

Oriel College

Annual Report and Financial Statements

Year ended 31 July 2012

Registered charity number: 1141976

ORIEL COLLEGE
Annual Report and Financial Statements
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Report of the Governing Body

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

CORPORATE STATUS

Oriel College in the University of Oxford, which is known as Oriel College ("the College"), is an eleemosynary chartered charitable corporation aggregate. It was founded by Edward the Second by a Royal Charter, dated 1326, issued to Adam de Brome. Its full corporate designation and title to its property and other assets were confirmed by Letters Patent granted by James the First in 1603. The College consists of the Provost and Fellows ('Scholars').

The College registered with the Charity Commission on 31 March 2011 (registered number 1141976).

The College is governed by its statutes dated 21 January 1326 as amended up to 1 April 2007.

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, Her Majesty the Queen.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Provost.

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 during the year or subsequently are detailed below. The committees on which members currently serve are shown in columns 1 to 6 as follows:

- 1 Finance and Estates Committee
- 2 General Purposes Committee
- 3 Audit Committee
- 4 Investment Committee
- 5 Development Committee
- 6 Remuneration Committee

Further details given on pages 4 and 5.

		(1)	(2)	(3)	(4)	(5)	(6)
Sir Derek Morris, Provost		F	G		I	D	
Professor Andrew Boothroyd, Vice Provost		F	G				
Dr Mark Philp		F					
Professor David Charles							
Mr Richard Tur	Retired 31 March 2012						
Professor Derek Gray	Retired 30 September 2011						
Professor John Barton	Special Leave 2010-13						
Dr Michael Spivey		F					
Professor Annette Volting							
Professor David Hodgson							R
Dr Lynne Cox							
Dr Douglas Hamilton							
Professor Robert Evans	Retired 30 September 2011						
Professor Pedro Ferreira							
Dr Teresa Morgan	Assessor 2011-12		G				
Professor Brian Leftow							R
Dr Oliver Pooley		F					
Dr Bruno Currie			G				
Dr John Huber		F					
Dr Richard Scholar							

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		(1)	(2)	(3)	(4)	(5)	(6)
Dr Celine Rochon	Special Leave 2010-13				I		
Mr Wilf Stephenson, Treasurer		F	G		I	D	
Dr Yadvinder Malhi							
Dr Kristine Krug			G				
Dr Ian Forrest, Tutor for Admissions			G				
Dr Christopher Bowdler					I		
Ms Juliane Kerkhecker, Senior Dean							
Professor Michael Devereux							R
Dr Christopher Conlon							
Ms Lucinda Ferguson							
Dr Philip Stier							
Dr Julia Mannherz							
Professor John Armour				A			
Professor Gonzalo Rodriguez Pereyra							
Professor Ian Horrocks							
Professor Lars Fugger							
Dr Nicholas Eyre							
Ms Sandra Robertson					I		
Dr Kevin Maloy							
Dr William Wood	Fixed Term Fellow						
Dr Max Crispin	Fixed Term Fellow					D	
Dr Yakov Kremnitzer							
Dr Colin MacDonald							
Dr Mungo Wilson						D	
Dr Kathryn Murphy							
Dr James Sparks							
Mr Sean Power	Appointed 12 October 2011	F				D	
Professor Lyndal Roper	Appointed 12 October 2011						

At the year end there was one fellow elect: Dr Paul Yowell.

Dr Glenn Black retired from his official fellowship on 30 September 2010 but continues to act as Senior Tutor and to attend the Governing Body and appropriate committee meetings in that capacity. Professor Keith Hawkins, Emeritus Fellow, was appointed acting Tutor for Graduates with effect from 1 April 2012 and attends Governing Body and appropriate committee meetings in that capacity.

Recruitment and Training of Members of the Governing Body

Members of the Governing Body are elected on the recommendation of appointment committees, which normally include external members. Most are selected for their outstanding academic achievements and teaching abilities. Others are selected for specific management roles. Extensive references are taken prior to appointment.

All new fellows receive a comprehensive briefing on the governance of the College and their duties as trustees and further training has been arranged to ensure that all fellows are fully aware of their responsibilities in the light of registration with the Charity Commission.

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Report of the Governing Body

ORGANISATIONAL MANAGEMENT

The members of the Governing Body meet 10 times a year. The work of developing their policies and monitoring the implementation of these is carried out by five principal Standing or Governance Committees (and a number of other committees covering specific areas of the College's activities).

The principal management committees are the Finance and Estates Committee and the General Purposes Committee. Both are chaired by the Provost.

The principal Governance Committees are the Audit Committee, the Remuneration Committee and the Investment Advisory Committee. A Development Committee was established during the year to take over responsibilities previously held by the Trustees of the Oriel College Development Trust, which was merged with the College on 31st July 2011. All have an external chairman and a majority of external members or, in the case of the Remuneration Committee, a majority of members not remunerated by the College.

The current members of the Governing Body are shown above. Other members are shown under the respective committee below.

1 (F) Finance and Estates Committee

The Finance and Estates Committee is the standing committee of the Governing Body with responsibility for considering, acting and reporting on any matter pertaining to the financial affairs and estates of the College.

Its external members are:

Mr John Shannon (Former Treasurer, Oriel College Development Trust)

2 (G) General Purposes Committee

The General Purposes Committee is the standing committee of Governing Body with responsibility for reviewing and making recommendations on all business of the College not specifically the responsibility of other standing or ad hoc committees.

3 (A) Audit Committee

The Audit Committee exists to review, on behalf of the College, the effectiveness of the external audit, the financial statements, internal controls and overall financial governance. The Chairman has access to the Provost at all times and may address the Governing Body on any matters of concern as the Committee requires. The Committee reports annually to the Governing Body on the financial statements and its work during the year.

Its external members are:

Mr Strone Macpherson (Chairman, Close Brothers plc.), Chairman
Mr John Shannon (former Treasurer, Oriel College Development Trust)
Mr Tim Budden (Director of Group Reporting, Grosvenor)
Mr Ian Thompson (Bursar of Wadham College)

4 (I) Investment Advisory Committee

The Investment Advisory Committee consists of fellows and members of the College with relevant expertise. The Committee meets at least twice a year to review investment performance and advise on investment strategy and reports annually to the Governing Body. It is also consulted by the Treasurer on matters that arise during the year.

