statistics is given in the table below. In total the College had 464 registered students in October 2011, of which 322 were fee-paying. 142 students were no longer liable for fees but had not yet completed their degrees.

	2011		2010	
Applications received	359		384	
Offered	286	80%	265	69%
Withdrew/Deferred	104		97	
Admitted	182	64%	168	63%
UK	59	32%	56	33%
EU	34	19%	39	23%
Overseas	89	49%	73	43%
Male	85	47%	87	52%
Female	97		81	

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	2011		2010	
One-year courses	118	65%	103	61%
Taught	127	70%	114	68%
Research	55	30%	54	32%

In July 2012 the College had 30 Official Fellows, 9 Professorial Fellows, 13 Senior Research Fellows and 13 Junior Research Fellows (of which 5 were newly appointed in October 2011).

Achievements and Performance

1. Academic

153 students had their post-graduate degrees conferred on them during the year.

Professor Colin Kleanthous (Iveagh Professor of Microbial Biochemistry) and Dr Christian Brand (Assad Kotaite Senior Research Fellow in Transport Studies) were appointed to Fellowships.

Five new Junior Research Fellowships were awarded to start in October 2011. The new Fellows are conducting research in Oncology, Pharmacology, Physics, Archaeology and Zoology (2).

The following scholarships were awarded in October 2011:

- Applied Materials Scholarship (£5,500)
- Canadian National Scholarship (£5,000)
- Carolyn & Franco Gianturco Scholarship (£2,426)
- Daube Law Scholarship (£2,426)
- EPA Cephalosporin Scholarships – (4 awards totalling £9,704)
- Hitachi Chemical Environmental Scholarship (£3,426)
- Mary Blaschko Scholarships (2 awards totalling £4,852)
- Norman and Ivy Lloyd Scholarship (£11,441)
- Rausing Scholarships – (2 awards totalling £4,852)
- Raymond & Vera Asquith Scholarship (£2,426)
- Ronald and Jane Olson Scholarship (£5,676)
- Ruth & Nevill Mott Scholarship (£2,426)

The College hosted the 22nd series of public Linacre Lectures in Hilary Term 2012. The lectures focussed on the theme of Environmental Governance and Resilience. Six lectures were given by speakers of international standing.

Eighteen research seminars were presented in College by Fellows and students during the year.

2. Advice and guidance

The Principal, Vice Principal and Senior Tutor held individual interviews with over 100 students to discuss their academic progress, review supervisors' reports and to listen to feedback on both University and College provision. The Senior Tutor and the Academic Administrator provided support in a large number of individual cases where students were facing personal or academic problems. Where problems could not be resolved locally, students were referred on to the University Counselling Service or the Senior Tutor took up their case with the Proctors or University Central Administration.

3. Prizes:

The College awarded two Thomas Linacre studentships of £300 and two of £500 in recognition of outstanding individual contributions to the life of the College. Seven Domus Research Prizes of £500 each were awarded to students for excellent research communication.

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Report of the Governing Body

Year ended 31 July 2012

4. Grants:

Two grants of £200 were awarded from the Lucy Halsall Fund, and three grants of £200 were awarded from the Nadel-Ix Fund to Fellows and Junior Research Fellows to assist with the costs of attending conferences at which they were presenting their work.

The College awarded 34 Travel Grants to enable students to present their research at conferences. The average award was £220 and the maximum award was £300. The total amount awarded was £7,419.

The College made thirteen "writing-up" grants to students for whom scholarship support had expired but who needed financial support until they could submit their theses. A total of £10,500 was awarded with the average grant being £810 and the maximum grant being £1,000.

5. Hardship:

The College made six hardship grants (in addition to "writing-up" grants) and four interest-free hardship loans to students facing unexpected financial difficulties during the year. The average grant was £310 (maximum £600) and the average loan was £620 (maximum £750).

6. Management:

The College implemented a Career Development Review process for all staff during the year. A major task was to draw up job descriptions for every role in all departments. The system will enable better monitoring of training needs and career aspirations.

