



MAGDALEN COLLEGE

Report and Financial Statements

For the Year Ended 31 July 2012

MAGDALEN COLLEGE
Annual Report and Financial Statements

Contents	Page
Report of the Governing Body	2
Governing Body, Officers and Advisers	10
Auditor's Report	16
Statement of Accounting Policies	17
Consolidated Statement of Financial Activities	20
Consolidated and College Balance Sheets	21
Consolidated Cashflow Statement	22
Notes to the Financial Statements	23

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

The Members of the Governing Body, who act as the Charity Trustees, 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.

1. REFERENCE and ADMINISTRATIVE INFORMATION

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

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

The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the advisers of the College, are given on pages 10 to 14.

2. STRUCTURE, GOVERNANCE and MANAGEMENT

a. Governing Documents

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

b. Governing Body

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

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

c. Recruitment and Training of Members of the Governing Body

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

d. Organisational Management

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

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

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

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

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

e. Group Structure and Relationships

The College has the following subsidiary companies and connected bodies:

- Magdalen Development Company Limited is a wholly owned trading subsidiary of Magdalen College. Its principal activity is property development including development of the Oxford Science Park, a joint venture in which Magdalen Development Company Limited has a 50% holding. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Trading Limited is a wholly owned trading subsidiary of Magdalen College. It undertakes general trading activities, including providing conference facilities and operating a visitor scheme at the College and providing accommodation for old members visiting the College. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Educational Conferences Limited is a company limited by guarantee. Its principal activity is the provision of conference facilities at the College.
- Magdalen College Development Trust is a charitable trust. The Trust was established primarily as a fundraising body to meet the needs of the College and to support the College on fundraising strategy, projects and execution.

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

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

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

On 31 July 2011 the funds of the Magdalen College Law Tutorship Company Limited were transferred to the Magdalen College Law Tutorship Trust under a uniting direction for accounting and registration purposes (section 96(5) Charities Act 1993). The Magdalen College Law Tutorship Company Limited was struck off the Companies House register and dissolved on 10 April 2012, and removed from the Register of Charities on 23 April 2012.

f. Risk Management

Risk assessment and management inform the activities of the College. Policies and procedures for risk management within the College are reviewed regularly by the Bursarial Committee, which reports annually on this matter to the Governing Body. The Governing Body has ultimate responsibility for risk management in the College. Following the most recent annual review in April 2012 the Governing Body concluded that adequate procedures are in place in the College to give reasonable, though not absolute, assurance that major risks are being properly managed.

3. OBJECTIVES and ACTIVITIES

a. Charitable Objects and Aims

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

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

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 2011. In this connection the Governing Body has noted the general and supplemental guidance produced by the Charity Commission.

b. Aims for the Public Benefit

The College's aims for the public benefit are

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

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

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

c. Equality of Opportunity

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

To help raise educational aspiration and attract outstanding candidates who might not otherwise have considered applying, the College supports various outreach activities, including visits to schools, visits by schools to the College, open days, and the provision of guidance and information in a printed prospectus and on the College website for prospective applicants. With the appointment of a full-time Outreach and Communications Officer in 2012 the College is significantly extending its activities in these areas. The College and the University jointly provide Oxford Opportunity Bursaries (a scheme approved by the Office for Fair Access), to help support undergraduate students with limited financial means. The College also operates a

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

Student Support Fund to assist any of its students who experience financial hardship, and supports all its students through travel and research grants. (See section 4c for details.)

d. Activities and Objectives of the College

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

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

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

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

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

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

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

4. ACHIEVEMENTS and PERFORMANCE in the YEAR to 31 JULY 2012

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

a. Academic

The student population of the College averaged 391 undergraduates, undertaking a mixture of three- and four-year courses; and 229 graduates, of whom 75 were studying for taught masters degrees and 154 undertaking research for doctorates.

The examination performance of the undergraduates was outstanding. 47 out of 110 Finalists gained First Class Honours. Magdalen was placed first in the Norrington Table, which ranks the final examination results of the colleges in the University. 35 undergraduates achieved distinctions or first-class results in University examinations taken in the earlier years of their courses. 20 graduates studying taught courses achieved distinctions in their final exams. Many University Prizes and Awards were won by undergraduates and graduates of the College.

MAGDALEN COLLEGE

Report of the Governing Body

Year ended 31 July 2012

Magdalen Fellows published a wide range of research papers and gave numerous lectures both within the University and around the globe. Of particular note were the awards and distinctions achieved by Fellows of the College including the Duff Cooper prize to Dr Robert Douglas Fairhurst for his biography *Becoming Dickens: The Invention of a Novelist*; the Robert J and Claire Pasarow Award in Cardiovascular Disease to Professor Peter Ratcliffe; the InBev-Baillet Latour Health Prize and Election to the Academy of Medical Sciences to Professor Gero Miesenboeck; the Frederic Lizzi Early Career Award and the R Bruce Lindsay Award of the Acoustical Society of America to Professor Constantin Coussios; the AstraZeneca, GlaxoSmithKline, Pfizer and Syngenta prize to Professor Tim Donohoe; the Institute of Physics' Tabor medal and the Tulip Award to Professor Andrew Turberfield; and the Election to the British Academy of Professor Oliver Braddick.

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

There were several events and invited lectures held during the year. The Calleva Research Centre for Evolution and Human Science at Magdalen held its second Annual Symposium with invited talks by Professor Colin Blakemore, Professor Bryan Clarke and Professor Elaine Fox. There was also an afternoon of Philosophy to celebrate the career of Dr Ralph Walker and a memorial symposium to celebrate the work of Fields medallist and former Waynflete Professor of Pure Mathematics Dan Quillen. Of particular note was a poetry event, consisting of readings by 13 Magdalen poets including Honorary Fellow Seamus Heaney, which was held in October. In May the College, in association with the Humanities Division of the University, was host to the second Humanitas Professor in Fine Art, the distinguished artist and film maker Shirin Neshat. She gave lectures and took classes with students.

b. Personal Development and Extra-Curricular Activities

The student body was, as usual, active in extra-curricular activities. The Magdalen Players performed *The Tempest* for their Annual Garden Show and there was a successful Arts week. As many as 20 students were awarded Blues through selection for University sports teams. Magdalen students were President of the Oxford University Sports Federation and President of the University Swimming Club. The Women's First Boat retained their position as Head of the River in the Torpids Easter Rowing Races for the third year running. There was a very successful Commemoration Ball run by a committee of students.