Its external members are:

Mr John Cook, Chairman
Mr Keith Jones (former Chief Executive, Morley Fund Management. Currently adviser to Lloyds Bank Plc., Permira and Board Director of AonHewitt, Just Retirement, Espirito Santo Investment Bank and F&C Asset Management PLC)
Mr Colm Kelleher (Co-President of Institutional Securities and Executive Vice-President, Morgan Stanley)

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Mr Rupert Nabarro (Chairman, IPD)
Mr John Shannon (former Treasurer, Oriel College Development Trust)
Mr Charles Skinner (Chief Executive, Restore plc.)
Mr Mark Tyndall (Chief Executive, Artemis Investment Management LLP)

In addition to the Investment Advisory Committee, a Property Panel (P) was established to provide expert advice on strategy and management of the College's property portfolio.

Its external members are:

Mr Robin Goodchild, (International Director and Head of European Strategy, La Salle Investment Management)
Mr Jonathan Lane, (Deputy Chairman and Chairman Elect, Shaftsbury plc)
The Master of Works

5 (D) Development Committee

The Development Committee consists of fellows and members of the College. The Committee meets at least once a term to review progress with development objectives and the performance of the Development Office. It also gives advice and support to the Development Director and his team.

Its external members are:

Mr Geoffrey Austin
Professor Philip Burrows
Dr Clive Cheesman
Mr Peter Doherty
The Reverend William Eakins
Mr Adam Frost
Mr Michael Johnson
Mr John Shannon
Mr James Thomson
Miss Claire Toogood

6 (R) Remuneration Committee

The Remuneration Committee consists of an external chairman, one other external member, two professorial fellows and one other fellow. The Committee meets twice a year to review matters of remuneration policy and any significant remuneration issues raised by members or by the Governing Body.

Its external members are:

Professor Donald Hay (former Head of the Division of Social Sciences and Emeritus Fellow of Jesus College),
Chairman
Mr John Church (Bursar of Pembroke College)

GROUP STRUCTURE AND RELATIONSHIPS

The College administers a number of charitable trusts, as detailed in Note 19 of the financial statements. The College currently has three wholly owned non-charitable subsidiaries: Land, Estates and Property Limited, Tean Limited and Oriel College Conferences Limited, whose annual profits are donated to the College under the Gift Aid Scheme.

The objective of the College's subsidiaries is to help finance the achievement of the College's aims set out above.

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The subsidiaries activities are as follows:

Oriel College Conferences Limited:	Runs the commercial conference activity of the College
Land, Estates and Property Limited:	Runs a number of rental properties in South London
Tean Limited	Runs a rental property in Cheltenham, Gloucestershire.

Oriel College Development Trust, which was founded in 1972 to raise philanthropic gifts for the College merged with the College on 31st July 2011. The Trust was a separate registered charity whose sole purpose was to support the work of the College. Prior to the merger all trust assets were given to the College.

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

RISK MANAGEMENT

The major risks to which the College is exposed, as identified by the Governing Body, have been reviewed and systems established to mitigate them. A risk register is maintained and reviewed annually by Finance & Estates and Audit Committees who report to Governing Body on the adequacy of measures taken and any areas of concern.

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

OFFICERS AND SENIOR STAFF

The officers and senior staff of the College to whom day to day management is delegated are as follows:

Sir Derek Morris - Provost
Professor Andrew Boothroyd – Vice Provost
Mr Wilf Stephenson – Treasurer
Ms Juliane Kerkhecker – Senior Dean
Dr Glenn Black – Senior Tutor
Dr Ian Forrest – Tutor for Admissions
Professor Keith Hawkins – Tutor for Graduates
Mr Kevin Melbourne – Domestic Bursar
Mr Oliver Sladen – Financial Controller
Mrs Gillian Hargreaves – Academic Registrar
Mr Sean Power – Development Director

PRINCIPAL ADVISERS AND BANKERS

Investment Managers

Sarasin & Partners LLP, Juxon House
100 St Pauls Churchyard
London EC4M 8BU

Investment Property Managers

(South London Properties)
Bells Commercial Ltd
Golding House
130-138 Plough Road
Clapham Junction
London SW11 2AA

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Investment Property Advisors

Marriotts
29 Beaumont Street
Oxford OX1 2NP

Savills
Wytham Court
11 West Way
Oxford OX2 0QL

Alder King
Brunswick House
Gloucester Business Park
Gloucester GL3 4AA

Auditors

Grant Thornton UK LLP
3140 Rowan Place -
John Smith Drive
Oxford Business Park South
Oxford OX4 2WB

Bankers

Childs and Co
49 Charing Cross
Admiralty Arch
London SW1A 2DX

Legal Advisers

Darbys
New Inn Hall Street
Oxford OX1 2DN

Address

Oriel College
Oriel Square
Oxford OX1 4EW

Website

www.oriel.ox.ac.uk

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OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

Today the College exists to promote undergraduate education within the University of Oxford and also to promote research and advanced study. The College also provides accommodation, advice and resources to graduate students of the University. The principle objects agreed by the Governing Body for incorporation in due course in revised Statutes are:

- Providing a University Education in a College conducted in accordance with the traditions of its foundation
- The advancement of education and learning and the promotion of research
- The advancement of public education, heritage and culture, in particular by the maintenance of articles of historic or aesthetic interest, and the conservation of the College and its grounds
- Other charitable purposes for the benefit of the public

The College's objects as approved by the Charity Commission are those in the Founding Charter of 1326 and summarised as: -

'A college of scholars studying sacred theology, civil and canon law and useful knowledge'

The College has various permanently endowed trust funds held for special purposes in connection with the maintenance and development of College facilities and for scholarships, bursaries, prizes and other educational purposes.

Public Benefit

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

Following the passing of the Charities Act 2006, there must be an identifiable benefit or benefits arising from the work of all charities and such benefits must be to the public or a section of the public. The Governing Body confirms that it has taken note of the Charity Commission's guidance on public benefit and the advancement of education when reviewing the College's aims and objectives and in planning future activities.