7. Common Room, dining, social events and recreational activities:

The Common Room provided the focus for social and recreational activities during the year. The Executive Committee of the Common Room represented and promoted the interests of the Student members through regular meetings with the College senior management team and with the wider University community.

The Common Room facilitated the activities of nine sports clubs and eight societies. Numerous popular social events included a summer garden party and orientation activities for new students. The Common Room raised several thousand pounds towards the college's Green Studentship and other charitable causes.

8. Library and IT:

The Library has continued to be popular and well-used. The College Contributions Funds grant has been particularly appreciated, with £2,085 spent during the 2011-12 financial year on books for taught course support. The new Student Library Assistant has been of great value to the Librarian in helping free up her time for more proactive tasks.

IT support was provided to over 650 college members and guests during the year. IT projects have included moving the majority of our server infrastructure to the University Shared Data Centre and extending Wi-Fi throughout the College. The network has been upgraded and split into several dedicated parts, giving increased security and resilience.

9. Accommodation:

The College accommodated 173 graduate students in 155 single rooms and 18 twin rooms or flats. The rents for single rooms were between £320 - £500 depending on size and facilities. These rents include services. All rooms have network access to University computing facilities.

10. Development:

Donor numbers increased from 286 to 322, with the fundraising total for the year being one of the best ever; £1.38 million was received, and £325,700 worth of new pledges were made. More than half of new funds were given for Accommodation and nearly £500,000 for Endowment. Three new scholarships were funded – two for any discipline, and one for a Humanities student from Africa; a new Senior Research Fellowship in Transport Studies was set up, and a seed fund for a fourth scholarship was given. The total number of scholarships awardable at the College numbered 23 at the end of this financial year. The College received its first major legacy gift, of over £300,000, since the Hicks legacy 20 years ago. The Legacy circle acquired four new members, bringing numbers up

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Report of the Governing Body

Year ended 31 July 2012

to 56. As usual, myriad alumni events took place, including two for the legacy circle, gatherings in Boston, New York, and Rome, four London-based events - one for lawyers, two for the finance network, and one for all Old Members - and the annual Gaudy in College in July.

Financial Review

General income levels were maintained and slightly increased on the previous year. Voluntary Income also increased significantly including large donations received for accommodation and a sizable legacy which was also allocated to the purchase of student accommodation. A large Victorian house was purchased at the end of the year which will provide more accommodation for students - 11 student rooms and a separate two bedroom bungalow for a student and family. The property will be significantly renovated and improved in 2012-13 ready for occupation by the next intake of students in October 2103

Expenditure was down on the previous year due mainly to high (but planned) building maintenance costs in 2010-11. There was also an increase in income from holding more academic and related meetings in College.

At the beginning of the year, a review of procedures resulted in a reorganisation of the staffing structure. This aims to both increase efficiency and reduce costs in the longer term. The Governing Body continues to monitor costs closely.

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 £2,538k (2011: £2,378k) representing retained unrestricted income reserves excluding an amount of £6,505k for the book value of fixed assets less associated funding arrangements.

Designated reserves at the year-end include Capital Funds of £1,554k which are unrestricted funds allocated by the Trustees for the purpose of preserving the Capital and maintaining a long term income stream in support of the college's activities. Also included within Designated Reserves are funds totalling £319k for future expenditure on maintenance of buildings and equipment and refurbishment.

Investment policy, objectives and performance

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

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

In 2009 the Governing Body took the decision to move funds from Cazenove Capital Management to the Oxford Endowment Fund - the restructuring to take place over three years. The final transfer took place on 31 December 2011. New Endowment moneys received are invested in the Oxford Endowment Fund at the earliest opportunity.

Since dividends on Oxford Endowment Fund holdings are based on units held at the end of December, the accounts for 2011-12 include a large accrual for 7 months for the dividend on the holding from 1 January 2012. The dividend (the basis of calculation of which was changed in the year) has been estimated using the best available information. The similar accrual for 2010-2011 was underestimated and this resulted in higher than expected income in the 2011-12 accounts. The dividend for the 7 months to 31 July 2012 will be declared in spring 2013.