c. Financial Support for Students

In order to assist undergraduates entitled to public support, the College and the University jointly provide Oxford Opportunity Bursaries to help those of limited financial means. In 2011/12 95 students received Oxford Opportunity Bursaries and a total of £250k was awarded. The College also operates a Student Support Fund to assist any of its students who experience financial hardship. In 2011/12 the Student Support Fund made grants totalling £258k to 81 students. It also supports all its students through travel and research grants (£65k awarded in 2011/12). Awards were also made from the Junior Members' Hardship Fund and the Rent Relief Fund, totalling £16k.

d. Chapel and Choir

Over the course of the academic year 2011/12, around 400 Chapel services were conducted. About 150 of these were sung by the College Choir, which was established in the Founder's original statutes; approximately 20 more services were sung by the mixed 'Consort of Voices', mainly comprised of members of the College Choir. All Chapel services are open to the general public, regardless of the official opening and closing hours of the College. In addition to the usual term-time pattern, the College offered two services of 'Carols by Candlelight', one of 'Music and Readings for Advent', and a service of 'Music and Readings for Lent and Passiontide'. In June 2012, the Consort of Voices sang a special Elizabethan Festal Evensong to mark the Queen's Diamond Jubilee. A popular series of organ recitals was held on Saturdays. Other highlights of the past year included the Remembrance Sunday observances, the choral Requiem for All Souls – sung to the setting by Victoria – and the Choir's customary singing of madrigals from the Great Tower on May Morning, to large crowds of people congregating in the streets below. Overall attendance at Chapel services in the course of the past year is estimated at roughly 10,300 (not counting the services which are held in Chapel by Magdalen College School). The vast majority of those who attended Chapel services came from outside

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

College. It is always the aim that Chapel services should be increasingly well known and well attended by the general public.

The Choir, away from the College, pursued a busy schedule of tours and concerts. During the course of the year they performed in the Sheldonian Theatre, Oxford, at the invitation of Oxford Philomusica, in the Salle Church (Norfolk) and in Norwich Cathedral.

e. Public Access

The Old Library houses the College's large rare-books and manuscripts collection. During the year hundreds of visitors had tours or attended seminars there. 250 individual scholars from outside College consulted material in the College Libraries to further their own research.

The College grounds, Chapel and Hall are open to the public throughout the year except over the Christmas period. Access is free for local residents, alumni and various special-interest groups. During 2011/12 there were 12,927 adult paying visitors and 17,672 visitors who paid at a concessionary rate. In addition a family ticket, introduced in April, was purchased by 541 families.

The College participates in several programmes that offer free access to members of the public: The Oxford Open Doors weekend in September 2011 welcomed 7,442 members of the public to the College free of charge; on New Year's Day there were 341 visitors; and there were 347 visitors on Sunday 15 April 2012 for the National Gardens Scheme.

f. Development and Alumni Relations

The Development Office is responsible for securing philanthropic income for the College, primarily from alumni, and in 2011/12 secured £2,074k in income, (2010/11 - £2,443k). New pledges made during 2011/12 totalled approximately £3.1m (2010/11 - approximately £2.1m).

Good progress was made towards endowing a number of Tutorial Fellowships, especially in Law and History, building upon the recent success of securing a Fellowship in PPE. An initiative was launched to endow a Classics Fellowship as part of the University's Teaching Fund programme and pledges were secured for over half the amount required (£1.2m). Completion of the fundraising for the Law and Classics Fellowships will be a priority for the next financial year.

This year also saw the launch of the 'quiet phase' for a fundraising programme to raise £8m for the redevelopment and extension of the College's New Library; £965k was secured in new pledges to add to the £1m which had been previously pledged to the Campaign. Fundraising for this project will also be a top priority for the coming financial year.

The Development Office has also been continuing work on its plans for the launch of a major Capital Campaign with the appointment of a Campaign Chair and the gathering of many of the College's top donors and supporters for a weekend of consultation. A draft case for support has been prepared, with the support of the Trustees, and the College will continue to develop this in consultation with other potential major donors in the coming year.

5. FINANCIAL REVIEW

a. Results for the Year

Before investment gains of £7,030k, the group share of the loss of the joint venture of £1,179k and the actuarial loss of £119k, the consolidated net outgoing resources were £123k. Overall, there was a net increase in consolidated funds in the year of £5,609k. Net incoming resources of £12,176k were 3.7% higher than in 2010/11. Expenditure rose by 8.5% to £12,299k.

The group share of the loss of the Oxford Science Park joint venture (an investment asset held by Magdalen Development Company Limited) of £1,179k resulted from reductions in the value of property reflecting continuing stagnant market conditions.

Under the College's total return investment policy, adopted by the Governing Body with effect from 31 July 2003 (see section 5c below), a transfer of £3,977k was made from the College's general endowment fund to the unrestricted general fund. This transfer, together with income and gains generated by investment assets

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

held in unrestricted funds, represents the maximum annual drawdown of 3.5% of appropriately averaged investment asset values.

Actuarial losses arising on the liabilities of the Magdalen College Staff Retirement Benefit Scheme, on an FRS17 basis as at 31 July 2012 resulted in a charge of £119k. £23k of this charge arises from losses on the scheme liabilities and £412k results from changes in the demographic and financial assumptions underlying the valuation. There is a positive gain arising from the difference between actual and expected returns on scheme assets of £316k.

The College also spent £634k on professional fees and other preliminary work in respect of the refurbishment and extension of the College Library. These costs have been capitalised in Fixed Assets (note 10 to the accounts).

b. Reserves Policy

The College's reserves policy is to maintain sufficient free reserves to enable it—in the event of an unexpected revenue shortfall—to meet its short-term financial obligations, to allow the College to be managed efficiently and to provide a buffer that would ensure uninterrupted services. The Trustees have reviewed forecasts for income and expenditure and consider that a minimum level of consolidated general reserves of £5.5m is required for this purpose.

The consolidated free reserves at the year-end amounted to £4,211k (2011 - £3,788k), representing retained unrestricted income reserves excluding an amount of £11,118k for the book value of freehold land and buildings and £4,036k designated for other purposes as scheduled in note 19 to the accounts. The Trustees intend to build up the reserves to the required level.

c. Investment Policy, Objectives and Performance

The College's investment assets are held to support its activities across a spread of different asset classes and are managed for total return. The investment policy is to generate optimum risk adjusted returns from the portfolio to fund annual expenditure of up to 3.5% of the rolling five year average value, whilst maintaining the real inflation adjusted value of the investment assets and having regard to balancing the needs of current and future beneficiaries. In managing the investments, a reasonable diversification of assets is maintained, and performance is measured by total return regardless of whether return is derived from income or from capital growth. No fixed benchmark has been adopted. It is the responsibility of the College's Investment Committee to recommend to the College policy for the investment of endowment and other assets, and to oversee the management of these assets in a manner consistent with the approved policy.