ACHIEVEMENTS AND PERFORMANCE

Strategic Objectives and Development

The College's strategic aim is to maintain and enhance its standing within the University of Oxford as a world-class college in a world-class university. By 2026, the 700th anniversary of the foundation, the twofold aim is to have secured the financial resources and significantly improved the facilities to support teaching, scholarships and research and secondly to maintain and develop the historic buildings to provide appropriate residential accommodation, teaching, research and social facilities for the twenty first century.

The Governing Body agreed to adopt a master plan to guide and prioritise development of improved facilities and major maintenance projects on the historic building fabric. The detailed design phase of the project to restore and improve the Rhodes Building was commenced during the year with a view to starting work in 2013.

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

The College has an overall fundraising target of £45 million set in 2004. To date £20 million has been raised in gifts and pledges.

New Gifts and pledges of just under £2 million were made during the year.

Over £94,000 was donated towards student financial support and hardship funds and which, along with funds raised in previous years, has allowed the College to award bursaries or financial support to 86 students.

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£212,000 was donated towards the renewal and refurbishment of buildings such as the Rhodes Building and Pantin Library projects.

Major Donations: This year we received a total of 17 gifts of over £10,000 from 15 donors. These, and other generous donors whose total giving to Oriel passed £10,000 this year, were invited to join the Raleigh Society, which aims to create a more direct and constructive engagement between the College's major donors and its Fellows. Members are invited to an annual garden party and dinner.

Legacies: The College received legacies from five Orielenses this year. 14 new pledges were also received growing the Adam de Brome Society to 237 members.

Annual Giving: This year the £125,500 in pledges received during the two-week annual telephone campaign took us over £1 million in pledges since the first telephone campaign in 2006. A total of 463 Orielenses were contacted during the two weeks and 40% of these pledged a gift to the College. 124 new donors were acquired as some 66% of those who pledged were Orielenses who had never before made a gift to the College.

New Gifts and Pledges

A total of £1,988,925 was raised in new gifts and pledges to the College during the year to the following areas:

Academic programmes	4.4%	- £87,513
Academic posts	47.6%	- £946,728
Buildings	2.3%	- £45,745
Student support	10.5%	- £208,837
Unrestricted	28.2%	- £560,877
Other	7.0%	- £139,225

The Director of Development, Mr Sean Power, has conducted a comprehensive review of the College's fund raising strategy. His recommendations have been endorsed by the Governing Body. A Campaign Board has been established to give overall support and strategic direction. A Development Committee of fellows and alumni has also been established.

Specific aims of the long term plan include increased funding to enable Oriel to continue to attract the best fellows and lecturers, further endowment of bursaries and other support for undergraduate and graduate students so they can be admitted purely on merit irrespective of their own financial resources.

Review Against the Principal Objects

1. 304 undergraduate (2011; 306) and 157 graduate (2011; 159) students were in residence during the year, and over one third of finalists obtained Firsts and over 90% obtained a First or an Upper Second. 27 graduate students were awarded doctorates and 54 masters degrees. Graduates represent a significant part of the College's contribution to the educational activities of the collegiate university and to the intellectual and social life of the College. We continue to improve facilities made available for graduate students.

The College continued its support of an undergraduate from the developing world by participating in the Reach Oxford scheme under which it pays college and university fees. Junior members contribute to a fund to cover living costs so the student is fully funded for his or her course in Oxford.

Generous prizes (funded by the Oriel Society) were awarded for the best performances by undergraduates in First Public Examinations in addition to the College prizes awarded for first class results in all public examinations.

Bursaries totalling £41,000 were awarded to students in addition to the College's participation in the Oxford Opportunity Bursary Scheme. Additional grants were made to students with exceptional needs and also to enable students to avoid taking paid work during vacations to concentrate on their studies.

Vacation travel bursaries were awarded to students to assist with the costs of travel related to the pursuit of their academic objectives.

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2. The College is open to guided tours and individual visitors at specified times. A number of film crews were hosted during the year. Most were making documentary programmes featuring research of fellows. The College has been pleased to continue its association with St Clements School in which it provides facilities for the operation of a Forest School at Bartlemas.

The College's distinguished visiting musician was Rodger Vignoles, the world's leading accompanist. Mr Vignoles gave a concert and two master classes. The choir continued to flourish under the direction of Dr David Maw, Tutor in Music and the year ended with a very successful tour to Portugal.

Professor Lesley Cormack, of the University of Alberta, gave the annual Harriot Lecture on the subject of 'English Globes in Harriott's Times.'

Dr Benjamin King, of the University of South Tennessee, gave the Newman lecture.

3. £306,000 was spent during the year on maintenance, restoration and conservation of the College's historic buildings, including £58,000 on capital works.

FINANCIAL REVIEW

Total income for the year was £9,373k and total expenditure £8,508k giving a surplus of £1,134k after a gain on investments of £269k. Investment income receivable of £3,111k on a gross asset base of £58,049k giving a gross yield of 5.4%.

The College's finances remain severely constrained as we remain neither able to obtain the funds from government required to fulfil our principal educational and research objects nor to raise fees to an appropriate level to meet our costs. The new funding arrangements for higher education are not at the present time expected to generate material additional income for the College.

A demanding balanced budget for the year was met and we were able to keep the draw on the endowment below our target maximum of 4%, measured over a rolling five year period. This result was achieved through appropriate cost savings and significant growth in conference and other hospitality revenue. A balanced budget has been set for 2012/13 which assumes a draw of 4% from endowment funds.

Reserves Policy

The Governing Body has sufficient reserves for the College to be managed efficiently and to ensure uninterrupted services.

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

The College's free reserves at the year-end amounted to £3,843k (2011: £3,642k).

Designated reserves at the year-end comprised two main areas of expenditure as detailed in the funds note.

These are part funding for the Rhodes Building refurbishment which is planned for 2013 and the Annual Fund. A fund to ensure that rooms within the college are fitting for both student and conference guests has been set up within the designated funds. It is intended this £100k fund will begin the refurbishment of student rooms in 2012/13.