The dividend receivable from the Oxford Endowment Fund is based on a 4.25% return on a rolling average of capital values over 5 years.

The investment strategy, policy and performance are monitored by the Finance Committee. At the year end, the College's long term investments totalled £9,310k.

Future Plans

The core elements of the College's future plans as agreed by the Governing Body are:

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Report of the Governing Body

Year ended 31 July 2012

- The College will aim recruit 180 new graduate students in 2012-13. We hope to maintain a balance between taught and research students and to keep the overall size of the (fee-paying) student body constant at around 318 students.
- Over the next year we plan to recruit a new Professorial Fellow in Forestry (a post which was not filled last year), two new Official Fellows in Computer Sciences (Verification and Machine Learning), Earth Sciences (Climate Science), Plant Sciences and the Directorship of the Museum for the History of Science. The College has been awarded a grant by the EPA Cephalosporin Fund to endow two new Junior Research Fellowships. We will recruit seven new JRFs in 2012, including the first of the two new EPA JRFs.
- The College launched the public phase of its 50th Anniversary Development Campaign in September 2012. The overall financial target for the Campaign has been set at £7.5 million. The principal objectives are to raise at least £2.5 million for graduate student scholarships and more than £2.0 million for new student accommodation. Funds will also be sought to increase the size of the endowment and to provide support for the fellowship, particularly early-career academics.
- The College will assume ownership of a small but valuable residential house in central Oxford and begin a major renovation project on one of our existing student houses in order to bring the quality of accommodation up to a standard appropriate for graduate students.

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.

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 2011. 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 28 November 2012 and signed on its behalf by:

Dr. Nick Brown
Principal

LINACRE COLLEGE

Independent Auditor's Report to the Members of the Governing Body of Linacre College

Auditor's Report

We have audited the financial statements of Linacre College for the year ended 31 July 2012 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the College Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the College's Governing Body in accordance with section 154 of the Charities Act 2011. 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2012 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 2011.

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 2011 requires us to report to you if, in our opinion:

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

Critchleys LLP
Statutory Auditor
Oxford
Date

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

Statement of Accounting Policies

1. Scope of the financial statements

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and the Cash Flow Statement.

2. Basis of accounting

The financial statements have been prepared under the Charities Act 2011 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, 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 received.

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.

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.

7. Leases

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

8. Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10,000 together with expenditure on equipment costing more than £10,000 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:

LINACRE COLLEGE
Statement of Accounting Policies
Year ended 31 July 2012

Freehold properties, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Furniture and Equipment	10 years
Vehicles	4 years
Computer Equipment	3 years

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

10. Investments

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

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

11. Stocks

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

12. Foreign currencies

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

13. Fund accounting

The total funds of the College are allocated to unrestricted, restricted or endowment funds based on the origins of the funds and the terms set by the donors. Endowment funds may be 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 restricted the use of that income, in which case it will be accounted for as a restricted fund.

Expendable endowment funds are similar to permanent endowment in that they have been given, or the College has determined based on the circumstances that they have been given, for the long term benefit of the College. However, the Governing Body may at their discretion determine to spend all or part of the capital. The College has at present no expendable Endowment Funds.

14. Pension costs

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

Linacre College
Statement of Financial Activities
For the year ended 31 July 2012