In the year to 31 July 2012 gross total return from the investment assets was 5.89% (2011/12 - 11.87%); the total return net of management fees was 5.66% (2011/12 - 11.53%). The value of consolidated investment assets at year end was £155,411k (2011 - £149,681k). The asset allocation of these investments at 31 July 2012 was 52% marketable equities, 14% private equity, 10% the College's share of the Oxford Science Park joint venture, 10% other commercial property, 10% agricultural property and 4% cash, although the proportion of marketable equities and cash has varied during the course of the year. Agricultural property, commercial property and private equity generated above average returns during the year. The Oxford Science Park continued to be adversely affected by the poor local market for office accommodation.

6. OBJECTIVES for 2012/13

The College's core priorities for 2013 and future years remain unchanged: to further study, learning, education and research of the highest standard. Associated with these enduring priorities the College will address some particular projects during the coming year.

- Following the decision this year to increase the number of graduate offers made by the College in each admissions round the College will give further consideration to the balance between undergraduate and graduate student numbers, its subject range and the distribution of resources among the different subjects that the College offers.

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

- Following the appointment of an Outreach and Communications Officer in 2012 to encourage students from financially disadvantaged backgrounds to apply to Oxford University and Magdalen College, there will be significant extensions to the College's outreach activities in 2012/13.
- The development of plans to refurbish and expand the College Library.
- Preparation for a major new fundraising drive to be called the Capital Campaign. This campaign will aim to raise funds for the redevelopment of the College Library, to endow Tutorial Fellowships and to provide enhanced support for student bursaries and scholarships.

MAGDALEN COLLEGE
Report of the Governing Body
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 Trustees during the year or subsequently are detailed below.

President (Prof. D. C. Clary)		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Vice-President (Prof. J.F. Gregg)		(1)	(2)		(4)	(5)			(8)
Ardavan, Dr. A.		(1)							
Bacon, Mr. A.									
Bagshaw, Mr. R.		(1)					(6)	(7)	
Baron, Dr. S.	Retired 30/9/2011								
Barr, Dr. G.		(1)					(6)		
Berenbeim, Dr. J.	Appointed 1/10/2012								
Blandford-Baker, Mr. M.R.		(1)	(2)				(6)		
Braddick, Prof. O.	Retired 30/9/2011							(7)	
Bridson, Prof. M.R.									(8)
Brockliss, Prof. L.W.B.		(1)	(2)						
Budelmann, Dr. F.J.		(1)							
Caney, Prof. S.L.		(1)	(2)						
Castle, Dr. J.L.		(1)							
Clark, Prof. D.M.	Appointed 1/10/2011								(8)
Cleveland, Prof. J. R.	Appointed 1/10/2011	(1)							
Conde, Dr. J-C.		(1)							
Coussios, Prof. C-C.		(1)							
Davies, Prof. S.									
De Moor, Prof. O.		(1)							
Dolan, Prof. L.									
Donohoe, Prof. T.J.		(1)	(2)						
Douglas-Fairhurst, Dr. R.		(1)							

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

Dreyfus, Prof. L.		(1)						
Dudas, Mr. O.								
Due, Dr. R.		(1)						
Dunbar, Prof. R.I.M.					(5)		(7)	
Etheridge, Prof. A.		(1)	(3)					
Ferdinand, Dr. C.Y.		(1)		(4)				
Foster, Prof K. R.		(1)						
Fricker, Dr. E.M.		(1)						(8)
Garfitt, Dr. J.S.T.		(1)						
Garland, Prof. C.J.		(1)		(4)		(6)		
Ghosh, Dr. S.								
Gilbert, Dr. R.		(1)			(5)			
Goldacre, Prof. M.J.	Retired 30/9/2011							
Goodwin, Dr. S.		(1)						
Grevling, Dr. K.D.		(1)						
Haddad, Dr A.								
Harris, Dr. C.		(1)						
Harrison, Dr. E.F.	Retired 30/9/2012							
Hawthorne, Prof. J.								
Highcock, Mr. E.	Appointed 1/10/2011							
Hill, Prof. A.V.S.								
Hobson, Mr. A.								
Holes, Prof. C.								
Holland, Dr. C.	Retired 30/9/2011							
Horobin, Dr. S.C.P.		(1)						
Houlbrook, Dr. M.		(1)						(8)
Hyde, Mr. D.S.		(1)			(5)			

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

Karenowska, Miss A.	Appointed 1/10/2011				(4)				
Kristensen, Dr. J.		(1)							
Kröning, Dr. D.									
Lau, Dr. J.Y-F.		(1)	(2)						
Mackenzie, Dr. S.R.		(1)							
Maguire, Prof. L.E.		(1)							
McLaughlin, Prof. M.L.									(8)
Miesenböck, Prof. G.									
Moreno, Dr. A.		(1)							
Nightingale, Dr. J.B.W.		(1)			(4)				
Nizami, Dr. F.									
Norman, Dr. T.W.L.		(1)	(2)						
Piret, The Revd Dr. M.J.		(1)			(5)				
Pobjoy, Dr. M.P.		(1)					(6)	(7)	
Rainey, Mr. S.F.	Appointed 1/10/2012				(4)				
Ratcliffe, Prof. P.									
Rossotti, Miss H.C.	Appointed 1/10/2011	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Rouquier, Prof. R.	Resigned 31/8/2012								
Russell, Mr. J.	Appointed 1/10/2011	(1)							
Sattentau, Prof. Q.		(1)							(8)
Scholar, Mr. J.M.T.	Appointed 1/10/2012								
Smith, Mr. R.J.		(1)			(4)				
Smith, Prof. J.A.C.		(1)							
Stargardt, Dr. N.		(1)	(2)	(3)					
Sullivan, Dr. P.B.								(7)	
Turberfield, Prof. A.J.									
Walker, Dr. R.C.S.	Retired 30/9/2011								