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Investment Policy, Objectives and Performance

Endowment assets are invested in land and property, equities, fixed income securities and cash deposits. Land and property investments increased in value from £33,713k to £34,106k. Investment in securities were valued at £23,943k including £3,931k being invested during the year in the College portfolio following the sale of Trinity House during 2011. The cash balances at year end amounted to £3,640k as shown in the consolidated balance sheet. Investments since the year end of approximately £1m have reduced the investment cash balance.

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

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

The College's investment portfolio asset allocation has been reviewed by the Investment Committee with external advice during 2011/12. The medium term strategy is to reduce exposure to property and increase investment in global equities.

Returns from the property portfolio continue to be strong and rent reviews have been favourable (particularly within the South London estate). Rent reviews and property refurbishments will continue to be planned and reviewed during 2012/13.

The investment portfolio income return has also increased during 2011/12 after an agreed change in investment strategy with Sarasin in 2011.

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STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

Trustees' Responsibilities Statement

The trustees are responsible for preparing the Report of the Governing Body and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees 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 charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and group's transactions, and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 7 November 2012 and signed on its behalf by:

Sir Derek Morris
Provost

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Report of the Auditor to the Members of the Governing Body

Independent Auditor's Report to the Trustees of Oriel College

We have audited the financial statements of Oriel College for the year ended 31 July 2012 which comprise the Statement of Financial Activities, the Group and Charity balance sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed 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 (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

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

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 parent Charity's affairs as at 31 July 2012 and of the group's incoming resources and application of resources, including its income and expenditure, 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 parent Charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP
Statutory Auditor,
Chartered Accountants
OXFORD

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

Date:

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Statement of Accounting Policies
Year ended 31 July 2012

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Cash Flow Statement comprising the consolidation of the College and with its wholly owned subsidiaries Land Estates and Property Ltd and Tean Ltd. The accounts also consolidate Oriel College Conferences Limited (a newly incorporated subsidiary). No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiaries as included in the consolidated income, expenditure and results of the College are disclosed in note 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, less any scholarships, bursaries or other allowances granted by the College, but including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

4. Incoming resources from donation 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 income and expenditure.

7. Leases

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

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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 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. Intangible assets

Positive goodwill arising on consolidation is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life of 13 years. This length of time is presumed to be the maximum useful life of goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

10. Depreciation

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

Freehold properties, including major extensions	50 years
Leasehold properties	50 years or period of lease if shorter
Major refurbishments	30 years
Capital Building Items	5 years
IT Equipment	3 years
Vehicles	3 years

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

11. 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.

12. 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.

13. 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.

ORIEL COLLEGE

Statement of Accounting Policies

Year ended 31 July 2012

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 restricted the use of that income, in which case it will be accounted for as a restricted fund.

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

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.

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

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2012 Total £'000	2011 Total £'000
INCOMING RESOURCES						
Resources from charitable activities	1					
Teaching, research and residential		4,782	0	0	4,782	4,394
		<u>4,782</u>	<u>0</u>	<u>0</u>	<u>4,782</u>	<u>4,394</u>
Resources from generated funds						
Legacies and donations		44	380	733	1,157	1,028
Trading income	2	146	0	0	146	343
Investment income	3	1,403	1,708	0	3,111	3,372
Bank and other interest	4	75	0	0	75	22
		<u>1,668</u>	<u>2,088</u>	<u>733</u>	<u>4,489</u>	<u>4,765</u>
Other incoming resources		102	0	0	102	
Total Incoming Resources		<u>6,562</u>	<u>2,088</u>	<u>733</u>	<u>9,373</u>	<u>9,159</u>
RESOURCES EXPENDED						
Cost of generating funds	5					
Fundraising		273	14	0	287	283
Trading expenditure		26	0	0	26	28
Investment expenditure		495	863	83	1,441	1,493
		<u>794</u>	<u>877</u>	<u>83</u>	<u>1,754</u>	<u>1,804</u>
Charitable activities	5					
Teaching and research		5,638	1,085	0	6,723	6,439
		<u>5,638</u>	<u>1,085</u>	<u>0</u>	<u>6,723</u>	<u>6,439</u>
Governance costs	5,8	31	0	0	31	32
Total Resources Expended		<u>6,463</u>	<u>1,962</u>	<u>83</u>	<u>8,508</u>	<u>8,275</u>
Net incoming/(outgoing) resources before transfers		89	126	650	865	882
Net incoming/(outgoing) resources before other gains and losses		<u>89</u>	<u>126</u>	<u>650</u>	<u>865</u>	<u>882</u>
Investment gains/(losses)		112	19	138	269	(48)
Net movement in funds for the year		<u>201</u>	<u>145</u>	<u>788</u>	<u>1,134</u>	<u>834</u>
Fund balances brought forward	18	3,642	423	43,492	47,557	46,723
Funds carried forward at 31 July	18	<u>3,843</u>	<u>568</u>	<u>44,280</u>	<u>48,691</u>	<u>47,557</u>

Oriel 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					
Intangible assets	11	149	186	0	0
Tangible assets	10	5,323	5,526	5,323	5,523
Property investments	12	34,106	33,713	21,763	21,396
Securities and other investments	13	23,943	20,041	24,425	20,523
		<u>63,521</u>	<u>59,466</u>	<u>51,501</u>	<u>47,442</u>
CURRENT ASSETS					
Stocks		264	230	264	230
Debtors	15	789	541	6,435	5,333
Cash at bank and in hand		3,640	7,809	3,524	7,783
		<u>4,693</u>	<u>8,580</u>	<u>10,223</u>	<u>13,346</u>
CREDITORS: falling due within one year	16	<u>(1,917)</u>	<u>(2,158)</u>	<u>(936)</u>	<u>(1,254)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>2,776</u>	<u>6,422</u>	<u>9,287</u>	<u>12,092</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>66,297</u>	<u>65,888</u>	<u>60,788</u>	<u>59,534</u>
CREDITORS: falling due after more than one year	17	<u>(17,606)</u>	<u>(18,331)</u>	<u>(12,500)</u>	<u>(12,500)</u>
NET ASSETS		<u>48,691</u>	<u>47,557</u>	<u>48,288</u>	<u>47,034</u>
FUNDS OF THE COLLEGE					
	18				
Endowment funds		44,280	43,492	42,514	41,694
Restricted funds		568	423	559	410
Unrestricted funds					
Designated funds		1,666	1,395	1,561	1,388
General funds		2,177	2,247	3,654	3,542
		<u>48,691</u>	<u>47,557</u>	<u>48,288</u>	<u>47,034</u>

