

# Wolfson College

Annual Report and Financial Statements

Year ended 31 July 2012

Charity Registration Number: 1141446



# **WOLFSON COLLEGE**

## **Annual Report and Financial Statements**

### **Contents**

|  | Page    |
|--|---------|
| Governing Body, Officers and Advisers          | 2 - 4   |
| Report of the Governing Body                   | 5 - 10  |
| Auditor's Report                               | 11      |
| Statement of Accounting Policies               | 12 - 14 |
| Consolidated Statement of Financial Activities | 15      |
| Consolidated and College Balance Sheets        | 16      |
| Consolidated Cash Flow Statement               | 17      |
| Notes to the Financial Statements              | 18 - 26 |

# WOLFSON COLLEGE

## Governing Body, Officers and Advisers

Year ended 31 July 2012

### MEMBERS OF THE GOVERNING BODY

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

|                           | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|---------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|
| Abramsky, Prof Samson     |     |     |     |     | •   |     |     |     |     |      |
| Austyn, Prof Jonathan     |     |     |     |     |     |     |     |     |     |      |
| Bangha, Dr Imre           |     |     |     |     | •   |     | •   |     |     | •    |
| Banks, Prof Marcus        | •   |     |     |     |     |     |     |     | •   | •    |
| Benson, Dr James          |     |     |     |     |     |     |     | •   |     |      |
| Boehmer, Prof Elleke      |     |     |     |     |     |     |     |     |     |      |
| Brown, Prof Harvey        |     |     |     | •   |     |     |     |     |     |      |
| Charters, Dr Erica        | •   |     |     |     | •   |     |     |     |     | •    |
| Cluver, Dr Lucie          |     |     |     |     |     |     |     |     |     |      |
| Coecke, Prof Bob          |     |     |     |     | •   |     |     |     |     |      |
| Conner, Mr William        | •   |     | •   |     |     |     |     |     |     |      |
| Curtis, Dr Julie          | •   |     |     |     | •   | •   |     |     | •   |      |
| Dahl, Dr Jacob            |     |     |     | •   |     |     |     |     |     |      |
| Davis, Dr Christopher     |     | •   | •   |     | •   |     |     |     |     |      |
| DeLaine, Dr Janet         |     |     |     |     |     |     |     |     |     |      |
| Deighton, Prof Anne       | •   |     |     |     |     | •   |     |     |     |      |
| Dercon, Prof Stefan       |     |     |     |     |     |     |     |     |     |      |
| Fellerer, Dr Jan          | •   |     |     |     |     |     |     |     |     |      |
| Galligan, Prof Denis      | •   | •   | •   | •   | •   | •   | •   |     | •   | •    |
| Gardner, Prof Frances     |     |     |     |     | •   |     |     |     |     |      |
| Giustino, Dr Feliciano    |     |     |     |     | •   |     |     |     |     |      |
| Goodman, Prof Martin      | •   |     |     | •   |     |     |     |     |     |      |
| Harrison, Prof Paul       |     |     |     |     |     |     |     |     |     |      |
| Howgego, Prof Christopher |     | •   | •   |     |     | •   |     |     |     |      |
| Humphreys, Prof Glyn      |     |     |     |     |     |     |     |     |     |      |
| Isaacson, Dr Daniel       |     |     |     |     |     |     |     |     |     |      |
| Jarron, Mr Thomas Edward  | •   | •   | •   | •   | •   | •   | •   |     | •   | •    |
| Johns, Professor Jeremy   | •   |     |     |     | •   |     |     |     |     |      |
| Jones, Dr Geraint         |     |     |     |     |     |     | •   |     |     |      |
| Lange, Dr Bettina         |     | •   |     |     |     |     |     |     |     |      |
| Lee, Prof Hermione        | •   | •   | •   | •   | •   | •   | •   |     | •   |      |
| Lewis, Dr James           | •   | •   |     |     |     |     | •   |     |     |      |
| McCartney, Dr Matthew     |     |     |     |     | •   |     |     |     | •   |      |
| McKenna, Prof Gillies     |     |     |     |     |     |     |     |     |     |      |
| Neil, Prof Andrew         | •   | •   | •   | •   | •   |     | •   |     | •   |      |
| Penney, Dr John           |     |     |     |     |     |     |     |     |     |      |
| Pila, Dr Jonathan         | •   | •   |     |     | •   |     |     |     |     |      |
| Probert, Dr Philomen      |     |     |     |     |     |     |     |     |     |      |
| Rawlins, Prof Nicholas    |     |     | •   |     |     |     |     |     |     |      |
| Redfield, Prof Christina  |     |     |     |     | •   | •   |     |     | •   | •    |