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
INCOMING RESOURCES						
Resources from charitable activities	1					
Teaching and research		1,987	0	0	1,987	1,882
		<u>1,987</u>	<u>0</u>	<u>0</u>	<u>1,987</u>	<u>1,882</u>
Resources from generated funds						
Legacies and donations		491	618	507	1,616	736
Investment income	2	357	46	0	403	359
Bank and other interest	3	0	0	0	0	0
		<u>848</u>	<u>664</u>	<u>507</u>	<u>2,019</u>	<u>1,095</u>
Total Incoming Resources		<u>2,835</u>	<u>664</u>	<u>507</u>	<u>4,006</u>	<u>2,977</u>
RESOURCES EXPENDED						
Cost of generating funds	4					
Fundraising		180	0	0	180	177
Investment management costs		20	0	0	20	19
		<u>200</u>	<u>0</u>	<u>0</u>	<u>200</u>	<u>196</u>
Charitable activities	4					
Teaching and research		1,996	98	0	2,094	2,361
		<u>1,996</u>	<u>98</u>	<u>0</u>	<u>2,094</u>	<u>2,361</u>
Governance costs	7	13	0	0	13	10
Total Resources Expended		<u>2,209</u>	<u>98</u>	<u>0</u>	<u>2,307</u>	<u>2,567</u>
Net incoming/(outgoing) resources before transfers		626	566	507	1,699	410
Transfers between funds	14	454	(467)	13	0	0
Net incoming/(outgoing) resources before other gains and losses		<u>1,080</u>	<u>99</u>	<u>520</u>	<u>1,699</u>	<u>410</u>
Investment gains/(losses)		(1)	(7)	(98)	(106)	432
Net movement in funds for the year		<u>1,079</u>	<u>92</u>	<u>422</u>	<u>1,593</u>	<u>842</u>
Fund balances brought forward	14	7,964	447	7,241	15,652	14,810
Funds carried forward at 31 July	14	<u>9,043</u>	<u>539</u>	<u>7,663</u>	<u>17,245</u>	<u>15,652</u>

Linacre College
Balance Sheet
As at 31 July 2012

	Notes	2012 College £'000	2011 College £'000
FIXED ASSETS			
Tangible assets	9	7,761	6,729
Securities and other investments	10	9,310	8,856
		<u>17,071</u>	<u>15,585</u>
CURRENT ASSETS			
Stocks		37	41
Debtors	11	289	228
Deposits and other short term investments		669	604
Cash at bank and in hand		126	115
		<u>1,121</u>	<u>988</u>
CREDITORS: falling due within one year	12	426	351
NET CURRENT ASSETS/(LIABILITIES)		<u>695</u>	<u>637</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,766	16,222
CREDITORS: falling due after more than one year	13	521	570
NET ASSETS		<u>17,245</u>	<u>15,652</u>
FUNDS OF THE COLLEGE	14		
Endowment funds		7,663	7,241
Restricted funds		539	447
Unrestricted funds			
Designated funds		8,901	7,921
General funds		142	43
		<u>17,245</u>	<u>15,652</u>

*The financial statements were approved and authorised for issue by the Governing Body of
Linacre College
on 28th November 2012*

Trustee:

Trustee:

Linacre College
Cash Flow Statement
For the year ended 31 July 2012

	Notes	2012 College £'000	2011 College £'000
Net cash inflow/(outflow) from operations	20	1,073	(455)
Returns on investments and servicing of finance			
Income from investments		324	300
Finance costs paid		(11)	(11)
		313	289
Capital expenditure and financial investment			
New endowment capital received		507	494
Payments for tangible fixed assets		(1,238)	(35)
Proceeds from sales of tangible fixed assets		0	0
Payments for investments		(2,291)	(3,400)
Proceeds from sales of investments		1,731	2,894
		(1,291)	(47)
Management of liquid resources			
Net (additions to) / withdrawals from term deposits		(65)	71
Net (purchase) / sale of current asset investments		0	0
		(65)	71
Financing			
New bank loans		0	0
Bank loans repaid		(19)	(19)
New lease finance		0	0
Capital element of finance lease payments		0	0
		(19)	(19)
Increase/(decrease) in cash in the year		11	(161)
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash in the year		11	(161)
Transfers to/(from) term deposits and current investments		65	(71)
(Increase)/decrease in loan and lease finance		19	19
Change in net funds		95	(213)
Net funds at 1 August		281	494
Net funds at 31 July		376	281

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

1 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Teaching and research					
Tuition fees - UK and EU students	378	0	0	378	369
Tuition fees - Overseas students	437	0	0	437	386
Other HEFCE support	48	0	0	48	51
Other academic income	22	0	0	22	17
College residential income	1,102	0	0	1,102	1,059
	<u>1,987</u>	<u>0</u>	<u>0</u>	<u>1,987</u>	<u>1,882</u>