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

Weller, Prof. A.S.		(1)					(6)		
West, Prof. S.	Appointed 1/8/2011								
Whitehouse, Prof. H.									
Wood, Dr. S.	Resigned 30/9/2011								
You, Dr. Z.		(1)							
Young, Mr. C.G.		(1)	(2)	(3)	(4)		(6)		

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

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

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

Investment Committee: Mr J Palmer, Mr S Butt, Mr P Davies, Sir Bertie Ross, Mr J Wrigley

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

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

MAGDALEN COLLEGE
Report of the Governing Body
Year ended 31 July 2012

COLLEGE ADVISERS

Investment managers

Cazenove Capital Management Ltd
12 Moorgate
London EC2R 6DA

Investment property managers

Savills
Wytham Court
11 West Way
Oxford OX2 0QL

Auditor

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford OX 1 1BE

Bankers

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

Solicitors

Blake Lapthorn
Seacourt Tower
West Way
Oxford OX2 0FB

College address

High Street
Oxford
OX1 4AU

Website

www.magd.ox.ac.uk

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:

Prof D C Clary
President

MAGDALEN COLLEGE

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

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

This report is made solely to the College's Governing Body in accordance with section 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

1. Scope of the financial statements

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

2. Basis of accounting

The financial statements have been prepared under the Charities Act 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 are accounted for in the period in which the related service is provided.

4. Incoming resources from donations and legacies

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

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

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

5. Investment income

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

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

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

6. Expenditure

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

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

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

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

7. Joint Venture

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

MAGDALEN COLLEGE
Statement of Accounting Policies
Year ended 31 July 2012

8. Tangible fixed assets

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

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

9. Depreciation

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

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

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

10. Investments

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

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

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

11. Stocks

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

12. Foreign currencies

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

13. Total Return investment accounting

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

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

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

14. Fund accounting

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

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

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

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

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

15. Pension costs

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

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

MAGDALEN COLLEGE
Consolidated Statement of Financial Activities
For the year ended 31 July 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, research and residential		5,460	0	0	5,460	5,258
Public worship		6	0	0	6	7
Heritage		135	0	0	135	135
		<u>5,601</u>	<u>0</u>	<u>0</u>	<u>5,601</u>	<u>5,400</u>
Resources from generated funds						
Legacies and donations		699	446	929	2,074	2,443
Trading income	2	1,144	0	2,255	3,399	3,026
Investment income	3	96	0	3,124	3,220	3,042
Bank and other interest	4	6	0	0	6	4
		<u>1,945</u>	<u>446</u>	<u>6,308</u>	<u>8,699</u>	<u>8,515</u>
Other incoming resources		131	0	0	131	98
Total Incoming Resources		<u>7,677</u>	<u>446</u>	<u>6,308</u>	<u>14,431</u>	<u>14,013</u>
Less group share of joint venture's turnover		0	0	(2,255)	(2,255)	(2,268)
Net Incoming Resources		<u>7,677</u>	<u>446</u>	<u>4,053</u>	<u>12,176</u>	<u>11,745</u>
RESOURCES EXPENDED						
Cost of generating funds	5					
Fundraising		531	29	0	560	597
Trading expenditure		915	0	0	915	734
Investment management costs		15	0	703	718	586
		<u>1,461</u>	<u>29</u>	<u>703</u>	<u>2,193</u>	<u>1,917</u>
Charitable activities	5					
Teaching, research and residential		8,545	831	0	9,376	8,691
Public worship		387	40	0	427	486
Heritage		274	0	0	274	203
		<u>9,206</u>	<u>871</u>	<u>0</u>	<u>10,077</u>	<u>9,380</u>
Governance costs	8	29	0	0	29	37
Total Resources Expended		<u>10,696</u>	<u>900</u>	<u>703</u>	<u>12,299</u>	<u>11,334</u>
Net incoming/(outgoing) resources before group share of joint venture's (loss)/profit and transfers between funds		(3,019)	(454)	3,350	(123)	411
Group share of joint venture's (loss)	12	0	0	(1,179)	(1,179)	(358)
Transfers between funds	19	3,977	842	(4,819)	0	0
Net incoming/(outgoing) resources before other gains and losses		<u>958</u>	<u>388</u>	<u>(2,648)</u>	<u>(1,302)</u>	<u>53</u>
Investment gains		85	0	6,945	7,030	13,159
Actuarial (losses) on defined benefit pension scheme		(119)	0	0	(119)	(176)
Net movement in funds for the year		<u>924</u>	<u>388</u>	<u>4,297</u>	<u>5,609</u>	<u>13,036</u>
Fund balances brought forward	19	18,441	1,092	144,852	164,385	151,349
Funds carried forward at 31 July	19	<u>19,365</u>	<u>1,480</u>	<u>149,149</u>	<u>169,994</u>	<u>164,385</u>

MAGDALEN COLLEGE
Consolidated and College Balance Sheets
As at 31 July 2012

	Notes	2012 Group £'000	2011 Group £'000	2012 College £'000	2011 College £'000
FIXED ASSETS					
Tangible assets	10	12,849	12,518	13,479	13,148
Property investments	11	25,723	22,296	25,723	22,296
Investment in joint venture					
Share of gross assets	12	17,966	19,639	0	0
Share of gross liabilities		(1,701)	(2,195)	0	0
		16,265	17,444	0	0
Securities and other investments	13	113,423	109,941	130,433	126,941
		168,260	162,199	169,635	162,385
CURRENT ASSETS					
Stocks		448	485	448	485
Debtors	16	602	770	4,839	4,936
Deposits and other short term investments		28	46	28	46
Cash at bank and in hand		2,669	2,592	2,049	1,889
		3,747	3,893	7,364	7,356
CREDITORS: falling due within one year	17	1,265	1,048	1,126	1,020
NET CURRENT ASSETS/(LIABILITIES)		2,482	2,845	6,238	6,336
TOTAL ASSETS LESS CURRENT LIABILITIES		170,742	165,044	175,873	168,721
Provisions for liabilities and charges	18	748	659	748	659
NET ASSETS		169,994	164,385	175,125	168,062
FUNDS OF THE COLLEGE					
	19				
Endowment funds		149,149	144,852	150,583	144,594
Restricted funds		1,480	1,092	1,480	1,092
Unrestricted funds					
Designated funds		15,154	14,653	15,154	14,653
General funds		4,211	3,788	7,908	7,723
		169,994	164,385	175,125	168,062

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

President: Prof D C Clary

Finance Bursar: H C Rossotti

MAGDALEN COLLEGE
Consolidated Cash Flow Statement
For the year ended 31 July 2012