The financial statements were approved and authorised for issue by the Governing Body of
Oriel College
on: 7 November 2012

Trustee:

Trustee:

Oriel 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	24,25	(2,320)	(1,562)
Returns on investments and servicing of finance			
Income from investments		3,186	3,394
Finance costs paid		(973)	(1,030)
		2,213	2,364
Capital expenditure and financial investment			
New endowment capital received		733	591
Payments for tangible fixed assets		(83)	(203)
Proceeds from sales of tangible fixed assets		0	1
Payments for investments		(7,210)	(1,108)
Proceeds from sales of investments		3,184	6,640
		(3,376)	5,921
Financing			
New bank loans		0	
Bank loans repaid		(687)	(644)
New lease finance		0	
Capital element of finance lease payments		0	
		(687)	(644)
Increase/(decrease) in cash in the year		(4,170)	6,079
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash in the year		(4,170)	6,079
Transfers to/(from) term deposits and current investments		0	0
(Increase)/decrease in loan and lease finance		687	644
Change in net funds		(3,483)	6,723
Net funds at 1 August		(11,207)	(17,930)
Net funds at 31 July		(14,690)	(11,207)

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

1 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Teaching, research and residential					
Tuition fees - UK and EU students	1,415	0	0	1,415	1,494
Tuition fees - Overseas students	117	0	0	117	144
Other academic income	300	0	0	300	378
College residential income	2,914	0	0	2,914	2,360
	<u>4,782</u>	<u>0</u>	<u>0</u>	<u>4,782</u>	<u>4,394</u>

The above analysis includes grants totalling £1,175k received from Oxford University, net of College fees received directly (2011 - £1,243k)

College residential income includes £1,265k of charitable conference income.

Tuition fees - UK and EU students - prior year figure has been adjusted to include other Helce support which was shown on a separate line historically

2 TRADING INCOME

	2012 £'000	2011 £'000
Conference trading income	121	316
Other trading income	25	27
	<u>146</u>	<u>343</u>

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Commercial rent	1,111	1,274	0	2,385	2,777
Equity dividends	279	411	0	690	564
Interest on fixed term deposits and cash	0	0	0	0	0
Other investment income	13	23	0	36	31
	<u>1,403</u>	<u>1,708</u>	<u>0</u>	<u>3,111</u>	<u>3,372</u>

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2012 Total £'000	2011 Total £'000
Bank interest	75	0	0	75	22
	<u>75</u>	<u>0</u>	<u>0</u>	<u>75</u>	<u>22</u>

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

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	172	99	16	287	284
Trading expenditure	13	0	13	26	28
Investment related expenditure	98	437	906	1,441	1,493
Total costs of generating funds	283	536	935	1,754	1,805
Charitable expenditure					
Teaching, research and residential	3,406	2,398	919	6,723	6,440
Total charitable expenditure	3,406	2,398	919	6,723	6,440
Governance costs	7	24	0	31	32
Total resources expended	3,686	2,958	1,854	8,508	8,277

The College is liable to be assessed for Contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. Contribution is calculated annually in accordance with regulations made by the Council. The teaching and research costs include College Contribution payable of £20k (2011 - £25k)

Investment related expenditure includes £991k of interest payments relating to College and Subsidiary Company loans (2011 - £1,026)

6 SUPPORT COSTS

	Generating Funds £'000	Teaching Research Residential £'000	2012 Total £'000	2011 Total £'000
Financial and domestic admin	6	253	259	226
Human resources	0	58	58	65
IT	5	246	251	166
Depreciation	62	252	314	374
Loss/(profit) on fixed assets	0	0	0	1
Bank interest payable	862	128	990	1,026
Other finance charges	0	(18)	(18)	4
	936	919	1,854	1,862

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

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2012 Total £'000	2011 Total £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:				
Scholarships, prizes and grants	69	0	69	99
Bursaries and hardship awards	173	53	226	210
Grants to other institutions	0	0	0	0
	242	53	295	309

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

8 GOVERNANCE COSTS

	2012 £'000	2011 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	24	21
Auditor's remuneration - other services	1	5
Legal and other fees on constitutional matters	0	0
Other governance costs	6	6
	<u>31</u>	<u>32</u>

No amount has been included in Governance Costs for the direct employment costs or reimbursed expenses of the College Fellows on the basis that these payments relate to the Fellows involvement in the College's charitable activities. Details of the remuneration of the Fellows and their reimbursed expenses are included as a separate note within these financial statements.

9 STAFF COSTS

The aggregate payroll costs for the year were as follows.	2012 £'000	2011 £'000
Salaries and wages	3,219	3,071
Social security costs	247	232
Pension costs	481	378
	<u>3,947</u>	<u>3,681</u>

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

	2012	2011
Tuition and research	15	14
College residential	64	60
Fundraising	4	4
Support	18	17
Total	<u>101</u>	<u>95</u>

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

	2012	2011
University Lecturers	20	19
CUF Lecturers	7	8
Other teaching and research	17	19
Other	3	4
Total	<u>47</u>	<u>50</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.

No employees (excluding the College Trustees) had gross pay and benefits (excluding employer NI and pension contributions) of more than £50,000 during the year.