The above analysis includes £120k received from Oxford University under the CFF Scheme, net of College fees received directly (2011 - £120k)

2 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Equity dividends	22	3	0	25	98
Income from fixed interest stocks	4	0	0	4	31
Interest on fixed term deposits and cash	20	2	0	22	21
Other investment income	311	41	0	352	209
	<u>357</u>	<u>46</u>	<u>0</u>	<u>403</u>	<u>359</u>

3 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Bank interest	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

4 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	2012 Total £'000	2011 Total £'000
Costs of generating funds					
Fundraising	144	36	0	180	177
Investment management costs	0	2	18	20	19
Total costs of generating funds	<u>144</u>	<u>38</u>	<u>18</u>	<u>200</u>	<u>196</u>
Charitable expenditure					
Teaching and research	628	845	621	2,094	2,361
Total charitable expenditure	<u>628</u>	<u>845</u>	<u>621</u>	<u>2,094</u>	<u>2,361</u>
Governance costs	<u>0</u>	<u>13</u>	<u>0</u>	<u>13</u>	<u>10</u>
Total resources expended	<u>772</u>	<u>896</u>	<u>639</u>	<u>2,307</u>	<u>2,567</u>

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

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 £0 (2011 - £0).

5 SUPPORT COSTS

	Generating Funds £'000	Teaching and Research £'000	2012 Total £'000	2011 Total £'000
Financial and domestic admin	17	288	305	283
IT	1	116	117	108
Depreciation	0	206	206	199
Bank interest payable	0	4	4	5
Other finance charges	0	7	7	6
	<u>18</u>	<u>621</u>	<u>639</u>	<u>601</u>

Finance and administration and human resources 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.

IT costs are attributed according to staff time.

Interest and other finance charges are attributed according to the purpose of the related financing.

6 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2012 Total £'000	2011 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	6	71	77	80
Bursaries and hardship awards	11	16	27	20
	<u>17</u>	<u>87</u>	<u>104</u>	<u>100</u>

The above costs are included within the charitable expenditure on Teaching and Research.

7 GOVERNANCE COSTS

	2012 £'000	2011 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	13	10
	<u>13</u>	<u>10</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.

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

8 STAFF COSTS

	2012 £'000	2011 £'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	946	932
Social security costs	50	55
Pension costs	140	129
	<u>1,136</u>	<u>1,116</u>

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

	2012	2011
Tuition and research		
College residential	12	12
Fundraising	3	3
Support	16	16
Total	<u>31</u>	<u>31</u>

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

Teaching and research	1	1
Other	2	3
Total	<u>3</u>	<u>4</u>

The College also benefits from temporary staff and agency workers 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) exceeded £60,000.

9 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost					
At start of year	150	8,614	0	371	9,135
Additions	0	1,157	0	81	1,238
Disposals	0	0	0	(15)	(15)
At end of year	<u>150</u>	<u>9,771</u>	<u>0</u>	<u>437</u>	<u>10,358</u>
Depreciation					
At start of year	74	2,061	0	271	2,406
Charge for the year	8	173	0	25	206
On disposals	0	0	0	(15)	(15)
At end of year	<u>82</u>	<u>2,234</u>	<u>0</u>	<u>281</u>	<u>2,597</u>
Net book value					
At end of year	<u>68</u>	<u>7,537</u>	<u>0</u>	<u>156</u>	<u>7,761</u>
At start of year	<u>76</u>	<u>6,553</u>	<u>0</u>	<u>100</u>	<u>6,729</u>

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.

