



St Hilda's College

Annual Report and Financial Statements

Year ended 31 July 2012

St Hilda's College
Annual Report and Financial Statements
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MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The members of the Governing Body who served in office as trustees during the year or subsequently are detailed below.

| | | (1) | (2) | (3) | (4) | (5) |
|-----------------------------|------------------|-----|-----|-----|-----|-----|
| Ms S Forbes | | | | | | |
| Dr A R Goodden | Retired 31/12/11 | | | | | |
| Professor J M Yeomans | | • | • | | | |
| Dr S L Mapstone | | | | | | |
| Dr L J Newby | | | | | | |
| Dr A Avramides | | • | • | • | • | |
| Dr I M Moroz | | | | | | |
| Miss M Croghan | | | | | | • |
| Dr K J Clarke | | | | | | |
| Dr P Schleiter | | | • | | | |
| Dr S Jones | | | | | | |
| Dr M Kean | | • | | | | |
| Dr L J Smith | | | | • | | |
| Dr R M Armstrong | | | | | | |
| Dr H Swift | | • | | | | |
| Dr A Hattiangadi | | | • | • | • | |
| Ms L Nixon | | | | • | | |
| Dr H Smith | | | | | • | |
| Dr G Paul | | | | • | | |
| Mr R Berry | Retired 30/6/12 | • | • | • | • | • |
| Professor G Seregin | | | | • | | |
| Dr J Schnabel | | | | | | |
| Dr K Ziegler | Resigned 30/9/12 | | | | • | |
| Dr D Filatov | | • | | | | |
| Ms B Travers | | | | | • | |
| Dr D Bhattacharya | | | | | • | |
| Dr M Glitsch | | | • | | | |
| Ms S Green | | • | | | | |
| Dr S Todd | | | | • | | |
| Dr R Paton | | | | | | |
| Dr T Bell | Left 30/9/11 | | | | | |
| Dr A Katzourakis | | | | | | |
| Dr D Howey | | | | | | |
| Dr S McHugh | | | | | | |
| Professor A Noble | | | | | | |
| Dr D Wakelin | | | | | | |
| Professor A M Cooper-Sarkar | | | | | | |

St Hilda's College
Report of the Governing Body
Year ended 31 July 2012

| | | | | | | |
|---------------------|------------------|--|--|---|---|--|
| Professor A Edwards | | | | | | |
| Dr E Payne | | | | | | |
| Dr K Hoge | | | | | | |
| Dr F Macintosh | | | | | • | |
| Dr R Condry | | | | | | |
| Dr P Hulley | Appointed 1/8/12 | | | • | | |

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

- (1) Finance and Resources Management Committee
- (2) Investment Committee
- (3) Academic Planning Committee
- (4) Development Advisory Committee
- (5) Health & Safety Briefing Committee

COLLEGE SENIOR STAFF

The senior staff of the College to whom day to day management is delegated are as follows.

| | |
|----------------------|-----------------------------|
| A Ms Sheila Forbes | <i>Principal</i> |
| B Mr Richard Berry | <i>Bursar</i> |
| C Ms Lucia Nixon | <i>Senior Tutor</i> |
| D Ms Bronwyn Travers | <i>Development Director</i> |
| E Mrs Suzie Hancock | <i>Academic Registrar</i> |

COLLEGE ADVISERS

Investment managers

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Auditor

Critchleys LLP
Greyfriars Court
Oxford
OX1 1BE

Bankers

Lloyds TSB Plc.
1-5 High Street
Carfax
Oxford
OX1 4AA

Solicitors

Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HW

College address

Cowley Place
Oxford
OX4 1DY

Website

www.st-hildas.ox.ac.uk

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

REFERENCE AND ADMINISTRATIVE INFORMATION

Status

St Hilda's College in the University of Oxford is an eleemosynary chartered charitable corporation aggregate. It was founded by Dorothea Beale in 1893 as a Hall for Women Students. In 1896 the Hall was incorporated under the Companies Acts of 1862-90 and in 1910 it was admitted by a decree of Convocation as a recognised society under the Delegacy for Women Students, and in June 1920 was admitted by decree to the privileges of Statt. Tit.XXIII of Women Students. In 1926 the College was incorporated by Royal Charter under the "Principal and Council of St Hilda's College, Oxford". In 1955 a supplemental charter was granted by which the Principal and Fellows became the Governing Body. In 1960 St Hilda's ceased to be a Society of Women Students and became a College of the University. The College's amended statutes received royal approval in February 2008, permitting the admission of male students with effect from October 2008.

The corporation comprises the Principal and Fellows. In the year under review the College was an exempt charity under s22(1) Charities Act 2011 (as listed in Schedule 3(2) to that Act).

On 17 August 2010 the College's charitable status changed when it became registered with the Charity Commission under the Charities Act 2006, with registration number 1137537.

The names of all Members of the Governing Body at the date of this report and of those in office during the 2011-12 financial year, together with details of the senior staff and advisers of the College, are given on pages 2 and 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its charters of 13 March 1926, 29 August 1955, 20 February 1961 and 25 July 2007 and statutes last amended 25 July 2007.

Governing Body

The Governing Body of the college comprises the Principal and Fellows. It is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, Dame Elizabeth Butler-Sloss. The College statutes are as made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1926, and the Universities of Oxford and Cambridge Act 1923 and registered under the Charity Commission No 1137537.

The Governing Body determines the on-going strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by a range of committees.

Organisational management

The members of the Governing Body meet nine times a year. The work of developing their policies and monitoring the implementation of these is carried out by a number of Committees, the main ones are:

- Finance and Resources Management Committee deals with financial matters, facilities and college assets
- Investment Committee advises on all business relating to the college's investments.
- Academic Planning Committee reviews the immediate and long-term teaching needs of the College and undertakes strategic planning in academic matters.
- Development Advisory Committee provides a forum in which representatives of Fellows, Senior and Junior members and alumnae review progress in fund raising and discuss strategy.
- Health & Safety Committee implements the requirements of the Health and Safety Consultation Regulations and advises Governing Body as required

The day-to-day running of the College is delegated to the Principal, supported by the Bursar, the Senior Tutor and other senior managers.