	Notes	2012 Group £'000	2011 Group £'000
Net cash inflow/(outflow) from operations	25	(3,451)	(3,765)
Returns on investments and servicing of finance			
Income from investments		3,226	3,046
Finance costs paid		(48)	(32)
		3,178	3,014
Capital expenditure and financial investment			
New endowment capital received		929	1,628
Payments for tangible fixed assets		(718)	(146)
Proceeds from sales of tangible fixed assets		0	0
Payments for investments		(2,249)	(3,361)
Proceeds from sales of investments		2,370	2,011
		332	132
Management of liquid resources			
Net (additions to) / withdrawals from term deposits		18	0
		18	0
Increase/(decrease) in cash in the year		77	(619)
Reconciliation of net cash flow to movement in net funds	26		
Increase/(decrease) in cash in the year		77	(619)
Transfers to/(from) term deposits and current investments		(18)	0
Change in net funds		59	(619)
Net funds at 1 August		2,638	3,257
Net funds at 31 July		2,697	2,638

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

1 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Teaching, research and residential					
Tuition fees - UK and EU students	1,309	0	0	1,309	1,317
Tuition fees - Overseas students	419	0	0	419	399
Other fees	135	0	0	135	97
Other HEFCE support	387	0	0	387	472
Other academic income	421	0	0	421	265
College residential income	2,789	0	0	2,789	2,708
	<u>5,460</u>	<u>0</u>	<u>0</u>	<u>5,460</u>	<u>5,258</u>
Public worship					
Chapel offerings	2	0	0	2	3
Other	4	0	0	4	4
	<u>6</u>	<u>0</u>	<u>0</u>	<u>6</u>	<u>7</u>
Heritage					
Entrance fees	114	0	0	114	117
Other	21	0	0	21	18
	<u>135</u>	<u>0</u>	<u>0</u>	<u>135</u>	<u>135</u>

The above analysis includes £1,642k received from Oxford University under the CFF Scheme, net of College fees received directly (2011 - £1,732k).

2 TRADING INCOME

	2012 £'000	2011 £'000
Subsidiary company trading income	1,144	758
Group share of joint venture's turnover	2,255	2,268
	<u>3,399</u>	<u>3,026</u>

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Agricultural rent	0	0	276	276	272
Commercial rent	0	0	623	623	616
Other property income	0	0	415	415	424
Equity dividends	96	0	1,547	1,643	1,342
Income from fixed interest stocks	0	0	0	0	4
Interest on fixed term deposits and cash	0	0	51	51	45
Other investment income	0	0	212	212	339
	<u>96</u>	<u>0</u>	<u>3,124</u>	<u>3,220</u>	<u>3,042</u>

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Bank interest	6	0	0	6	4
	<u>6</u>	<u>0</u>	<u>0</u>	<u>6</u>	<u>4</u>

5 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	309	200	51	560	597
Trading expenditure	291	504	120	915	734
Investment management costs	90	615	13	718	586
Total costs of generating funds	<u>690</u>	<u>1,319</u>	<u>184</u>	<u>2,193</u>	<u>1,917</u>
Charitable expenditure					
Teaching, research and residential	4,825	3,611	940	9,376	8,691
Public worship	182	217	28	427	486
Heritage	98	162	14	274	203
Total charitable expenditure	<u>5,105</u>	<u>3,990</u>	<u>982</u>	<u>10,077</u>	<u>9,380</u>
Governance costs	<u>0</u>	<u>29</u>	<u>0</u>	<u>29</u>	<u>37</u>
Total resources expended	<u>5,795</u>	<u>5,338</u>	<u>1,166</u>	<u>12,299</u>	<u>11,334</u>

The College is liable to be assessed for Contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to Colleges on the basis of need. Contributions to the Fund are calculated annually in accordance with regulations made by the Council of the University of Oxford.

The teaching and research costs include College Contribution payable of £188k (2011 - £186k).

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

6 SUPPORT COSTS

	Generating funds £'000	Teaching research and residential £'000	Public worship £'000	Heritage £'000	2012 Total £'000	2011 Total £'000
Financial and domestic admin	147	283	10	10	450	495
Human resources	6	82	10	0	98	106
IT	24	155	4	0	183	162
Depreciation	2	377	4	4	387	383
Other finance charges	5	43	0	0	48	32
	<u>184</u>	<u>940</u>	<u>28</u>	<u>14</u>	<u>1,166</u>	<u>1,178</u>

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

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2012 Total £'000	2011 Total £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted funds as follows:				
Scholarships, prizes and grants	155	63	218	191
Bursaries and hardship awards	261	258	519	500
Grants to other institutions	140	73	213	137
	<u>556</u>	<u>394</u>	<u>950</u>	<u>828</u>

Unrestricted grants to other institutions comprises payments to Magdalen College School, Oxford, as a contribution towards the education of 16 choristers (2011 - £137k). This sum is included within the charitable expenditure on Public Worship. Restricted grants comprise £66k paid to Magdalen College School, Oxford, in respect of the transfer of Trusteeship of certain funds for prizes and scholarships and £7k to the University of Oxford for the support of Italian Studies. These sums are included within the charitable expenditure on Teaching and Research.

8 GOVERNANCE COSTS

	2012 £'000	2011 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	27	27
Legal and other fees on constitutional matters	2	10
	<u>29</u>	<u>37</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 their involvement in the College's charitable activities. Details of the remuneration of the Fellows and their reimbursed expenses are included as a separate note within these financial statements.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

9 STAFF COSTS

	2012 £'000	2011 £'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	5,081	5,125
Social security costs	387	382
Pension costs	813	792
	<u>6,281</u>	<u>6,299</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	12	11
College residential	89	88
Public worship	2	2
Heritage	0	0
Fundraising	5	5
Support	13	12
Total	<u>121</u>	<u>118</u>

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

University Lecturers	22	22
CUF Lecturers	10	11
Other teaching and research	17	18
Other	7	6
Total	<u>56</u>	<u>57</u>

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

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

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

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

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

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

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

10 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
At start of year	14,865	2,728	17,593
Additions	634	84	718
Disposals	0	(28)	(28)
At end of year	15,499	2,784	18,283
Depreciation			
At start of year	4,085	990	5,075
Charge for the year	296	91	387
On disposals	0	(28)	(28)
At end of year	4,381	1,053	5,434
Net book value			
At end of year	11,118	1,731	12,849
At start of year	10,780	1,738	12,518
College	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
At start of year	14,865	3,350	18,215
Additions	634	84	718
Disposals	0	(28)	(28)
At end of year	15,499	3,406	18,905
Depreciation			
At start of year	4,085	982	5,067
Charge for the year	296	91	387
On disposals	0	(28)	(28)
At end of year	4,381	1,045	5,426
Net book value			
At end of year	11,118	2,361	13,479
At start of year	10,780	2,368	13,148

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

11 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2012 Total £'000	2011 Total £'000
Valuation at start of year	11,456	7,436	3,404	22,296	18,764
Additions and improvements at cost	0	0	0	0	0
Disposals net proceeds	0	(569)	0	(569)	0
Revaluation gains/(losses) in the year	3,522	462	12	3,996	3,532
Valuation at end of year	14,978	7,329	3,416	25,723	22,296

A formal valuation of the agricultural, commercial and other properties was prepared by the College's Estate Managers, Savills, at 31 July 2012.