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

10 SECURITIES AND OTHER INVESTMENTS

	2012 £'000	2011 £'000
Investments		
Valuation at start of year	8,856	7,918
New money invested	560	506
(Decrease)/increase in value of Investments	(106)	432
Investments at end of year	9,310	8,856

Investments comprise:

	Held outside the UK £'000	Held in the UK £'000	2012 Total £'000	2011 Total £'000
Equity investments	0	127	127	1,175
Global multi-asset funds	0	8,832	8,832	7,111
Property funds	0	0	0	215
Fixed interest stocks	0	0	0	350
Fixed term deposits and cash	0	351	351	5
Total Investments	0	9,310	9,310	8,856

11 DEBTORS

	2012 £'000	2011 £'000
Amounts falling due within one year:		
Trade debtors	4	3
Amounts owed by College members	30	51
Loans repayable within one year	5	8
Prepayments and accrued income	250	166
	289	228

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

12 CREDITORS: falling due within one year

	2012 £'000	2011 £'000
Bank loans	18	18
Trade creditors	87	61
Amounts owed to College Members	156	135
Taxation and social security	19	23
Accruals and deferred income	43	47
Other creditors	103	67
	<u>426</u>	<u>351</u>

13 CREDITORS: falling due after more than one year

	2012 £'000	2011 £'000
Bank loans	401	420
Other creditors	120	150
	<u>521</u>	<u>570</u>

14 FUNDS OF THE COLLEGE MOVEMENTS

	At 1 August 2011 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2012 £'000
Endowment Funds - Permanent						
General Endowment	6,298	495	0	12	(88)	6,717
Student Scholarships and grants	574	12	0	1	(8)	579
Student Hardship	205	0	0	0	(2)	203
Fellows support	164	0	0	0	0	164
Total Endowment Funds	<u>7,241</u>	<u>507</u>	<u>0</u>	<u>13</u>	<u>(98)</u>	<u>7,663</u>
Restricted Funds						
Scholarship and grants Income	206	115	(77)	5	(7)	242
Hardship Income	71	10	(10)	3	0	74
Fellows Research Income	46	15	(3)	(4)	0	54
Facilities Income	82	512	0	(470)	0	124
Lectures Income	42	12	(8)	(1)	0	45
Total Restricted Funds	<u>447</u>	<u>664</u>	<u>(98)</u>	<u>(467)</u>	<u>(7)</u>	<u>539</u>
Unrestricted Funds						
General	43	2,306	(1,938)	(269)	0	142
Fixed asset designated Fund	5,586	413	(175)	681	0	6,505
Other Designated Funds	2,335	116	(96)	42	(1)	2,396
Total Unrestricted Funds	<u>7,964</u>	<u>2,835</u>	<u>(2,209)</u>	<u>454</u>	<u>(1)</u>	<u>9,043</u>
Total Funds	<u>15,652</u>	<u>4,006</u>	<u>(2,307)</u>	<u>0</u>	<u>(106)</u>	<u>17,245</u>

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

15 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

General Endowment	A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity
Student Scholarships and grants	Capital balance of past donations where related income, but not the original capital, can be used for student scholarships and grants
Student Hardship	Capital balance of past donations where related income, but not the original capital, can be used for hardship grants for students
Fellows support	Capital balance of past donations where related income, but not the original capital, to support Fellows' research.

Restricted Funds:

Scholarship and grants Income	A consolidation of gifts and donations for student support together with accumulated income of the Scholarships Endowment Funds
Hardship Income	A consolidation of gifts and donations for student hardship together with accumulated income of the Hardship Endowment Funds
Fellows Research Income	A consolidation of gifts and donations for Fellows' support together with accumulated income of the Fellows Endowment Funds
Facilities Funds	A consolidation of gifts and donations for provision of facilities for college members
Lectures Funds	A consolidation of gifts and donations to support the Linacre Lectures

Designated Funds

Fixed asset designated	Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes
Other Designated Funds	Unrestricted Funds allocated by the Fellows for future costs for various purposes. They include £1,554k Designated Capital funds which are Unrestricted funds allocated by the Trustees for the purpose of preserving the capital and maintaining a long-term income stream in support of the College's activities

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

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	7,761	0	0	7,761
Securities and other investments	1,554	93	7,663	9,310
Net current assets and creditors falling due after one year	(272)	446	0	174
	<u>9,043</u>	<u>539</u>	<u>7,663</u>	<u>17,245</u>

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

17 TRUSTEES' REMUNERATION

Trustee remuneration

The trustees of the college comprise the governing body, primarily fellows who are teaching and research employees of the University of Oxford and who are elected to become Fellows of the college and sit on governing body by virtue of their election to the college and their employment with the University.