# WOLFSON COLLEGE

## Governing Body, Officers and Advisers

Year ended 31 July 2012

|                           |            | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|---------------------------|------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|
| Rice, Dr Ellen            |            |     |     |     | •   |     |     |     |     |     |      |
| Rickaby, Prof Rosalind    |            |     |     |     |     | •   |     |     |     |     |      |
| Roesler, Dr Ulrike        |            |     |     |     | •   |     |     |     |     |     |      |
| Schulding, Dr Rick        |            |     |     |     |     |     |     |     |     |     |      |
| Sheldon, Prof Benjamin    |            |     |     |     |     |     |     |     |     |     |      |
| Sridhar, Dr Devi          |            |     |     |     |     |     |     |     |     |     |      |
| Stallworthy, Prof Jon     |            |     |     |     | •   |     |     |     |     | •   |      |
| Stewart, Dr Peter         |            |     | •   |     |     | •   |     |     |     |     |      |
| Sud, Dr Nikita            |            |     |     |     |     |     |     |     |     |     |      |
| Sykes, Prof Bryan         |            |     |     | •   |     |     |     |     |     |     |      |
| Taylor, Dr David          |            |     |     |     |     |     |     |     |     |     |      |
| Tomlin, Dr Roger          | (retired ) |     |     |     |     |     |     |     |     |     |      |
| Vedral, Prof Vlatko       |            |     |     |     |     | •   |     |     |     |     |      |
| Ventresca, Dr Marc        |            |     |     |     |     |     |     |     |     |     |      |
| Walker, Dr Susan          |            | •   |     |     |     |     |     |     |     |     |      |
| Watson, Prof Oliver       |            |     |     |     |     |     |     |     |     |     |      |
| Watts, Prof Anthony       |            |     |     |     |     |     |     |     | •   |     |      |
| Willett, Prof Keith       |            |     |     |     |     |     |     |     |     |     |      |
| Yurekli-Gorkay, Dr Zeynep |            |     |     |     |     |     |     |     |     |     |      |

During the year the activities of the Governing Body were carried out through the 10 main committees listed below. The current membership of these committees is shown above for each Fellow.

1. General Purposes Committee
2. Finance Committee
3. Investment Committee
4. Academic Committee
5. Fellowships & Membership Committee
6. Remuneration & Personnel Committee
7. Domestic & Premises Committee
8. Audit Committee
9. Nominating Committee
10. Social & Cultural Committee

A Conflict of Interest Committee reviews Governing Body's decisions in order to identify any conflicts of interest. It also keeps under review the College's conflict of interest policies and makes suggestions to Governing Body for the improvement of the awareness of Trustees and the development of related procedures.

## COLLEGE SENIOR STAFF

The senior staff of the College (the College Officers) to whom day-to-day management is delegated are as follows:

|                                   |   |
|-----------------------------------|---|
| President                         | Professor Hermione Lee  |
| Vicegerent                        | Professor Denis Galligan (Professor Martin Goodman with effect from 1 October 2012) |
| Bursar                            | Mr Edward Jarron  |
| Senior Tutor                      | Professor Andrew Neil   |
| Secretary to the Governing Body   | Dr Julie Curtis   |
| Development Director              | Mr William Conner   |
| Research Fellows' Liaison Officer | Professor Harvey Brown  |

## **WOLFSON COLLEGE**

**Governing Body, Officers and Advisers**

**Year ended 31 July 2012**

---

### **COLLEGE ADVISERS**

#### **Investment managers**

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

#### **Investment property managers**

Charities Property Fund Cordea Savills, Lansdowne House, 57 Berkeley Square, London W1J 6ER

Reeves & Partners, 4 Copthall House Station Square Coventry CV1 2FL

T W Gaze LLP, 10 Market Hill, Diss, Norfolk IP22 4WJ

#### **Personnel and Health & Safety Advisers**

Peninsula Business Services, 2 Cheetham Hill Road, Manchester, M4 4FB

#### **Auditors**

Wellers, 8 King Edward Street, OX1 4HL

#### **Bankers**

Barclays Bank PLC, 4<sup>th</sup> Floor, Apex Plaza, Forbury Road, Reading, RG1 1AX