Group structure and relationships

The College also administers many special trusts, as detailed in Note 16 to the financial statements. The College also has two wholly owned non-charitable subsidiaries: St Hilda's Properties Ltd which is dormant and St Hilda's College (Trading) Ltd, whose annual profits are donated to the College under the Gift Aid Scheme. In addition the college also owns another subsidiary company, The Jacqueline Du Pre Music Building Ltd, a company limited by guarantee and an exempt charity. This company is currently dormant.

The trading activities of St Hilda's College (Trading) Ltd primarily comprise revenue from letting of the College facilities when not in use by the College. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

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

Risk management

The College is engaged in risk assessment on an ongoing basis. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Principal or the Bursar. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Investment Committee. In addition, the Bursar, Domestic Bursar and Buildings Manager meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

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

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are:

- To provide education and residential accommodation for women and men who are members of the College and the University of Oxford.
- To maintain, continue and develop the College ethos and tradition of providing encouragement and support in academic research and education undertaken by women and men.
- To do all other such things as are incidental or conducive to these objects.

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 2006. In this connection the Governing Body has monitored closely the general and supplemental guidance produced by the Charity Commission, in particular its public benefit guidance on advancement of education and on fee-charging.

The College's aims for the public benefit are:

- To provide education in conjunction with the University of Oxford to some 580 undergraduates and graduates. This develops the students academically and prepares them to play a full and effective role in society.
- To advance research through sponsorship and awards ; and
- the college supports a community programme of educational concerts.

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

ACHIEVEMENTS AND PERFORMANCE

Report of the Governing Body

The 2011–12 academic year was another year of transition for St Hilda's in the sense that it was a year of taking stock, and beginning to think longer term about our future ambitions. The College finally became fully co-educational in the sense that even the fourth year of undergraduate finalists was mixed. Governing Body also fully recognised the extent to which its membership has changed in the last five years. Since 2007 the College has appointed twenty-one new Fellows to the Governing Body, and they now represent more than half the total membership. They have brought an influx of new energy, ideas and enthusiasm and are very keen to contribute to a wider debate about the mission, strategy and ethos of St Hilda's within the collegiate University.

In 2018 we will celebrate the 125th anniversary of the founding of St Hilda's. This gives us a focus and a rallying point around which to debate the future shape of the College. It is also timely because the turbulence in the world around us, and the rapidly changing environment for all higher education institutions, means our students will have different expectations of us and we need to be ready to respond. We started the process in Trinity Term with two 'away day' sessions for the Governing Body, looking first at the current position and then at options and choices going forward. Much lively discussion and debate was generated some obvious priorities have already emerged, and these are commented on later in this report. Governing Body will continue to discuss other key developments and choices over the coming year.

Academic strategy

Our success in bidding for new joint appointments since 2007 is the main reason for the increase in size of the Tutorial Fellowship, particularly in the sciences. As a result of this investment our teaching capacity is much better matched to our student intake in the majority of subjects. A recent survey by the Conference of Colleges also shows that the balance of our teaching provision is now similar to that provided by the majority of colleges. This is reflected in the fact that we have now had three years of improved FHS results. The 2012 results were not quite up to the previous year's, but were on a par with 2010 and continue the trend of better performance. There were twenty-seven students who gained Firsts representing 23.9% of the cohort, with a further 66.4% in the 2:1 class. This compares with 24.2% Firsts and 69.2% achieving 2:1 in 2011. The Norrington Table position, at number 22, maintained the level set in 2010.

We continue to focus on the relationship between student numbers and the size and shape of the Tutorial Fellowship. We have many good College lecturers in short term positions, but Fellows in permanent posts provide the vital leadership and organisation for subjects, and oversee students' progress through their three or four years. The University position is that undergraduates should be taught by permanent postholders for a significant part of their courses, and ideally the College should only be teaching subjects where we have one or more Fellows. So strengthening the remaining under-resourced subjects is still an important priority. On 1 August 2012, Dr Phillipa Hulley took up a permanent position in the Medical Sciences teaching team as Fellow and Tutor in Biomedical Sciences. She first came to St Hilda's in 2007 on an RCUK Fellowship in Musculoskeletal Sciences, and it was always our hope that this would convert to a permanent University Lectureship and Tutorial Fellowship. We are delighted that Dr Hulley passed her five year review with flying colours and the Medical Sciences Division has confirmed her appointment. She will be jointly responsible, with Dr Maike Glitsch, for our pre-clinical medical students. I am also very pleased to report that,

thanks to the efforts of Dr Catherine Swales, we have met our target of recruiting four clinical medical students to the first cohort starting in September 2012.

In the Social Sciences, the College was recently approached by the Said Business School with the good news that they were keen to fill the University Lectureship associated with St Hilda's. This post has been 'frozen' for ten years and the College has been teaching management without a Tutorial Fellow. The Economics and Management degree is very popular with candidates, and is the single most competitive undergraduate degree that Oxford offers. Consequently, those admitted are the very brightest students who consistently achieve excellent results, and deserve the best possible teaching and care. The lack of a permanent Fellow has been a source of frustration to the College, and we are very pleased indeed that the appointment process for a University Lecturer in Management is now under way. In Law, we congratulate Dr Katja Ziegler on her appointment to the Sir Robert Jennings Chair in International Law at Leicester University from September 2012. In the last five years she has transformed the teaching of Law at St Hilda's, and achieved excellent results. She goes with our grateful thanks and our best wishes for her future success. The College retains the Eric Brost Lectureship, and we welcome Dr Konstanze von Papp who joins us in October to teach EU and German Law.

In the last five years, most of our effort and investment has necessarily been devoted to strengthening our teaching. However the College is also part of a world-class research university, and all our Fellows have lives as active researchers as well as teachers. Particular research interests which Fellows pursue, and the connections formed with colleagues in other disciplines, nurture an intellectual community unique to each college. In 2011-12, through the 'away day' process, we have started to give more shape and definition to these 'research clusters'. This will help us to support Fellows' research work more effectively, to attract and inspire graduate students and early career academics, and to publicise St Hilda's distinctive contribution to the university research effort.