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.

Trustees of the college fall into the following categories:

Principal, Fellows by election, Professorial Fellows, Senior Research Fellows, President of the Common Room, 4 Common Room representatives including 1 Junior Research Fellow.

There are also 3 trustees (Principal, Bursar and Development Director) who work full time on management and fundraising.

Some trustees receive additional allowances for additional work carried out as part time college officers. (e.g. Vice Principal, Senior Tutor) These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £245k (2010-11 £262k). The total of pension contributions is £31k (2010-11 £35k).

Remuneration paid to trustees

Range	2011-2012		2010-2011	
	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £
£1-£999	5	2,991	0	
£1,000-£1,999	1	1,853	3	4,258
£3,000-£3,999	1	3,051	1	3,749
£6,000-£6,999	0		1	6,794
£8,000-£8,999	1	8,074	0	
£14,000-£14,999	0		1	14,826
£36,000-£37,000	1	36,203	0	
£52,000-£52,999	1	52,764	1	52,589
£54,000-£54,999	0		1	54,131
£57,000-£57,999	0		1	57,465
£58,000-£58,999	1	58,864	0	
£68,000-£68,999	0		1	68,640
£81,000-£81,999	1	81,166	0	

48 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.

There were no other transactions with trustees

Linacre College
Notes to the financial statements
For the year ended 31 July 2012

18 PENSION SCHEMES

The College participates in two principal pension schemes for its staff - the Universities Superannuation Scheme ('USS') and the University of Oxford Staff Pension Scheme ('OSPS'). Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and final pensionable salary) and are contracted out from the State Second Pension Scheme. The assets of USS and OSPS are each held in separate trustee-administered funds.

Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes.

As a result, the amount charged to the income and expenditure account represents the contributions payable to the schemes in respect of the accounting period.

In the event of the withdrawal of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

However, in OSPS, the amount of any pension funding shortfall in respect of any withdrawing participating employer will be charged to that employer.

Actuarial valuations

Qualified actuaries periodically value the Schemes. Both USS and OSPS were valued using the "projected unit" method, embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in each scheme. The financial assumptions were derived from market conditions prevailing at the valuation date.

The results of the latest actuarial valuations and the assumptions which have the most significant effect on the results of the latest valuations and the determination of the contribution levels are shown in the following table.

		USS	OSPS
Date of valuation:		31/03/2011	31/03/2010
Date valuation results published:		15/06/2012	30/06/2011
Value of liabilities:		£35,344m	£394m
Value of assets:		£32,434m	£312m
Funding Surplus/(Deficit):		(£2,910m) ^a	(£82m) ^b
Principal assumptions:			
	Rate of interest (future service liabilities)	6.1% pa	-
	Rate of interest (periods up to retirement)	6.1% pa	-
	Rate of interest (periods after retirement)	-	7.0% pa
	Rate of increase in salaries	-	5.0% pa
	Rate of increase in pensions	4.4% pa	4.7% pa
		3.4% pa ^c	3.7% pa
Mortality assumptions:			
	Assumed life expectancy at age 65 (males)	23.7 yrs	22 yrs
	Assumed life expectancy at age 65 (females)	25.6 yrs	24 yrs
Funding Ratios:			
	Technical Provisions basis:	92%	79%
	Statutory Pension Protection Fund basis:	93%	86%
	"Buy-out" basis:	57%	52%
	Estimated FRS17 basis	82%	77%
Recommended Employer's contribution rate (as % of pensionable salaries)		16% ^d	21.5% ^e
Effective date of next valuation:		31/03/2014	31/03/2013

Notes:

- a. USS' actuarial valuation as at 31st March 2011 identified a funding deficit of £2,910m. The USS Joint Negotiating Committee has proposed, and USS has implemented with effect from 1st October 2011, a package of changes, including the admission of new members into a Career Revalued Benefits section. The changes are required to ensure the future sustainability of the Scheme. Further details about the changes may be reviewed on USS' website, www.uss.co.uk. After allowing for those changes, the actuary established a long term employer contribution rate of 12.6% of total pensionable salaries for the 2011/12 year, reducing over time. USS agreed with Universities UK, on behalf of all the employers participating in the scheme, to address the deficit by continuing the employer contribution rate at the previously agreed rate of 16% of total pensionable salaries (this being the rate paid by the employers since

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18 PENSION SCHEMES (continued)

1st October 2009) until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals. The actuary has certified that the additional contribution should eliminate the deficit by 31st March 2021.