#### **Solicitors**

Manches LLP, 9400 Garsington Road, Oxford Business Park, Oxford, OX4 2HN

# **WOLFSON COLLEGE**

## **Report of the Governing Body**

**Year ended 31 July 2012**

---

The Members of the Governing Body present their Annual Report for the year ended 31 July 2012 under the Charities Act 1993 and 2006 together with the audited financial statements for the year.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

Wolfson College in the University of Oxford, is an eleemosynary chartered charitable corporation aggregate. It was founded by decree of the Congregation of Oxford University on 26 July 1966.

The College was registered with the Charity Commission on 14 April 2011 (registered number 1141446).

Address : Wolfson College, Linton Road, Oxford, OX2 6UD

Website: [www.wolfson.ox.ac.uk](http://www.wolfson.ox.ac.uk)

The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the College, are given on pages 2 to 4.

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

#### **Governing documents**

The College is governed by its Royal Charter and Statutes dated 15 January 1981.

#### **Governing Body**

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

New members of the Governing Body are elected on the basis of academic standing, position within the University of Oxford and suitability as decided by Governing Body.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the President and is advised by ten main committees.

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

New Members of the Governing Body are recruited on the basis of a consideration of suitability by the Fellowships & Membership Committee, formal interview and election at a meeting of the full Governing Body. They are inducted into the workings of the College, including Governing Body policy and procedures, by means of an introductory meeting with the President and provision of an information handbook making them aware of their responsibilities as trustees.

Members of the Governing Body are able to attend external trustee training and information courses to keep them informed on current issues in the sector and on regulatory requirements.

#### **Organisational Management**

The members of the Governing Body meet six times a year. Additional meetings of the Governing Body can be called by the President. The work of developing their policies and monitoring the implementation of these is carried out by the ten Committees referred to above. The day-to-day running of the College is delegated to the College Officers, who attend meetings of the Governing Body and are members of Committees as indicated above.

## **WOLFSON COLLEGE**

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

**Year ended 31 July 2012**

---

#### **Group structure and relationships**

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.

The College also has one wholly owned non-charitable subsidiary, Wolfson College Developments Limited, whose annual profits are donated to the College under the Gift Aid Scheme. The trading activities of the subsidiary are limited to certain building development functions.

The College administers a number of special trusts, as detailed in Note 15 to the Financial Statements.

#### **Risk management**

The College engages 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 one of the Trustees. Financial and investment risks are assessed by the Finance Committee and Investment Committee respectively. Training courses and other forms of career development are available, to members of staff to enhance their skills in risk-related areas.

The Governing Body, 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.

#### **OBJECT AND ACTIVITIES**

##### **Charitable Object**

The College's Object reads, "The College shall be a place of advanced study, learning, education and research and, without prejudice to the generality of the foregoing, shall have a special concern for the promotion of studies in the natural sciences". Statute I (2).

##### **Activities of the College**

The College provides, in conjunction with the University of Oxford, academic and pastoral support for some 650 graduate students which is recognised internationally as being of the highest standard. This develops students academically and advances their leadership qualities and communication skills, and so prepares them to play full and effective roles in society. In particular, the College provides:

- Pastoral, administrative and academic support through its advisory and graduate mentoring systems;
- Social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College advances research through:

- Providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of an academic post;
- Supporting research work pursued by its other Fellows through promoting interaction across disciplines, providing facilities and providing grants for national and international conferences, research trips and research materials;



## **WOLFSON COLLEGE**

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

**Year ended 31 July 2012**

---

- Encouraging visits from outstanding academics from abroad; and
- Encouraging the dissemination of research undertaken by members of the College through the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library and art collection (including important special collections), so providing a valuable resource for students and Fellows of the College, members of other Colleges and the University of Oxford more widely, external scholars and researchers, and the public through regular exhibitions.

#### **Public benefit**

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 1993 and 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 function represents a major benefit to society in general and to those studying within it in particular.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, learning or research.