12 JOINT VENTURE

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

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

	2012 £'000	2011 £'000
Turnover	2,255	2,268
Expenditure	(3,434)	(2,626)
Result for the year	(1,179)	(358)
Fixed assets	10,436	11,894
Current assets	7,530	7,745
Liabilities due within one year	(1,701)	(2,195)
	16,265	17,444
Group share of joint venture assets at 1 August 2011	17,444	18,190
Group share of distribution from joint venture	0	(300)
Group share of revaluation loss	0	(88)
Group share of joint venture loss for the year	(1,179)	(358)
Group share of joint venture assets at 31 July 2012	16,265	17,444

Within the joint venture, fixed assets are valued on a market basis. The last valuation was carried out on 31 December 2011 by Jones Lang LaSalle.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

13 SECURITIES AND OTHER INVESTMENTS	2012	2011	2012	2011
	Group £'000	Group £'000	College £'000	College £'000
Valuation at start of year	109,941	98,576	126,941	113,387
New money invested	554	1,889	564	4,314
Amounts withdrawn	(1,529)	(1,437)	(1,529)	(1,432)
Reinvested income	1,695	1,472	1,695	1,429
Investment management fees	(272)	(274)	(272)	(266)
(Decrease)/increase in value of investments	3,034	9,715	3,034	9,509
Valuation at end of year	113,423	109,941	130,433	126,941
Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2012 Total £'000	2011 Total £'000
Equity investments	0	82,076	82,076	70,065
Property funds	0	3,773	3,773	3,763
Alternative and other investments	16,991	4,087	21,078	20,107
Fixed term deposits and cash	0	6,496	6,496	16,006
Total group investments	16,991	96,432	113,423	109,941
College investments comprise:	Held outside the UK £'000	Held in the UK £'000	2012 Total £'000	2011 Total £'000
Equity investments	0	82,076	82,076	70,065
Property funds	0	3,773	3,773	3,763
Investment in subsidiary companies	0	17,010	17,010	17,010
Alternative and other investments	16,991	4,087	21,078	20,107
Fixed term deposits and cash	0	6,496	6,496	15,996
Total college investments	16,991	113,442	130,433	126,941

14 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

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

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

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

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

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

14 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS - CONT.

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

	MDC £'000	MCTL £'000	MCECL £'000	MCDT £'000
Turnover / Incoming Resources	26	810	594	2,071
Expenditure	(133)	(526)	(594)	(2,071)
Donation to College under gift aid	(167)	(284)	-	-
Result for the year	<u>(274)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total assets	16,354	136	143	543
Total liabilities	(3,864)	(136)	(143)	(523)
Net funds at the end of year	<u>12,490</u>	<u>0</u>	<u>0</u>	<u>20</u>

15 STATEMENT OF INVESTMENT TOTAL RETURN

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

	Permanent Endowment £'000	Expendable Endowment £'000	Designated Funds £'000	Unrestricted Funds £'000	Total £'000
Investment total return					
Income distributions	83	3,041	52	44	3,220
Capital gains/losses	69	6,876	46	39	7,030
Investment management costs	(12)	(691)	(8)	(7)	(718)
Total return for the year	<u>140</u>	<u>9,226</u>	<u>90</u>	<u>76</u>	<u>9,532</u>
Amount applied as income for spending	<u>(94)</u>	<u>(4,698)</u>	<u>(35)</u>	<u>(84)</u>	<u>(4,911)</u>
Net increase in Unapplied Total Return in the year	46				
Unapplied Total Return at start of year	425				
Unapplied Total Return at end of year	<u>471</u>				
Preserved value of original permanent endowments	<u>3,768</u>				

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

16 DEBTORS

	2012 Group £'000	2011 Group £'000	2012 College £'000	2011 College £'000
Amounts falling due within one year:				
Trade debtors	266	308	19	62
Amounts owed by College members	150	133	150	133
Amounts owed by Group undertakings	0	0	4,527	4,587
Loans repayable within one year	9	6	9	6
Prepayments and accrued income	122	144	89	109
Other debtors	55	179	45	39
	<u>602</u>	<u>770</u>	<u>4,839</u>	<u>4,936</u>

17 CREDITORS: falling due within one year

	2012 Group £'000	2011 Group £'000	2012 College £'000	2011 College £'000
Trade creditors	311	173	289	173
Amounts owed to College members	53	54	53	54
Amounts owed to Group undertakings	0	0	0	0
Taxation and social security	176	210	157	186
College contribution	190	191	190	191
Accruals and deferred income	125	53	27	49
Other creditors	410	367	410	367
	<u>1,265</u>	<u>1,048</u>	<u>1,126</u>	<u>1,020</u>

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2012 Group £'000	2011 Group £'000	2012 College £'000	2011 College £'000
At start of year	659	507	659	507
Charged in the Statement of Financial Activities	153	202	153	202
Settled in the year	(64)	(50)	(64)	(50)
At end of year	<u>748</u>	<u>659</u>	<u>748</u>	<u>659</u>