Facilities

As we reviewed the strengths and weaknesses of the College, we agreed that investment in our buildings and facilities needs to have much higher priority over the next few years. Feedback from the 2011 annual 'student barometer' survey tells us that our students are becoming critical of the quality of our accommodation. This will be more of an issue when undergraduates are paying £9000 a year in tuition fees, and many colleges have put significant investment into refurbishment and new buildings in the last few years. We have greatly improved the public spaces and function rooms in our on-site buildings, but we have not given the same attention to core student accommodation. Our first priority is to improve the standard of the graduate accommodation off-site, and we have taken a first step in this direction in 2011-12. Postgraduates now form one third of the student body, and are a vibrant, diverse and highly international part of the college. International students particularly value an offer of college accommodation when they first come to Oxford. Graduates are currently accommodated in a wide variety of different buildings in East Oxford, most of which are no longer fit for purpose as student accommodation. The financial analysis showed that the refurbishment costs to bring them up to modern standards would be very high. We agreed that a better alternative is to dispose of the current properties for refurbishment as family housing and reinvest in purpose-built accommodation. During 2011-12 our Buildings Manager has developed a plan for three 'clusters' of modern accommodation, each housing about thirty students. This is a three year project, but we will be signing a lease for the first building in September 2012, with an option to acquire the freehold over the next five years.

We have also begun to look at the priorities for refurbishment and upgrading of the undergraduate accommodation and associated facilities on-site. Even the Christina Barrett Building is now more

than ten years old, and it is the only undergraduate accommodation with en-suite rooms. The accommodation in other buildings is more variable in size and quality and this needs to be addressed. Financing improvements is never as exciting as new building but it is essential, and we must find the resources to give our undergraduates the quality of accommodation they expect in the 21st century. We also received planning permission this year for a major refurbishment of the Junior Common Room in Hall Building. The JCR has become much more of a social hub since the College went mixed, and the undergraduates really do deserve more and better space. The refurbishment cost is £200,000 and we have already raised £120,000.

All the improvements to the College could not be carried out without the generous support of our alumnae and other donors. We would like to take this opportunity to thank all of them for their great generosity, without which we could not hope to keep up the high standards of education for which we are respected, or to bring the college facilities up to a better standard.

FINANCIAL REVIEW

These financial statements present the accounts of St Hilda's college and its subsidiary including all operating income and expenditure, donations and investment income, assets and liabilities. The college continues to operate in difficult financial conditions, requiring the setting of tight budgets, without adversely affecting the standard of education, learning and research,

The major sources of income for the college are tuition fees, accommodation and catering charges, investment income, conferences and donations, together with income from miscellaneous sources. The combined operations of the college and its subsidiaries showed net incoming resources of £901,000 (2011: £1,374,000). Much of the shortfall was in donations, particularly capital gifts to endowment which tend to vary considerably from year to year.

Fee income was £53K lower due to a combination of a small reduction in per capita income per home/EU undergraduate and a reduction in the number of overseas undergraduate students.

Fall in income was offset to some extent by savings in expenditure, which totalled £6,691,000 (2011:£6,490,000), leaving the college with net incoming resources of £901,000 (2011: £1,374,000) before investment losses.

The major sources of expenditure are staff costs, particularly for academic teaching and for staff providing residential and support services.

The governing body continues to exercise firm control over costs and to seek additional income via existing and new income generating activities, ranging from conference trade to alumni giving.

RESERVES

The College's free reserves at the year-end amounted to -£598,000 (2011: -£528,000), representing retained unrestricted income reserves excluding an amount of £7,449,000 for the book value of fixed assets less associated funding arrangements. The college has a negative free general reserves balance and this reflects the difference in investment return practice from earlier years, but also the accumulation of a structural cost deficit in prior years. Current forecasts indicate that the balance on free general reserves that would give the college a buffer to continue uninterrupted services will not

be established for some years and will require a surplus of income over expenditure for the foreseeable future. The college is working very hard to increase revenue and contain expenditure in order to address this situation.

Restricted reserves at the year-end were £1,118,000 (2011: £888,000). These comprise of income funds for scholarships, bursaries, and teaching support and are to be spent within 3 to 5 years.

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 provide a buffer that would ensure uninterrupted services.

Investment policy, objectives and performance

The College Statutes allow the College to invest permanent endowment funds to maximise the related total return, and to make available for expenditure each year an appropriate proportion of the unapplied total return. The College's investment objectives are to balance current and future beneficiary needs by:

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

The College's investments are managed by Sarasin & Partners on a total return basis, maintaining diversification across a wide range of asset classes in order to produce an appropriate balance between risk and return. The investments are held in the Alpha CIF for Endowments.

The investment strategy, policy and performance is monitored by St Hilda's Investment Committee. At the 31 July 2012 year end, the College's long term investments totalled £35.9m (2011 £35.4m). The total return for the year to 31st July 2012 was +1.6%, lagging its benchmark by 2.9%. This underperformance against the portfolio's bespoke benchmark was mostly accounted for by the ethical impact and the bond allocation, although equity stock selection was also poor in 2012.

Specifically, the ethical criteria dragged down both the UK and global equity performance against the unconstrained indices used in the benchmark by -1.5% in the UK and by -1% globally. Additionally the simple use of government bond indices in the benchmark (as opposed to the mix of corporate and government bonds in which the College invests) made comparisons look particularly poor, given the extraordinary performance produced by gilts, where 10 year yields have fallen as low as 1.5%. More recently the bias for the College towards corporate bonds has started to outperform government bond indices.

Over the longer term, despite volatile market conditions, we are encouraged that over the past 5 years the College's total return of +14.5% has outperformed other multi-asset Common Investment Funds. Moreover, while the capital value has fluctuated, the income derived from our investments has risen every year and by more than inflation. The portfolio's current natural income yield is c3.7% which we believe is sustainable and should continue to grow. Importantly, the income stream more than

St Hilda's College
Report of the Governing Body
Year ended 31 July 2012

matches our expenditure and we have been able to build up a small buffer in the form of an Income Reserves Fund.

Under the total return on investment accounting basis, it is the Governing Body's policy to draw down as expenditure 3.5% of the value of the relevant investments. However, to smooth and moderate the amounts withdrawn, this 3.5% is calculated by averaging the year end investment values of each of the last five years.