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

10 TANGIBLE FIXED ASSETS

Group and College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost					
At start of year	0	7,214	0	634	7,848
Additions	0	74	19	0	93
Disposals	0	0	0	(10)	(10)
At end of year	0	7,288	19	624	7,931
Depreciation					
At start of year	0	1,836	0	486	2,322
Charge for the year	0	243	6	37	286
On disposals	0	0	0	0	0
At end of year	0	2,079	6	523	2,608
Net book value					
At end of year	0	5,209	13	101	5,323
At start of year	0	5,378	0	148	5,526

11 INTANGIBLE ASSETS

Group	2012 £'000	2011 £'000
Cost		
At start of year	482	482
At end of year	482	482
Depreciation		
At start of year	296	259
Charge for the year	37	37
At end of year	333	296
Net book value		
At end of year	149	188
At start of year	186	223

This represents consolidated purchased goodwill

12 PROPERTY INVESTMENTS

Group	Agricultural £'000	Commercial £'000	Other £'000	2012 Total £'000	2011 Total £'000
Valuation at start of year	175	24,308	9,229	33,713	41,292
Additions and improvements at cost	0	0	80	80	180
Disposals net proceeds	0	0	0	0	(5,540)
Revaluation gains/(losses) in the year	0	(11)	324	313	(1,119)
Valuation at end of year	175	24,298	9,633	34,106	33,713

College	Agricultural £'000	Commercial £'000	Other £'000	2012 Total £'000	2011 Total £'000
Valuation at start of year	175	13,108	8,112	21,395	25,587
Additions and improvements at cost	0	0	49	49	180
Disposals net proceeds	0	0	0	0	(5,540)
Revaluation gains/(losses) in the year	0	189	119	308	(731)
Valuation at end of year	175	13,298	8,280	21,753	21,396

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

A desktop valuation of the agricultural properties was prepared by the College as at 31 July 2012

A statement of value of the Lond and Estates and South London properties was prepared by Bells Chartered Surveyors as at 31 July 2012. The valuation is based on this advice.

A desktop valuation of Tean Limited and the Oxford properties was undertaken as at 31 July 2012

A formal valuation is undertaken every four years

13 SECURITIES AND OTHER INVESTMENTS

	2012	2011
	£'000	£'000
Group investments		
Valuation at start of year	20,040	18,042
New money invested	7,131	928
Amounts withdrawn	(3,184)	0
(Decrease)/increase in value of investments	(44)	1,071
Group investments at end of year	23,943	20,041

	2012	2011
	£'000	£'000
College investments		
Valuation at start of year	20,040	18,042
New money invested	7,131	928
Amounts withdrawn	(3,184)	0
(Decrease)/increase in value of investments	(44)	1,071
Group investments at end of year	23,943	20,041
Investment in subsidiaries	482	482
College investments at end of year	24,425	20,523

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2012 Total £'000	2011 Total £'000
Equity investments		14,316	14,316	4,644
Global multi-asset funds	754	3,005	3,759	0,586
Property funds		940	940	805
Fixed interest stocks		1,806	1,806	2,997
Alternative and other investments		842	842	578
Fixed term deposits and cash		2,272	2,272	2,430
Total group investments	754	23,169	23,943	20,041

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

14 SUBSIDIARY UNDERTAKINGS

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

	Oriel College Conferences Limited £'000	Land and Estates Ltd £'000	Teon Limited £'000
Turnover	121	216	1,113
Expenditure	(25)	(165)	(396)
Gains/(losses) on property revaluation	0	0	(200)
Donation to College under gift aid	97	(51)	(799)
Result for the year	0	0	(273)
Total assets	27	1,412	11,075
Total liabilities	(27)	(677)	(11,073)
Net funds at the end of year	0	735	2

15 DEBTORS

	2012 Group £'000	2011 Group £'000	2012 College £'000	2011 College £'000
Amounts falling due within one year:				
Trade debtors	102	243	130	219
Amounts owed by College members	80	103	88	103
Amounts owed by Group undertakings	0	0	5,841	4,330
Loans repayable within one year	7	8	7	9
Prepayments and accrued income	442	129	493	626
Other Debtors	70	57	70	46
	709	541	6,435	5,333

16 CREDITORS: falling due within one year

	2012 Group £'000	2011 Group £'000	2012 College £'000	2011 College £'000
Bank loans	724	886	0	0
Obligations under finance leases	0	0	0	0
Trade creditors	8	207	8	207
Amounts owed to College Members	9	15	9	15
Taxation and social security	88	63	76	63
College contribution	20	25	20	25
Accruals and deferred income	849	1,160	819	942
Other creditors	219	2	204	2
	1,817	2,150	936	1,254

17 CREDITORS: falling due after more than one year

	2012 Group £'000	2011 Group £'000	2012 College £'000	2011 College £'000
Bank loans	17,606	18,331	12,500	12,500
	17,606	18,331	12,500	12,500

The College has a £12.5m bullet loan at a fixed rate of 5.13% maturing in 2038. The subsidiary, Teon Limited, has an amortising loan with £6.5m outstanding at a fixed rate of 5.64%.

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

10 FUNDS MOVEMENT CONSOLIDATED

	At 1 August 2011 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2012 £'000
Endowment Funds - Permanent						
Fellowship endowments						
Modern History (De Beers)	984				3	987
General Teaching	852				2	854
Maths (Harris)	464				1	465
Humanities	390				1	391
Computation (Missys and Accoutum)	410				1	410
Environmental Science (Jackson)	1,027	1			3	1,031
Medicine (Loing)	483	3			1	487
Economics (MacPherson)	490	1			1	492
Modern History (Rothmans/Cowan)	672				2	674
Classics (Monro)	524				2	526
Biochemistry (Moody)	715				2	717
Ancient History (Nancy Turpin)	470				1	471
Philosophy (Orienteers)	467	1			1	469
Philosophy (Prestige)	407	1			1	409
Physics (Rhodes)	955				3	958
Engineering (T.I. Group)	475				1	477
Chemistry (Todd)	480				1	481
Law (Benn)	383				1	384
French (Orienteers/HNC House)	383	1			1	385
Humanities (Turpin)	490				2	492
Other fellowship endowments < £350,000)	2,858	186			9	2,253
Scholarship endowments	314				1	315
Prize fund endowments	60					60
Hardship endowments	448				1	449
Hargreaves Library	371				1	372
Lee Seng Tee building fund	798				2	792
endowments < £350,000	625	15			2	642
Other endowment funds transferred to Oriel from ODOT during the year	87	0				87
Bursary endowments (capital funds)	2,081	67			7	2,145
Endowment Funds - Expendable						
College fund	25,013	465	(83)		84	25,479
Expendable hardship funds	76					76
Expendable building funds	0	2				2
Trust funds held by College	79					79
Total Endowment Funds	43,492	733	(83)	0	138	44,280
Restricted Funds						
Bursary income funds	275	95	(65)	0	1	306
Fellowships	2	606	(606)	0	0	2
Scholarships	0	12	(12)	0	0	0
Prize funds	0	2	(2)	0	0	0
Student Financial Assistance	0	17	(11)	0	0	6
College fund	3	980	(982)	0	0	7
Rhodes Building (restricted funds)	141	14	(181)	0	12	60
Buildings	0	71	(71)	0	0	0
Other restricted funds received during the year	0	305	(132)	0	6	179
Total Restricted Funds	423	2,088	(1,902)	0	19	560
Unrestricted Funds						
General unrestricted	2,247	6,474	(6,455)	(180)	11	2,177
Barclays loan repayment fund	47	38			0	86
Annual Fund designated fund	54	36	(8)		1	83
Rhodes building designated fund	1,204	3			100	1,397
Residential Room Refurbishment Fund	0	0	0	108		108
Other designated funds	0				0	0
Total Unrestricted Funds	3,542	6,552	(6,463)	0	112	3,643
Total Funds	47,557	9,373	(6,508)	0	269	40,681