However, beneficiaries also include students and academic staff from other Colleges in Oxford and the University of Oxford more widely, visiting academics from other higher education institutions and visiting alumni of the College, who have an opportunity to attend educational events at the College or use its academic facilities. The general public are also able to attend various educational activities in the College such as talks, concerts art exhibitions and seminars.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College, regardless of their financial, social, religious or ethnic background:

- The College applies no geographical restrictions on its membership and students and academic staff of the College are drawn from across the UK and internationally;
- The College applies no age restrictions on its membership. The majority of students are between 21 and 30 years old; our oldest student is over 70.
- The College applies no religious constraints on its membership. Members of the College have a wide variety of faith traditions or none.

The focus of the College is strongly academic and students need to satisfy high academic entry requirements.

#### **ACHIEVEMENTS AND PERFORMANCE**

The College succeeded in achieving all of its objectives and aims in the year.

At the beginning of the academic year 2011/12 we admitted 218 students (compared with 216 in 2010/11). The proportion of DPhil (doctoral) research students fell slightly from 40% to 36%. The proportion of students studying mathematics, physical, life and medical sciences also decreased from nearly 40% to 29% with a corresponding increase in the humanities or social sciences. A total of 38% of newly admitted students had a UK first degree which was 10% higher than in 2010/11 and, overall, there were 49 different nationalities with equal numbers of men and women. Nearly 60% of students were self-financing and the remainder were grant-supported.

## **WOLFSON COLLEGE**

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

**Year ended 31 July 2012**

---

The College funded 20 scholarships either solely or in partnership with the Clarendon Fund or UK Research Councils. A further 16 students were awarded College Fee Bursaries. In addition, major travel grants were awarded to 8 students and another 136 students received smaller travel grants for attending conferences or undertaking fieldwork. The College also made grants to a number of students in financial hardship due to unforeseeable circumstances.

The College provided a base for a considerable variety of activities, from seminars, workshops and conferences, to research presentations and social meetings over lunch, drinks or dinner for particular groups. Wolfson is continuing to intensify and expand these academic activities through its interdisciplinary research cluster scheme, which draws on the outstanding scholarly strengths and interests within the College. All the clusters aim to attract graduate students in these fields to Wolfson and to create graduate scholarships attached to the clusters where possible; all are engaged in a variety of academic activities, some of which have been made possible by external funding, and many of which are events open to anyone interested in attending.

During the course of the year, the number of research clusters increased from seven to eight with the addition of the Mind, Brain and Behaviour Cluster. The existing clusters were: The Ancient World Cluster; The Oxford Centre for Life-Writing at Wolfson; Tibetan and Himalayan Studies; South Asian Studies; Digital Research; Quantum Foundations Research; and the Foundation for Law, Justice and Society. The Oxford Centre for Life-Writing is funded by a grant of £875,000 from the Dorset Foundation and the Ancient World Cluster by a generous donation from Baron Lorne Thyssen. All the clusters without external funding received support from the College and each has developed a website.

The College is committed to enhancing its academic support provision for graduate students and fellows. This year, work began on the first phase of the new academic wing, which will provide a tiered lecture theatre and seminar rooms. Academic support for Fellows was also improved with the opening of the Fellows' Work Space.

The academic activities of the College extend to the wider community in Oxford and beyond. This year the College's annual lecture series – The Wolfson Lectures – was entitled "Climate Connections". Among the other lectures during the academic year, the Haldane Lecture was given by Sir Iain Chalmers on "Trying to do more good than harm in health care". The Annual Isaiah Berlin Lecture was given by Baroness Helena Kennedy entitled 'Law and globalisation'. A series of high profile public lectures has been planned for the next academic year.

The rolling programme of refurbishment of College buildings continued with the upgrading conversion of 44 student rooms to en-suite standard in "B Block" and refurbishment of the co-located student bar. Work also started on refurbishment of the College's main kitchen.

### **FINANCIAL REVIEW**

Total incoming resources were £610,000 higher than previous year. There was an increase in Academic income of £174,000 with £54,000 due to higher fee income and £68,000 relating to other academic visitors. Residential income was a net £52,000 higher. Donations were £315,000 higher, with £860,000 of the total of £953,000 being received for restricted purposes. The largest contribution was £500,000 from the Wolfson Foundation, representing the first instalment of a grant of £1,600,000 towards the costs of Phase I of the Academic Wing. We also received the second instalment of £192,000 for the Oxford Centre for Life Writing at Wolfson. Income from conferences (residential and day) increased by £70,000. Investment income was relatively flat at £1,053,000.