During the year to 31st July 2012, this amounted to a withdrawal of £1,037,000 against actual income received of £1,320,000. The Governing Body will keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Charity law requires the Governing Body to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Governing Body must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the College and of its net incoming or outgoing resources for that period. In preparing these financial statements, the Governing Body is required to:

- select the most suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue to operate.

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the College and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on and signed on its behalf by:

Principal

**INDEPENDENT AUDITOR'S' REPORT TO THE MEMBERS OF THE
GOVERNING BODY OF ST HILDA'S COLLEGE**

We have audited the financial statements of St Hilda's 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 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Governing Body and auditor

As explained more fully in the Statement of Accounting and Reporting Responsibilities, the Governing Body is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

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

28 November 2012

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

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 subsidiary St Hilda's College (Trading) Ltd. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiary as included the consolidated income, expenditure and results of the College are disclosed in note 12.

Basis of accounting

The financial statements have been prepared under the Charities Act 2006 and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005 ("the Charities SORP") and applicable accounting standards. The financial statements are drawn up on the historical cost basis of accounting as modified by the revaluation of investment properties and other investments.

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

Fees receivable, HEFCE support and charges for services and use of the premises including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

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 purposes 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.

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.

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.

Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £50,000 together with expenditure on equipment costing more than £5,000 is capitalised and carried in the balance sheet at historical cost.

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

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 | 50 years |
| Building improvements | 10 - 25 years |
| Equipment & Furniture | 4 - 10 years |
| IT Equipment | 3 years |

Freehold land is not depreciated. The cost of freehold land associated with the main historic site is not included in the balance sheet and is unlikely to be material.

The cost of maintenance is charged in the Statement of Financial Activities in the period in which it is incurred.

Investments

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

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

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.

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 Trustees have taken its open market value as at 1st August 2009, together with the original gift value of all subsequent endowments received.

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 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.

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 (Note 20).

St Hilda's 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 | | 4,570 | 0 | 0 | 4,570 | 4,542 |
| Resources from generated funds | | | | | | |
| Legacies and donations | | 226 | 613 | 495 | 1,334 | 1,730 |
| Trading income | 2 | 365 | 0 | 0 | 365 | 350 |
| Investment income | 3 | 0 | 0 | 1,320 | 1,320 | 1,238 |
| Bank and other interest | 4 | 3 | 0 | 0 | 3 | 4 |
| | | <u>594</u> | <u>613</u> | <u>1,815</u> | <u>3,022</u> | <u>3,322</u> |
| Other incoming resources | | 0 | 0 | 0 | 0 | 0 |
| Total Incoming Resources | | <u>5,164</u> | <u>613</u> | <u>1,815</u> | <u>7,592</u> | <u>7,864</u> |
| RESOURCES EXPENDED | | | | | | |
| Cost of generating funds | 5 | | | | | |
| Fundraising | | 226 | 0 | 0 | 226 | 236 |
| Trading expenditure | | 239 | 0 | 0 | 239 | 226 |
| Investment management costs | | 0 | 0 | 144 | 144 | 148 |
| | | <u>465</u> | <u>0</u> | <u>144</u> | <u>609</u> | <u>610</u> |
| Charitable activities | 5 | | | | | |
| Teaching and research | | 4,959 | 1,111 | 0 | 6,070 | 5,865 |
| Governance costs | 8 | 12 | 0 | 0 | 12 | 15 |
| Total Resources Expended | | <u>5,436</u> | <u>1,111</u> | <u>144</u> | <u>6,691</u> | <u>6,490</u> |
| Net incoming/(outgoing) resources before transfers | | (272) | (498) | 1,671 | 901 | 1,374 |
| Transfers between funds | 16 | 309 | 728 | (1,037) | 0 | 0 |
| Net incoming/(outgoing) resources before other gains and losses | | <u>37</u> | <u>230</u> | <u>634</u> | <u>901</u> | <u>1,374</u> |
| Investment gains/(losses) | | 0 | 0 | (487) | (487) | 2,305 |
| Net movement in funds for the year | | <u>37</u> | <u>230</u> | <u>147</u> | <u>414</u> | <u>3,679</u> |
| Fund balances brought forward | 16 | 6,814 | 888 | 37,162 | 44,864 | 41,185 |
| Funds carried forward at 31 July | 16 | <u>6,851</u> | <u>1,118</u> | <u>37,309</u> | <u>45,278</u> | <u>44,864</u> |

St Hilda's 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 | 7,449 | 7,342 | 7,449 | 7,342 |
| Securities and other investments | 11 | 35,985 | 35,456 | 35,986 | 35,457 |
| | | 43,434 | 42,798 | 43,435 | 42,799 |
| CURRENT ASSETS | | | | | |
| Stocks | | 24 | 23 | 24 | 23 |
| Debtors | 14 | 820 | 765 | 908 | 836 |
| Deposits and other short term investments | | 1,385 | 1,280 | 1,385 | 1,280 |
| Cash at bank and in hand | | 143 | 728 | 43 | 645 |
| | | 2,372 | 2,796 | 2,360 | 2,784 |
| CREDITORS: falling due within one year | 15 | 528 | 730 | 517 | 719 |
| NET CURRENT ASSETS/(LIABILITIES) | | 1,844 | 2,066 | 1,843 | 2,065 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 45,278 | 44,864 | 45,278 | 44,864 |
| NET ASSETS | | 45,278 | 44,864 | 45,278 | 44,864 |
| FUNDS OF THE COLLEGE | | | | | |
| Endowment funds | 16 | 37,309 | 37,162 | 37,309 | 37,162 |
| Restricted funds | | 1,118 | 888 | 1,118 | 888 |
| Unrestricted funds | | | | | |
| Designated funds | | 7,449 | 7,342 | 7,449 | 7,342 |
| General funds | | (598) | (528) | (598) | (528) |
| | | 45,278 | 44,864 | 45,278 | 44,864 |

The financial statements were approved and authorised for issue by the Governing Body of St Hilda's College on:

Trustee:

Trustee:

St Hilda's 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 | 22 | (682) | (682) |
| Returns on investments and servicing of finance | | | |
| Income from investments | | 1,320 | 1,238 |
| Finance costs paid | | 0 | (1) |
| | | 1,320 | 1,237 |
| Capital expenditure and financial investment | | | |
| New endowment capital received | | 495 | 1,121 |
| Payments for tangible fixed assets | | (511) | (99) |
| Payments for investments | | (1,043) | (1,210) |
| Proceeds from sales of investments | | 28 | 211 |
| | | (1,031) | 23 |
| Management of liquid resources | | | |
| Net (additions to) / withdrawals from term deposits | | (109) | (7) |
| Net (purchase) / sale of current asset investments | | 0 | 0 |
| | | (109) | (7) |
| Financing | | | |
| Bank loans repaid | | (87) | (114) |
| New lease finance | | 0 | 0 |
| Capital element of finance lease payments | | 0 | 0 |
| | | (87) | (114) |
| Increase/(decrease) in cash in the year | | (589) | 457 |
| Reconciliation of net cash flow to movement in net funds | | | |
| Increase/(decrease) in cash in the year | | (589) | 457 |
| Transfers to/(from) term deposits and current investments | | 109 | 7 |
| (Increase)/decrease in loan and lease finance | | 87 | 114 |
| Change in net funds | | (393) | 578 |
| Net funds at 1 August | | 1,921 | 1,343 |
| Net funds at 31 July | | 1,528 | 1,921 |

St Hilda's 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 | 1,256 | 0 | 0 | 1,256 | 1,283 |
| Tuition fees - Overseas students | 573 | 0 | 0 | 573 | 549 |
| HEFCE support | 544 | 0 | 0 | 544 | 592 |
| Other academic income | 81 | 0 | 0 | 81 | 83 |
| College residential income | 2,116 | 0 | 0 | 2,116 | 2,035 |
| | <u>4,570</u> | <u>0</u> | <u>0</u> | <u>4,570</u> | <u>4,542</u> |

The above analysis includes £1,610,000 received from Oxford University under the CFF Scheme, net of College fees received directly (2011 - £1,646,000)

2 TRADING INCOME

| | 2012 £'000 | 2011 £'000 |
|-----------------------------------|---------------|---------------|
| Subsidiary company trading income | 336 | 318 |
| Other trading income | 29 | 32 |
| | <u>365</u> | <u>350</u> |

3 INVESTMENT INCOME

| | Unrestricted Funds £'000 | Restricted Funds £'000 | Endowed Funds £'000 | 2012 Total £'000 | 2011 Total £'000 |
|--|--------------------------------|------------------------------|---------------------------|------------------------|------------------------|
| Equity dividends | 0 | 0 | 1,291 | 1,291 | 1,215 |
| Income from fixed interest stocks | 0 | 0 | 6 | 6 | 3 |
| Interest on fixed term deposits and cash | 0 | 0 | 23 | 23 | 20 |
| | <u>0</u> | <u>0</u> | <u>1,320</u> | <u>1,320</u> | <u>1,238</u> |

4 BANK AND OTHER INTEREST INCOME

| | Unrestricted Funds £'000 | Restricted Funds £'000 | Endowed Funds £'000 | 2012 Total £'000 | 2011 Total £'000 |
|----------------|--------------------------------|------------------------------|---------------------------|------------------------|------------------------|
| Other interest | 3 | 0 | 0 | 3 | 4 |
| | <u>3</u> | <u>0</u> | <u>0</u> | <u>3</u> | <u>4</u> |

St Hilda's 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 | 173 | 51 | 2 | 226 | 236 |
| Trading expenditure | 106 | 116 | 17 | 239 | 226 |
| Investment management costs | 0 | 144 | 0 | 144 | 148 |
| Total costs of generating funds | 279 | 311 | 19 | 609 | 610 |
| Charitable expenditure | | | | | |
| Teaching, research and residential | 3,247 | 1,910 | 913 | 6,070 | 5,865 |
| Total charitable expenditure | 3,247 | 1,910 | 913 | 6,070 | 5,865 |
| Governance costs | 0 | 12 | 0 | 12 | 15 |
| Total resources expended | 3,526 | 2,233 | 932 | 6,691 | 6,490 |

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 £8,200 (2011 - £3,000).

6 SUPPORT COSTS

| | Generating Funds £'000 | Teaching Research and Residential £'000 | 2012 Total £'000 | 2011 Total £'000 |
|------------------------------|------------------------------|---|------------------------|------------------------|
| Financial and domestic admin | 19 | 358 | 377 | 409 |
| Human resources | 0 | 40 | 40 | 19 |
| IT | 0 | 111 | 111 | 100 |
| Depreciation | 0 | 404 | 404 | 407 |
| Bank interest payable | 0 | 0 | 0 | 1 |
| | 19 | 913 | 932 | 936 |

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. 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 | 0 | 120 | 120 | 116 |
| Bursaries and hardship awards | 242 | 49 | 291 | 269 |
| | 242 | 169 | 411 | 385 |

The above costs 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 | 12 | 12 |
| Auditor's remuneration - other services | 0 | 3 |
| | <u>12</u> | <u>15</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

| | 2012 £'000 | 2011 £'000 |
|---|---------------|---------------|
| The aggregate payroll costs for the year were as follows. | | |
| Salaries and wages | 3,280 | 3,218 |
| Social security costs | 210 | 215 |
| Pension costs | 446 | 459 |
| | <u>3,936</u> | <u>3,892</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 | 57 | 55 |
| College residential | 32 | 34 |
| Fundraising | 3 | 3 |
| Support | 22 | 21 |
| Total | <u>114</u> | <u>113</u> |

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

| | 2012 | 2011 |
|-----------------------------|-----------|-----------|
| University Lecturers | 13 | 13 |
| CUF Lecturers | 14 | 15 |
| Other teaching and research | 10 | 10 |
| Other | 5 | 5 |
| Total | <u>42</u> | <u>43</u> |

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

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

There were no employees (excluding the College Trustees) during the year whose gross pay and benefits exceeded £60k

St Hilda's College
Notes to the financial statements
For the year ended 31 July 2012