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

FUNDS MOVEMENT COLLEGE ONLY

	At 1 August 2011 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2012 £'000
Endowment Funds - Permanent						
Fellowship endowments						
Modern History (De Beers)	851				3	854
General Teaching	736				2	738
Maths (Harris)	401				1	402
Humanities	393				1	394
Computation (Missys and Accenture)	361				1	362
Environmental Science (Jackson)	888	1			3	892
Medicine (Lalug)	426	3			1	430
Economics (MacPherson)	426	1			1	428
Modern History (Rothmans/Cowen)	560				2	562
Classics (Monro)	453				1	454
Biochemistry (Moody)	610				2	612
Ancient History (Nancy Turpin)	406				1	407
Philosophy (Prastige)	463	1			1	465
Philosophy (Oriolensis)	353	1			1	355
Physics (Rhodes)	625				2	627
Engineering (T.I. Group)	411				1	412
Chemistry (Todd)	415				1	416
Humanities (Turpin)	424				1	425
Other fellowship endowments < £350,000	2,452	107			10	2,649
	0					0
Scholarship endowments	272				1	273
Prize fund endowments	53					53
Hardship endowments	367				1	368
Hargreaves Library	0					0
Lee Sang Tee building fund	683				2	685
endowments < £350,000	882	15			3	890
Other endowment funds transferred to Oriel from OCBT during 2010/11	87					87
Bursary endowments (capital funds)	1,012	57			6	1,075
Endowment Funds - Expendable						
College fund	25,517	468	(46)	0	81	26,020
Expendable hardship funds	66	0	0	0	0	66
Expendable building funds		2				2
Trust funds held by College	73	0	0	0		73
Sub Total expendable funds	25,656	470	(46)	0	81	25,151
Total Endowment Funds	41,804	736	(46)	0	130	42,514
Restricted Funds						
Bursary income funds	263	83	(62)		1	285
Fellowships	1	540	(540)		1	2
Scholarships	0	11	(11)			0
Prize funds	0	2	(2)			0
Student Financial Assistance	0	15	(12)			3
College fund	0	979	(979)			0
Rhodes Building (restricted funds)	143	31	(100)		12	86
Buildings	0	62	(62)			0
the year	3	314	(138)		4	163
Total Restricted Funds	410	2,037	(1,908)	0	18	559
Unrestricted Funds						
General unrestricted	3,542	6,211	(6,110)	(100)	10	3,553
Barclays loan repayment fund	40	39			1	80
Annual Fund designated fund	54	36	(8)		1	83
Residential Room Refurbishment Fund	0	0	0	100		100
Rhodes building designated fund	1,294	3			181	1,398
Other Designated Funds						
Total Unrestricted Funds	4,930	6,289	(6,118)	0	113	5,214
Total Funds	47,034	9,062	(6,064)	0	261	48,289

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19 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:	
Fellowship endowments	Capital funds allocated towards the teaching costs of the College. Income is used to support academic activities in the related areas
Scholarship endowments	Capital funds allocated towards helping students with their living costs. Income is used from the funds to support the activities in the related subject areas
Prize fund endowments	Capital funds allocated towards student prizes. Income is used from the funds on an annual basis
Hardship endowments	Capital funds allocated to help with students on low incomes. Income is used from the funds on an annual basis
Buildings and residences endowments	Capital funds given towards maintaining the buildings and facilities. Income is used from the funds on an annual basis
Bursary endowments (capital funds)	Capital funds providing support to students. Income is transferred to restricted bursary funds and either spent or earmarked for use in future years
Endowment Funds - Expendable:	
College capital	A consolidation of gifts, legacies and donations where either income, or income and capital can be used for the general purposes of the charity
Expendable student financial assistance funds	Capital balance of past donations where related income, or income and capital, can be used to aid students through financial assistance
Trust funds held by College	Charitable trust funds administered by the college.
Restricted Funds:	
Bursary income funds	Income generated from the permanent fund is used to fund bursaries to students. Unspent money is carried forward
Fellowships	Income generated from the permanent fund is used to fund academic subject activity
Scholarships	Income generated from the permanent fund is used to fund scholarships in the year
Prize funds	Income generated from the permanent fund is used to fund prizes in the year
Student Financial Assistance	Income generated from permanent fund is used for financial assistance to students
College fund	Income generated from the permanent fund is used to fund college activity
Rhodes Building (restricted funds)	Restricted donations towards the refurbishment of the Rhodes Building
Buildings	Restricted donations towards maintaining the fabric of the college buildings
the year	Sundry restricted gifts in the year funding various one off items of revenue activity
Designated Funds	
Rhodes building fund	Unrestricted Funds allocated by the Fellows for future costs (£4.5m) of refurbishing the Rhodes Building
Barclays loan repayment fund	The College has a £12.5m 30 year bullet loan from Barclays. This fund is designed to build an amount to repay the capital due at the end of the loan period.
Annual Fund	Unrestricted funds allocated by the Fellows towards unfunded academic activity (for example student residential revision weekends)
Residential Room Refurbishment Fund	Unrestricted funds which have been allocated towards the refurbishment of college accommodation to ensure that students and conference guest rooms are furnished to an appropriate high standard
The General Unrestricted Funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College	