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

19 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2011 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2012 £'000
Endowment Funds - Permanent						
Fleet Fund	2,925	58	(9)	(58)	52	2,968
Kerruish Fund	553	11	(2)	(11)	10	561
Consolidated prizes/scholarships funds	337	7	(1)	(6)	6	343
Consolidated other sundry funds	402	9	-	(45)	1	367
Endowment Funds - Expendable						
General endowment fund	117,394	2,580	(616)	(3,976)	5,283	120,665
Calleva Fund	3,303	66	(11)	(95)	59	3,322
Perkin research studentship Fund	284	6	(1)	(7)	5	287
Dr Rose's Benefaction	552	11	(2)	(19)	10	552
Giles Bequest	557	11	(2)	(20)	10	556
History fellowship Fund	1,326	48	(4)	(46)	24	1,348
Law fellowship Fund	368	287	(1)	-	7	661
PPE Fund	1,700	69	(5)	(60)	30	1,734
Frank Richardson Fund	467	9	(1)	(16)	8	467
Robin Snow Fund	335	7	(1)	(12)	6	335
Duncan Mackinnon Fund	745	15	(2)	(26)	13	745
Student Support Fund	7,368	241	(24)	(242)	131	7,474
Tavella Stewart Fund	363	7	(1)	(13)	6	362
Boat Club Fund	308	11	(1)	(11)	5	312
Paul Getty Fund	441	8	(2)	(15)	8	440
Hong Kong Scholarship	395	382	(1)	-	7	783
Law Tutorship Trust	2,362	47	(7)	(64)	42	2,380
Consolidated prizes/scholarship funds	1,101	35	(4)	(26)	20	1,126
Consolidated chapel / choir funds	180	4	(1)	(6)	3	180
Consolidated gardens funds	225	4	(1)	(8)	4	224
Consolidated tutorial / research fellowship funds	228	107	(1)	(4)	4	334
Consolidated other sundry funds	633	13	(2)	(33)	12	623
Total Endowment Funds - Group	144,852	4,053	(703)	(4,819)	5,766	149,149
General endowment fund held by subsidiaries	(258)	451	62	-	1,179	1,434
Total Endowment Funds - College	144,594	4,504	(641)	(4,819)	6,945	150,583

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

19 ANALYSIS OF MOVEMENTS ON FUNDS - CONT.

	At 1 August 2011 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2012 £'000
Restricted Funds						
Transfer from endowment funds for spending	-		(819)	819	-	-
New Library Fund	808	132	-	-	-	940
Student Support Fund	66	61	-	23	-	150
Consolidated scholarship funds	125	80	-	-	-	205
Consolidated other sundry funds	93	173	(81)	-	-	185
Total Restricted Funds - Group and College	1,092	446	(900)	842	0	1,480
Unrestricted Funds						
General unrestricted funds	3,788	7,626	(10,541)	3,418	(80)	4,211
Designated funds:						
Fixed asset designated	10,780	-	-	338	-	11,118
College building Fund	1,000	-	-	47	-	1,047
History fellowship Fund	449	9	(17)	4	8	453
Law fellowship Fund	410	8	(1)	16	7	440
George Freeman JRF Fund	887	18	(3)	12	16	930
Student Support Fund	277	5	(1)	36	5	322
Consolidated chapel / choir funds	568	7	(123)	-	6	458
Consolidated other sundry funds	282	4	(10)	106	4	386
Total Unrestricted Funds - Group	18,441	7,677	(10,696)	3,977	(34)	19,365
General unrestricted funds held by subsidiaries	3,935	(284)	46	-	-	3,697
Total Unrestricted Funds - College	22,376	7,393	(10,650)	3,977	(34)	23,062
Total Group Funds						169,994
Total College Funds						175,125

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

20 FUNDS OF THE COLLEGE - DETAILS

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

Endowment Funds - Permanent:

Fleet Fund	Lifetime gifts and legacy for endowing fellowships in Modern History and Economics
Kerruish Fund	Lifetime gift for the benefit of the choir

Consolidated prizes/scholarships funds	Individual gifts to establish prizes and scholarships for students
Consolidated other sundry funds	Individual gifts, none larger than £200k, for a variety of other purposes

Endowment Funds - Expendable:

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

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

Restricted Funds:

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

Unrestricted Funds

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

Designated Funds

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	12,849	-	-	12,849
Property investments	-	-	25,723	25,723
Investment in joint venture	-	-	16,265	16,265
Securities and other investments	6,262	-	107,161	113,423
Net current assets	1,002	1,480	-	2,482
Provisions	(748)	-	-	(748)
	<u>19,365</u>	<u>1,480</u>	<u>149,149</u>	<u>169,994</u>

22 TRUSTEES' REMUNERATION

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

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

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

Trustees of the college fall into the following categories:

Non Stipendiary (Professorial) Fellows

Tutorial Fellows

Fellows by Examination (Junior Research Fellows)

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

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

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

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

The total remuneration, taxable benefits and pension contributions as shown below is £2,341,433 (2010-11 £2,330,940). The total of pension contributions is £305,171 (2010-11 £296,954).

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

22 TRUSTEES' REMUNERATION - CONT.

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	3	449	4	661
£1,000-£1,999	2	2,713	3	3,273
£3,000-£3,999	-	-	1	3,632
£4,000-£4,999	2	8,557	-	-
£5,000-£5,999	1	5,592	-	-
£6,000-£6,999	-	-	1	6,963
£8,000-£8,999	3	26,211	1	8,695
£9,000-£9,999	1	9,518	1	9,234
£10,000-£10,999	3	31,346	3	31,459
£13,000-£13,999	-	-	1	13,718
£14,000-£14,999	1	14,298	-	-
£15,000-£15,999	-	-	1	15,467
£16,000-£16,999	-	-	1	16,724
£19,000-£19,999	1	19,334	-	-
£20,000-£20,999	1	20,735	1	20,469
£21,000-£21,999	1	21,321	1	21,969
£22,000-£22,999	13	296,595	10	226,308
£23,000-£23,999	1	23,992	5	117,095
£24,000-£24,999	-	-	2	49,041
£25,000-£25,999	1	25,198	3	75,633
£26,000-£26,999	1	26,323	-	-
£30,000-£30,999	1	30,891	-	-
£31,000-£31,999	1	31,523	-	-
£32,000-£32,999	1	32,193	1	32,865
£33,000-£33,999	-	-	1	33,427
£34,000-£34,999	1	34,258	-	-
£35,000-£35,999	1	35,611	1	35,308
£40,000-£40,999	1	40,250	-	-
£41,000-£41,999	-	-	2	83,834
£42,000-£42,999	1	42,017	-	-
£45,000-£45,999	-	-	1	45,866
£47,000-£47,999	1	47,092	-	-
£48,000-£48,999	-	-	1	48,292
£50,000-£50,999	1	50,790	1	50,677
£52,000-£52,999	6	314,126	5	260,450
£55,000-£55,999	-	-	2	111,513
£56,000-£56,999	1	56,695	-	-
£57,000-£57,999	1	57,920	-	-
£58,000-£58,999	-	-	1	58,901
£60,000-£60,999	1	60,843	-	-
£62,000-£62,999	-	-	1	62,700
£64,000-£64,999	1	64,818	1	64,365
£65,000-£65,999	-	-	1	65,794
£66,000-£66,999	1	66,470	-	-
£67,000-£67,999	1	67,747	-	-
£68,000-£68,999	1	68,854	-	-
£69,000-£69,999	-	-	1	69,269
£72,000-£72,999	-	-	1	72,559
£74,000-£74,999	3	223,968	1	74,087

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

22 TRUSTEES' REMUNERATION - CONT.

Remuneration paid to trustees - cont.