10 TANGIBLE FIXED ASSETS

| Group and College | Freehold land and buildings £'000 | Fixtures, Fittings and Equipment £'000 | Total £'000 |
|-----------------------|--|---|----------------|
| Cost | | | |
| At start of year | 10,790 | 762 | 11,552 |
| Additions | 472 | 39 | 511 |
| Disposals | 0 | 0 | 0 |
| At end of year | 11,262 | 801 | 12,063 |
| Depreciation | | | |
| At start of year | 3,712 | 498 | 4,210 |
| Charge for the year | 299 | 105 | 404 |
| On disposals | 0 | 0 | 0 |
| At end of year | 4,011 | 603 | 4,614 |
| Net book value | | | |
| At end of year | 7,251 | 198 | 7,449 |
| At start of year | 7,078 | 264 | 7,342 |

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

11 SECURITIES AND OTHER INVESTMENTS

| | 2012 £'000 | 2011 £'000 |
|---|---------------|---------------|
| Group investments | | |
| Valuation at start of year | 35,457 | 32,152 |
| New money invested | 1,662 | 1,766 |
| Amounts withdrawn | (900) | (900) |
| Reinvested income | 397 | 281 |
| Investment management fees | (144) | (148) |
| (Decrease)/increase in value of investments | (487) | 2,305 |
| Group investments at end of year | 35,985 | 35,456 |
| Investment in subsidiaries | 1 | 1 |
| College investments at end of year | 35,986 | 35,457 |

| Group investments comprise: | Held outside the UK £'000 | Held in the UK £'000 | 2012 Total £'000 | 2011 Total £'000 |
|-----------------------------------|---------------------------------|----------------------------|------------------------|------------------------|
| Equity investments | 14,270 | 10,321 | 24,591 | 24,607 |
| Property funds | 0 | 2,379 | 2,379 | 2,028 |
| Fixed interest stocks | 0 | 4,912 | 4,912 | 4,774 |
| Alternative and other investments | 0 | 1,909 | 1,909 | 1,306 |
| Fixed term deposits and cash | 0 | 2,195 | 2,195 | 2,742 |
| Total group investments | 14,270 | 21,716 | 35,986 | 35,457 |

12 SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in St Hilda's College (Trading) Ltd, a company providing conference and other event services on the College premises, and 100% of the issued share capital in St Hilda's Properties Ltd & The Jacqueline Du Pre Music Building Ltd, both of which are currently dormant.

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

| | St Hilda's College (Trading) Ltd £'000 |
|------------------------------------|--|
| Turnover | 365 |
| Expenditure | (234) |
| Donation to College under gift aid | (131) |
| Result for the year | <u>0</u> |
| Total assets | 208 |
| Total liabilities | (208) |
| Net funds at the end of year | <u>0</u> |

13 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 August 2000. The investment return to be applied as income is calculated as 3.5% of the average of the year-end values of the relevant investments in each of the last 5 years. The preserved (frozen) value of the invested endowment capital represents its open market value in August 2009 together with all subsequent endowments valued at date of gift.

| | Permanent Endowment £'000 | Expendable Endowment £'000 | Total £'000 |
|---|---------------------------------|----------------------------------|----------------|
| Investment total return | | | |
| Income distributions | 633 | 687 | 1,320 |
| Capital gains/losses | (234) | (253) | (487) |
| Investment management costs | (69) | (75) | (144) |
| Total return for the year | <u>330</u> | <u>359</u> | <u>689</u> |
| Amount applied as income for spending | <u>(496)</u> | <u>(541)</u> | <u>(1,037)</u> |
| Net increase/(decrease) in Unapplied Total Return in the year | (166) | | |
| Unapplied Total Return at start of year | 2,868 | | |
| Unapplied Total Return at end of year | <u>2,702</u> | | |
| Preserved value of original permanent endowments | <u>13,559</u> | | |

14 DEBTORS

| | 2012 Group £'000 | 2011 Group £'000 | 2012 College £'000 | 2011 College £'000 |
|---|------------------------|------------------------|--------------------------|--------------------------|
| Amounts falling due within one year: | | | | |
| Trade debtors | 197 | 113 | 91 | 74 |
| Amounts owed by College members | 40 | 49 | 36 | 49 |
| Amounts owed by Group undertakings | 0 | 0 | 198 | 110 |
| Loans repayable within one year | 11 | 7 | 11 | 7 |
| Prepayments and accrued income | 515 | 537 | 515 | 537 |
| Amounts falling due after more than one year: | | | | |
| Loans | 57 | 59 | 57 | 59 |
| | <u>820</u> | <u>765</u> | <u>908</u> | <u>836</u> |

15 CREDITORS: falling due within one year

| | 2012 Group £'000 | 2011 Group £'000 | 2012 College £'000 | 2011 College £'000 |
|------------------------------------|------------------------|------------------------|--------------------------|--------------------------|
| Bank loans | 0 | 87 | 0 | 87 |
| Trade creditors | 264 | 398 | 263 | 388 |
| Amounts owed to Group undertakings | 0 | 0 | 0 | 1 |
| Taxation and social security | 89 | 89 | 89 | 89 |
| College contribution | 8 | 3 | 8 | 3 |
| Accruals and deferred income | 91 | 112 | 90 | 110 |
| Other creditors | 76 | 41 | 67 | 41 |
| | <u>528</u> | <u>730</u> | <u>517</u> | <u>719</u> |

St Hilda's College
Notes to the financial statements
For the year ended 31 July 2012