- b. OSPS' actuarial valuation as at 31st March 2010 identified a required long-term employer contribution rate of 18.2% of total pensionable salaries, but also a funding deficit of £82.4m. 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 1st August 2008). The actuary has certified that the additional contribution should eliminate the deficit by 31st March 2027. In addition, the University has agreed to close the scheme to future final salary accrual, transferring all members onto a Career Revalued benefits structure with effect from 1st January 2013. Further details may be seen on the Schemes' website, www.admin.ox.ac.uk/finance/pensions/osps/
- c. USS' actuary has assumed that pensions increases will be 3.4% a year for the three years to 31st March 2014, then 2.6% a year thereafter.
- d. As noted above (note a.), the USS employer contribution rate required for future service benefits alone at the date of the valuation was 12.6% of total pensionable salaries. It was agreed that employers should continue to contribute at the previously agreed rate of 16% of total pensionable salaries (this being the rate paid by the employers since 1st October 2009) until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals.
- e. As noted above (note b.), the OSPS employer contribution rate required for future service benefits alone at the date of the valuation was 18.2% of total pensionable salaries. It was agreed that employers should continue to contribute at the previously agreed rate of 21.5% of total pensionable salaries (this being the rate paid by the employers since 1st August 2008).

Sensitivity of actuarial valuation assumptions:

Surpluses or deficits which arise at future valuations may impact on the College's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities	
		USS	OSPS
Valuation rate of interest	increase/decrease by 0.5%	decrease / increase by £3.2bn	decrease / increase by £35m
Rate of pension increases	increase/decrease by 0.5%	increase / decrease by £2.0bn	increase / decrease by £25m
Rate of salary growth	increase/decrease by 0.5%	increase / decrease by £1.2bn	increase / decrease by £5m
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.8bn	increase by £10m

The pension charge for the year includes contributions payable to the USS of £53k (2011 - £52k) and contributions payable to the OSPS of £87k (2011 - £77k). At 31 July 2012 £16k was accrued in respect of pension contributions (2011 - £15k).

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19 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(ies) because the directors of this/these company(ies) 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.

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

	2012 £'000	2011 £'000
Net incoming resources for the year	1,699	410
Elimination of non-operating cash flows:		
- Investment income	(403)	(359)
- Endowment donations	(507)	(494)
- Financing costs	11	11
Depreciation	206	199
Decrease/(Increase) in stock	4	0
Decrease/(Increase) in debtors	18	(8)
(Decrease)/Increase in creditors	45	(214)
Net cash inflow/(outflow) from operations	1,073	(455)

21 ANALYSIS OF CHANGES IN NET FUNDS

	2011 £'000	Cash flow £'000	2012 £'000
Cash at bank and in hand	115	11	126
	115	11	126
Deposits and other short term investments	604	65	669
Bank loans due within one year	(18)	0	(18)
Bank loans due after one year	(420)	19	(401)
	281	95	376

22 FINANCIAL COMMITMENTS

At 31 July the College had annual commitments under non-cancellable operating leases as follows:

	2012 £'000	2011 £'000
Land and buildings		
- expiring within one year	0	0
- expiring between two and five years	0	0
- expiring in over five years	51	46
	51	46
Other		
- expiring within one year	1	0
- expiring between two and five years	5	6
- expiring in over five years	0	0
	6	6

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23 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July for future capital projects. (2011 - £32k)

24 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 or Fellows of the College. Details of these payments and reimbursed expenses as trustees are disclosed separately in these financial statements.

There were no other related party transactions.