Total resources expended increased by £515,000. Expenditure on Charitable Activities increased by £314,000. Within this staff costs increased by £155,000 and other direct costs by £114,000 and support costs by £44,000 reflecting increased academic activity, refurbishments and expenditure on the upgrade of our administrative software system. Costs of generating funds increased by £195,000 and reflected increased development and conference activity and project related software support costs.

## **WOLFSON COLLEGE**

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

**Year ended 31 July 2012**

---

The value of our investment portfolio reduced by £2,324,000. This was due to withdrawals from the portfolio of £1,757,000 relating to our building projects and a net revaluation loss of £567,000.

#### **Reserves policy**

The College's reserves policy is to maintain sufficient free reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall, 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 £13,877,000, representing retained unrestricted income reserves excluding an amount of £6,194,000 for the book value of fixed assets less associated funding arrangements.

Designated reserves at the year-end comprised £289,000 for sporting and recreational purposes for College and Common Room members, to be spent as necessary according to annual budgets.

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

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

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

The College statutes allow the College to invest across the widest spectrum of investments at home or abroad, and to make available income for expenditure each year for any purpose within the provisions of the Charter. Accordingly, the College's investments are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. The College aims to spend only the income from investments, thus allowing any capital gain to increase the value of the endowment.

The investment strategy, policy and performance is monitored by the Investment Committee. At the year end, the College's long term investments, combining the securities and property investments, totalled £32,901,000. The overall income return was 3.2% over the year which compared favourably to relevant benchmark returns.

#### **FUTURE PLANS**

The College's future plans as agreed by the Governing Body are set out in of the College's Rolling Five-Year Financial Plan. The core elements of this are:

- To continue to expand the College's already vibrant range of academic and cultural activities, including Graduate Student-led seminars, President's Seminars, Research Fellow's activities and Governing Body lectures. It will also continue its programme of concerts and art exhibitions, reading group meetings, lecture series, workshops and conferences brought to Wolfson by its Fellows, as well as regular named lectures of distinction and high-profile visitors.
- To provide the highest level of accommodation and facilities for its Fellows, Graduate Students, Common Room Members and Staff.
- To increase the financial support available to Graduate Students and academic activities within the College.
- To continue a programme of refurbishment of the main College buildings and to add an Academic Wing, comprising an auditorium, break out seminar rooms, a cafeteria, academic offices and an enlarged library and study space.
- To remain at the current level of graduate student numbers.

# **WOLFSON COLLEGE**

## **Report of the Governing Body**

**Year ended 31 July 2012**

---

### **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 28 November 2012 and signed on its behalf by:

Professor Hermione Lee  
President

## **WOLFSON COLLEGE**

### **Report of the Auditor to the Members of the Governing Body of Wolfson College**

We have audited the financial statements of Wolfson College for the year ended 31 July 2012 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the College Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 27. 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 44 of the Charities Act 1993 and 2006. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and its Governing Body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Governing Body and auditor**

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

We have been appointed as auditor under section 43 of the Charities Act 1993 and 2006 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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.

#### **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 1993 and 2006.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 1993 and 2006 require 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
- The charity has not kept sufficient accounting records; 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.

Wellers  
Statutory Auditor  
8 King Edward Street, Oxford, OX1 4HL

Date:

# **WOLFSON COLLEGE**

## **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 subsidiary Wolfson College Developments Limited. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiary as included the consolidated income, expenditure and results of the College are disclosed in note 12.

### **2. Basis of accounting**

The financial statements have been prepared under the Charities Act 1993 and 2006 and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005 ("the Charities SORP") and applicable accounting standards. The financial statements are drawn up on the historical cost basis of accounting as modified by the revaluation of investment properties and other investments.

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

Fees receivable, HEFCE support and charges for services and use of the premises, less any scholarships, bursaries or other allowances granted by the College, but including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

### **4. Incoming resources from donations and legacies**

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

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

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

### **5. Investment income**

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

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

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

### **6. Expenditure**

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

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

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

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

### **7. Leases**

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

## **WOLFSON COLLEGE**

### **Statement of Accounting Policies**

**Year ended 31 July 2012**

---

The cost of the assets held under finance leases is included within fixed assets and depreciation is charged in accordance with the accounting policy for each class of asset concerned. The corresponding capital obligations under these leases are shown as liabilities. The finance charge element of rentals is charged to the Statement of Financial Activities and classified within finance costs as incurred.

#### **8. Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10,000 together with expenditure on equipment costing more than £1,000 is capitalised and carried in the balance sheet at historical cost.