16 FUNDS OF THE COLLEGE MOVEMENTS

| | At 1 August 2011 £'000 | Incoming resources £'000 | Resources expended £'000 | Transfers £'000 | Gains/ (losses) £'000 | At 31 July 2012 £'000 |
|--|------------------------------|--------------------------------|--------------------------------|--------------------|-----------------------------|-----------------------------|
| <u>Endowment Funds - Permanent</u> | | | | | | |
| Student Support Funds | 700 | 24 | (3) | (12) | (9) | 700 |
| JRF Funds | 953 | 30 | (3) | 0 | (11) | 969 |
| <u>Teaching Funds:</u> | | | | | | |
| Humanities & Social Sciences | 4,122 | 292 | (18) | (125) | (58) | 4,213 |
| Medical Sciences | 1,109 | 41 | (4) | (35) | (15) | 1,096 |
| Physical & Life Sciences | 1,710 | 64 | (7) | (54) | (24) | 1,689 |
| General purpose | 8,460 | 315 | (35) | (269) | (115) | 8,356 |
| Other purposes | 75 | 2 | 0 | (1) | (1) | 75 |
| <u>Endowment Funds - Expendable Restricted</u> | | | | | | |
| Student Support Funds | 2,845 | 199 | (11) | (74) | (39) | 2,920 |
| JRF Funds | 1,348 | 43 | (5) | 0 | (16) | 1,370 |
| <u>Teaching Funds:</u> | | | | | | |
| Humanities & Social Sciences | 2,478 | 289 | (10) | (78) | (34) | 2,645 |
| Medical Sciences | 702 | 26 | (3) | (28) | (10) | 687 |
| Physical & Life Sciences | 918 | 34 | (4) | (29) | (13) | 906 |
| Other purposes | 808 | 29 | (3) | (9) | (11) | 814 |
| <u>Endowment Funds - Expendable Designated</u> | | | | | | |
| Student Support Funds | 424 | 17 | (2) | (12) | (6) | 421 |
| JRF Funds | 722 | 22 | (2) | 0 | (8) | 734 |
| <u>Teaching Funds:</u> | | | | | | |
| Humanities & Social Sciences | 2,178 | 84 | (9) | (73) | (31) | 2,149 |
| Medical Sciences | 1,781 | 66 | (7) | (56) | (24) | 1,760 |
| General purpose | 5,716 | 234 | (18) | (182) | (61) | 5,689 |
| Other purposes | 113 | 4 | 0 | 0 | (1) | 116 |
| Total Endowment Funds | 37,162 | 1,815 | (144) | (1,037) | (487) | 37,309 |
| <u>Restricted Funds</u> | | | | | | |
| Transfer from restricted purpose endowment funds for spending | 0 | 0 | (728) | 728 | 0 | 0 |
| Scholarship & Bursary Fund | 376 | 144 | (37) | 0 | 0 | 483 |
| College Contribution fund | 52 | 25 | (54) | 0 | 0 | 23 |
| Fellowship bridging fund | 43 | 152 | (25) | 0 | 0 | 170 |
| Maintenance fund | 233 | 0 | (233) | 0 | 0 | 0 |
| Library fund | 65 | 5 | (2) | 0 | 0 | 68 |
| Other funds | 119 | 287 | (32) | 0 | 0 | 374 |
| Total Restricted Funds | 888 | 613 | (1,111) | 728 | 0 | 1,118 |
| <u>Unrestricted Funds</u> | | | | | | |
| General | (528) | 4,653 | (5,436) | 713 | 0 | (598) |
| Fixed asset designated Fund | 7,342 | 511 | 0 | (404) | 0 | 7,449 |
| Total Unrestricted Funds | 6,814 | 5,164 | (5,436) | 309 | 0 | 6,851 |
| Total Funds | 44,864 | 7,592 | (6,691) | 0 | (487) | 45,278 |

17 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

* A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the charity

Endowment Funds - Expendable:

* A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the charity

Restricted Funds:

* A consolidation of gifts and donations where both income and capital can be used for restricted purpose

Designated Funds

Fixed asset designated

* Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes

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

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds £'000 | Restricted Funds £'000 | Endowment Funds £'000 | Total £'000 |
|----------------------------------|--------------------------------|------------------------------|-----------------------------|----------------|
| Tangible fixed assets | 7,449 | 0 | 0 | 7,449 |
| Securities and other investments | 0 | 0 | 35,985 | 35,985 |
| Net current assets | (598) | 1,118 | 1,324 | 1,844 |
| | <u>6,851</u> | <u>1,118</u> | <u>37,309</u> | <u>45,278</u> |

19 TRUSTEES' REMUNERATION

The trustees of the college comprise the governing body, primarily fellows who are teaching and research employees of the college and who sit on governing body by virtue of their employment.

No trustee receives any remuneration for acting as a trustee. However, those trustees who are also employees of the college receive salaries for their work as employees. Where possible, these salaries are paid on external scales and often are joint arrangements with the University of Oxford.

Trustees of the college fall into the following categories:

Official Fellows, Professorial Fellows, Research and Supernumerary Fellows.

There are also 5 trustees, *Head of House, Development Director, Senior Tutor, Librarian and Bursar* who work full time on management and fundraising.

Some trustees, particularly *tutorial fellows* are eligible for a housing allowance, if they do not live in college. The housing allowance is disclosed in the salary figures below.

Some trustees receive additional allowances for additional work carried out as part time college officers. eg *Tutor for Graduates and Dean*. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,185,000 (2010-11 £1,204,000). The total of pension contributions is £187,000 (2010-11 £190,000).

Remuneration paid to trustees

| Range | 2011-2012 | | 2010-2011 | |
|-----------------|---------------------------|---|---------------------------|--|
| | Number of trustees/fellow | Gross remuneration, taxable contributions | Number of trustees/fellow | Gross remuneration, taxable benefits & pension contributions |
| | | £ | | £ |
| £1,000-£1,999 | 5 | 6,500 | 5 | 6,500 |
| £6,000-£6,999 | 0 | - | 1 | 6,865 |
| £7,000-£7,999 | 3 | 21,561 | 0 | - |
| £8,000-£8,999 | 0 | - | 2 | 17,682 |
| £9,000-£9,999 | 1 | 9,288 | 1 | 9,227 |
| £13,000-£13,999 | 1 | 13,883 | 2 | 27,631 |
| £14,000-£14,999 | 7 | 101,997 | 6 | 86,504 |
| £20,000-£20,999 | 1 | 20,436 | 1 | 20,226 |
| £34,000-£34,999 | 1 | 34,698 | 5 | 172,018 |
| £35,000-£35,999 | 0 | - | 2 | 70,958 |
| £36,000-£36,999 | 4 | 145,384 | 0 | - |
| £37,000-£37,999 | 1 | 37,061 | 0 | - |
| £38,000-£38,999 | 0 | - | 1 | 38,765 |
| £39,000-£39,999 | 5 | 199,990 | 4 | 159,076 |
| £41,000-£41,999 | 1 | 41,398 | 1 | 41,169 |
| £43,000-£43,999 | 3 | 130,735 | 4 | 173,966 |
| £45,000-£45,999 | 1 | 45,486 | 0 | - |
| £56,000-£56,999 | 0 | - | 1 | 56,122 |
| £57,000-£57,999 | 3 | 173,018 | 2 | 114,860 |
| £62,000-£62,999 | 1 | 62,881 | 1 | 62,730 |
| £63,000-£63,999 | 1 | 63,427 | 1 | 63,277 |
| £76,000-£76,999 | 1 | 76,761 | 1 | 76,601 |

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

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

Trustee expenses

No fellow claimed any expenses for work as a trustee.