	2011-2012		2010-2011	
Range	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £
£75,000-£75,999	-	-	2	150,605
£78,000-£78,999	-	-	1	78,186
£79,000-£79,999	1	79,060	-	-
£81,000-£81,999	1	81,781	1	81,428
£91,000-£91,999	1	91,378	-	-
£109,000-£109,999	1	109,901	1	109,548
£120,000-£120,999	-	-	1	120,925
£121,000-£121,999	1	121,065	-	-

Trustee expenses

4 fellows were paid travel expenses for travel to trustee or other meetings (for example meetings in London in relation to college investments). The total cost of these expenses was £276 (2010-11 - 4 fellows were paid £252).

23 PENSION SCHEMES

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

Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, as required by the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

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

The latest actuarial of the USS was carried out at 31 March 2011 and published in June 2012. The valuation identified a funding deficit of £2,910m. The USS Joint Negotiating Committee has proposed, and USS has implemented with effect from 1 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. After allowing for these changes, the actuary established a long term employer contribution rate of 12.6% of total pensionable salaries for the year 2011/12, 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 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 contributions should eliminate the deficit by 31st March 2021.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

23 PENSION SCHEMES - CONT.

The latest actuarial valuation of the OSPS was carried out at 31 March 2010 and 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.

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

The pension charge for the year includes contributions payable to the USS of £327k (2011 - £310k), contributions payable to the OSPS of £478k (2011 - £474k) and contributions to other schemes of £8k (2011 - £8k).

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

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

	2012 £'000	2011 £'000
Present value of funded obligations	(2,109)	(1,611)
Fair value of plan assets	1,361	952
Deficit	(748)	(659)

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

	2012 £'000	2011 £'000
Opening defined benefit obligation	(1,611)	(1,554)
Service cost	0	0
Interest cost	(87)	(80)
Employee contributions	0	0
Actuarial loss	(435)	(161)
Benefits paid	24	184
Defined benefit obligation at end of year	(2,109)	(1,611)

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

	2012 £'000	2011 £'000
Opening fair value of scheme assets	952	1,047
Expected return	53	54
Actuarial gain	316	(15)
Employer contributions	64	50
Employee contributions	0	0
Benefits paid	(24)	(184)
Fair value of scheme assets at the year end	1,361	952

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

23 PENSION SCHEMES - CONT.

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

	2012 £'000	2011 £'000
Current service cost	0	0
Past service cost	0	0
Expected return on scheme assets	(53)	(54)
Interest on pension liabilities	87	80
Total amount charged within net incoming / (outgoing) resources	34	26
Actuarial gains and losses	119	176
Total amount charged to the Statement of Financial Activities	153	202

Magdalen College expects to contribute £64,000 to its defined benefit pension scheme in 2013.

The cumulative total of recognised actuarial gains and losses since the adoption of FRS17 is £146,000 loss.

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

	2012	2011
Phoenix Life / Scottish Mutual With-Profits Fund	100%	100%

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

	2012 £'000	2011 £'000
Phoenix Life / Scottish Mutual With-Profits Fund	5.40%	5.50%

f) Principal assumptions at the balance sheet date

	2012	2011
Discount rate	4.20%	5.40%
Price inflation	2.80%	3.70%
Rate of increase in salaries	n/a	n/a
Rate of increase of pensions in payment	2.80%	3.70%
Rate of increase of pensions in deferment	2.80%	3.70%
Proportion of employees opting for early retirement	n/a	n/a
Expected return on scheme assets	5.40%	5.50%
Assumed life expectations on retirements age 65:		
Retiring today - males	22.2	22.1
Retiring today - females	24.3	24.2
Retiring in 20 years - males	24.0	23.9
Retiring in 20 years - females	26.2	26.1

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

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Defined benefit obligation	(2,109)	(1,611)	(1,554)	(1,386)	(1,251)
Scheme assets	1,361	952	1,047	945	856
Surplus / (deficit)	(748)	(659)	(507)	(441)	(395)
Experience adjustments on scheme liabilities	(23)	(15)	2	13	(390)
Experience adjustments on scheme assets	316	(62)	42	22	326

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

24 TAXATION

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

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

	2012 £'000	2011 £'000
Net incoming resources for the year	(1,302)	53
Elimination of non-operating cash flows:		
- Investment income	(3,226)	(3,046)
- Endowment donations	(929)	(1,628)
- Financing costs	48	32
- Group share of joint venture loss/(profit)	1,179	358
- Actuarial loss on pension scheme	(119)	(176)
Depreciation	387	383
Decrease/(Increase) in stock	37	10
Decrease/(Increase) in debtors	168	157
(Decrease)/Increase in creditors	217	(60)
(Decrease)/Increase in provisions	89	152
Net cash inflow/(outflow) from operations	(3,451)	(3,765)

26 ANALYSIS OF CHANGES IN NET FUNDS

	2011 £'000	Cash flow £'000	2012 £'000
Cash at bank and in hand	2,592	77	2,669
Deposits and other short term investments	46	(18)	28
	<u>2,638</u>	<u>59</u>	<u>2,697</u>

27 FINANCIAL COMMITMENTS

There were no annual commitments under non-cancellable operating leases at 31 July 2012.

28 CAPITAL COMMITMENTS

There were no contracted commitments at 31 July 2012 for future capital projects.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2012

29 RELATED PARTY TRANSACTIONS

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

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

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

	2011-2012		2010-2011	
Range	Number of trustees/ fellows	Total amount outstanding £	Number of trustees/ fellows	Total amount outstanding £
£0-£999	17	9,745	17	8,968

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

2012 £'000	2011 £'000
150	150

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

30 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 July 2012.

31 POST BALANCE SHEET EVENTS

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