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Intangible assets	149	0	0	149
Tangible fixed assets	5,223	0	0	5,323
Property investments	625	0	33,481	34,106
Securities and other investments	1,436	113	22,394	23,943
Net current assets	(3,890)	455	(11,595)	(14,830)
	<u>3,843</u>	<u>568</u>	<u>44,280</u>	<u>48,691</u>

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21 TRUSTEES' REMUNERATION

The Fellows who are the Trustees of the College for the purposes of charity law receive no remuneration for acting as charity trustees but are paid by either or both of the University and the College for the academic services they provide to the College.

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 FRSB ("Related party disclosures").

The trustees of the college comprise the governing body, primarily fellows who are teaching and research employees of the college and who sit on governing body by virtue of their employment. No trustee receives any remuneration for acting as a trustee. However those trustees who are also employees of the college receive salaries for their work as employees. Where possible, these salaries are paid on external scales and often are joint arrangements with the University of Oxford.

Trustees of the college fall into the following categories

Tutorial Fellow
Other Teaching Fellow
Non Tutorial Fellow

Range	Number of trustees/fellows	
	2012	2011
£0-£999	14	13
£3,000-£3,999	2	1
£8,000-£8,999	-	1
£9,000-£9,999	-	1
£12,000-£12,999	-	2
£14,000-£14,999	1	1
£15,000-£15,999	2	1
£16,000-£16,999	-	1
£17,000-£17,999	-	1
£19,000-£19,999	12	10
£20,000-£20,999	1	2
£22,000-£22,999	1	0
£23,000-£23,999	1	1
£26,000-£26,999	-	2
£27,000-£27,999	1	-
£29,000-£29,999	1	-
£34,000-£34,999	-	1
£36,000-£36,999	-	1
£39,000-£39,999	-	1
£40,000-£40,999	1	-
£42,000-£42,999	1	-
£43,000-£43,999	-	1
£44,000-£44,999	1	1
£45,000-£45,999	-	1
£46,000-£46,999	1	-
£47,000-£47,999	1	-
£48,000-£48,999	1	-
£49,000-£49,999	-	1
£51,000-£51,999	-	1
£55,000-£55,999	-	1
£58,000-£58,999	1	-
£60,000-£60,999	-	1
£67,000-£67,999	-	1
£64,000-£64,999	1	-
£92,000-£92,999	1	1
£99,000-£99,999	-	1
£100,000-£100,999	1	-

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22 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") and the Oriel College Group Personal Pension Scheme (GPP). USS is a contributory defined benefit scheme (i.e. they provide benefits based on length of service and final pensionable salary) and is contracted out from the State Second Pension Scheme. GPP, which is not contracted out of the State Second Pension Scheme, provides benefits on a money purchase basis. The assets of USS and GPP 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 such scheme on a consistent and reasonable basis. Therefore, as required by the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

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

The latest actuarial valuation of the USS was carried out at 31 March 2011 and published in August 2012. This valuation showed the scheme assets to represent 82% of the scheme liabilities at that date.

The full valuation is available on the USS website.

The pension charge for the year includes contributions payable to the USS of £254k (2011 - £247k) and contributions payable to GPP of £134k (2011 - £123k). Amounts due in 2012/13 will be similar to that in 2012/13.

An amount owing for pension contributions of £28,855 was owing at year end.

23 TAXATION

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

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

	2012 £'000	2011 £'000
Net incoming resources for the year	865	882
Elimination of non-operating cash flows:		
- Investment income	(3,186)	(3,394)
- Endowment donations	(733)	(591)
- Financing costs	973	1,030
Depreciation	323	373
(Surplus)/loss on sale of fixed assets	0	1
Decrease/(increase) in stock	(34)	(11)
Decrease/(increase) in debtors	(248)	240
(Decrease)/increase in creditors	(279)	(92)
Net cash inflow/(outflow) from operations	<u>(2,320)</u>	<u>(1,562)</u>

25 ANALYSIS OF CHANGES IN NET FUNDS

	2011 £'000	Cash flow £'000	2012 £'000
Cash at bank and in hand	7,609	(4,169)	3,640
Bank overdrafts	0	0	0
	<u>7,609</u>	<u>(4,169)</u>	<u>3,640</u>
Deposits and other short term investments	0	0	0
Bank loans due within one year	(506)	(38)	(724)
Bank loans due after one year	(18,331)	725	(17,606)
	<u>(11,207)</u>	<u>(3,482)</u>	<u>(14,590)</u>

These figures reflect the investment during 2011/12 in both investments and property.

26 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £755,000 (2011 - £85,000).

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These projects include the refurbishment of a staircase, the refurbishment of the Penlin Library and the architect fees relating to the proposed redevelopment of the Rhodes Building.

27 RELATED PARTY TRANSACTIONS

The College has five properties with a total net book value of £1,142,250 (2011 £1,056,263) owned jointly with five trustees.

Range	2012 £'000	2011 £'000
£286,000-£287,000	1	1
£250,000-£251,000	1	-
£241,000-£242,000	1	-
£213,000-£214,000	1	-
£210,000-£211,000	-	1
£207,000-£208,000	-	1
£199,000-£200,000	-	1
£154,000-£155,000	-	1
£150,000-£151,000	1	-

All joint equity properties are subject to sale on the departure of the trustee from the College.
The trustees do not pay rent to the College on the share of properties that the College owns, instead they forego their housing allowance in lieu of paying rent.

28 LEGACIES

From time to time, the College is notified of legacies in its favour. These are only recognised in the Statement of Financial Activities when the conditions for their recognition have been met. The estimated value of such legacies receivable by the College at the year end is in the region of £5m (2011: £nil).

29 CONTINGENT LIABILITIES

None

29 POST BALANCE SHEET EVENTS

None