20 PENSION SCHEMES

1. The pension schemes

The College participates in two principal pension schemes for its staff - the Universities Superannuation Scheme ('USS'), and the University of Oxford Staff Pension Scheme ('OSPS'). Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and final pensionable salary) and are contracted out from the State Second Pension Scheme. The assets of USS and OSPS are each held in separate trustee-administered funds. Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the income and expenditure account represents the contributions payable to the schemes in respect of the accounting period.

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

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

2. Actuarial valuations

Qualified actuaries periodically value the Schemes. Both USS and OSPS were valued using the "projected unit" method, embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in each scheme. The financial assumptions were derived from market conditions prevailing at the valuation date. The results of the latest actuarial valuations and the assumptions which have the most significant effect on the results of the latest valuations and the determination of the contribution levels are shown in the following table.

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

Notes:

- a. USS' actuary will undertake an actuarial valuation of the Scheme as at 31 March 2011 identified a funding deficit of £2,910m. The USS joint Negotiating Committee has proposed, and USS has implemented with effect from 1st October 2011, a package of changes, including the admission of new members into a Career Revalued Benefits section. The changes are required to ensure the future sustainability of the Scheme. Further details about the changes may be reviewed on USS website, www.uss.co.uk. After allowing for those changes, the actuary established a long term employer contribution rate of 12.6% of total pensionable salaries from the 2011/12 year, reducing over time. USS agreed with Universities UK, on behalf of all employers participating in the scheme, to address the deficit by continuing the employer contribution rate at the previously agreed rate of 16% of total pensionable salaries (this being the rate paid by the employers since October 2009) until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals. The actuary has certified that the additional contribution should eliminate the deficit by 31st March 2021.
- b. OSPS' actuarial valuation as at 31 March 2010 identified a required long-term employer contribution rate of 18.2% of total pensionable salaries, but also a funding deficit of £82.4m. The University, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by continuing the employer contribution rate at the previously agreed rate of 21.5% of total pensionable salaries (this being the rate paid by the employer since 1 August 2008). The actuary has certified that the additional contribution should eliminate the deficit by 31 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 31st January 2013. Further details may be seen on the Schemes' website, www.admin.ox.ac.uk/finance/pensions/osps
- c. USS' actuary has assumed that pension increases will be 3.4% a year for the three years to 31st March 2014, then 2.6% a year thereafter.
- d. As noted above (note a.), the USS employer contribution rate required for future service benefits alone at the date of the valuation was 12.6% of total pensionable salaries. It was agreed that employers should continue to contribute at the previously agreed rate of 16% of total pensionable salaries (this being the rate paid by the employers since 1st October 2009) until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals.
- e. As noted above (note b.), the OSPS employer contribution rate required for future service benefits alone at the date of the valuation was 18.2% of total pensionable salaries. It was agreed that employers should continue to contribute at the previously agreed rate of 21.5% of total pensionable salaries (this being the rate paid by the employers since 1st August 2008).

3. Sensitivity of actuarial valuation assumptions

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

| Assumption | Change in assumption | Impact on scheme liabilities | |
|----------------------------|---|-------------------------------|-----------------------------|
| | | USS | OSPS |
| Valuation rate of interest | increase/decrease by 0.5% | decrease / increase by £2.2bn | decrease / increase by £35m |
| Rate of pension increases | increase/decrease by 0.5% | increase / decrease by £1.5bn | increase / decrease by £25m |
| Rate of salary growth | increase/decrease by 0.5% | increase / decrease by £0.7bn | increase / decrease by £5m |
| Rate of mortality | more prudent assumption (mortality at last valuation, rated down by a further year) | increase by £1.6bn | increase by £10m |

4. Pension charge for the year

The pension charge recorded by the College during the accounting period was equal to the contributions payable as follows:

| Scheme | 2012 | 2011 |
|---|------|------|
| Universities Superannuation Scheme | 279 | 281 |
| University of Oxford Staff Pension Scheme | 167 | 178 |

Total:

Notes

- f. The College continues to make a small number of supplementation payments to retired employees.

21 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.

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

| | 2012 £'000 | 2011 £'000 |
|---|---------------|---------------|
| Net incoming resources for the year | 901 | 1,374 |
| Elimination of non-operating cash flows: | | |
| - Investment income | (1,320) | (1,238) |
| - Endowment donations | (495) | (1,121) |
| - Financing costs | 0 | 1 |
| Depreciation | 404 | 407 |
| Decrease/(Increase) in stock | (1) | 6 |
| Decrease/(Increase) in debtors | (56) | 78 |
| (Decrease)/Increase in creditors | (115) | (189) |
| Net cash inflow/(outflow) from operations | (682) | (682) |

23 ANALYSIS OF CHANGES IN NET FUNDS

| | 2011 £'000 | Cash flow £'000 | 2012 £'000 |
|---|---------------|--------------------|---------------|
| Cash at bank and in hand | 728 | (585) | 143 |
| Bank overdrafts | 0 | 0 | 0 |
| | 728 | (585) | 143 |
| Deposits and other short term investments | 1,280 | 105 | 1,385 |
| Bank loans due within one year | (87) | 87 | 0 |
| | 1,921 | (393) | 1,528 |

24 RELATED PARTY TRANSACTIONS

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

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

One trustees (Dr Bhattacharya) had a loan outstanding from the College at the end of the year.

| | 2012 £'000 | 2011 £'000 |
|--|---------------|---------------|
| | 57 | 59 |

Interest is charged on the above loan at 1% per annum.
The loan is repayable within 25 years or on the departure of the trustee from the College if earlier.