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

#### **9. Depreciation**

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

|   |               |
|---|---------------|
| Freehold properties, including major extensions | 50 years      |
| Building improvements                           | 10 - 30 years |
| Equipment                                       | 4 - 10 years  |

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

#### **10. Investments**

Investment properties are valued as individual investments at their market values as at the balance sheet date. Purchases and sales of investment properties are recognised on exchange of contracts. Listed investments are valued at their mid-market values as at the balance sheet date. Investments such as hedge funds and private equity funds which have no readily identifiable market value are included at the most recent valuations from their respective managers.

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

#### **11. Stocks**

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

#### **12. Foreign currencies**

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

#### **13. 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

## **WOLFSON COLLEGE**

### **Statement of Accounting Policies**

**Year ended 31 July 2012**

---

arising must be used for the purposes given or the income on gifts where the donor has required that the capital be maintained and the income used for specific purposes.

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

Expendable endowment funds are similar to permanent endowment in that they have been given, or the College has determined based on the circumstances 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.

#### **14. Pension costs**

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

#### **15. Common Room**

The College consolidates the funds of the Common Room and Recreational Fund which provide support for the social, cultural and sporting activities of the members of College and Common Room. The balances on these funds are classified as designated funds of the College.



**Wolfson College Oxford**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 July 2012**

|  | Notes | Unrestricted<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowed<br>Funds<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'000 |
|--|-------|--------------------------------|------------------------------|---------------------------|------------------------|------------------------|
| <b>INCOMING RESOURCES</b>  |       |                                |                              |                           |                        |                        |
| <b>Resources from charitable activities</b>                            | 1     |                                |                              |                           |                        |                        |
| Teaching, research and residential                                     |       | 4,008                          | 20                           | 0                         | 4,028                  | 3,854                  |
|  |       | <u>4,008</u>                   | <u>20</u>                    | <u>0</u>                  | <u>4,028</u>           | <u>3,854</u>           |
| <b>Resources from generated funds</b>                                  |       |                                |                              |                           |                        |                        |
| Legacies and donations   |       | 93                             | 860                          | 0                         | 953                    | 638                    |
| Trading income   | 2     | 342                            | 0                            | 0                         | 342                    | 272                    |
| Investment income  | 3     | 274                            | 1                            | 778                       | 1,053                  | 1,032                  |
|  |       | <u>709</u>                     | <u>861</u>                   | <u>778</u>                | <u>2,348</u>           | <u>1,942</u>           |
| <b>Other incoming resources</b>  |       | 57                             | 0                            | 0                         | 57                     | 27                     |
| <b>Total Incoming Resources</b>  |       | <u>4,774</u>                   | <u>881</u>                   | <u>778</u>                | <u>6,433</u>           | <u>5,823</u>           |
| <b>RESOURCES EXPENDED</b>  |       |                                |                              |                           |                        |                        |
| <b>Cost of generating funds</b>  | 4     |                                |                              |                           |                        |                        |
| Fundraising  |       | 296                            | 0                            | 0                         | 296                    | 225                    |
| Trading expenditure  |       | 404                            | 0                            | 0                         | 404                    | 274                    |
| Investment management costs  |       | 156                            | 0                            | 0                         | 156                    | 162                    |
|  |       | <u>856</u>                     | <u>0</u>                     | <u>0</u>                  | <u>856</u>             | <u>661</u>             |
| <b>Charitable activities</b>   | 4     |                                |                              |                           |                        |                        |
| Teaching, research and residential                                     |       | 4,260                          | 399                          | 0                         | 4,659                  | 4,345                  |
|  |       | <u>4,260</u>                   | <u>399</u>                   | <u>0</u>                  | <u>4,659</u>           | <u>4,345</u>           |
| <b>Governance costs</b>  | 7     | 22                             | 0                            | 0                         | 22                     | 16                     |
| <b>Total Resources Expended</b>  |       | <u>5,138</u>                   | <u>399</u>                   | <u>0</u>                  | <u>5,537</u>           | <u>5,022</u>           |
| <b>Net incoming/(outgoing) resources before transfers</b>              |       | <b>(364)</b>                   | <b>482</b>                   | <b>778</b>                | <b>896</b>             | <b>801</b>             |
| Transfers between funds  | 15    | 1,064                          | (296)                        | (768)                     | 0                      | 0                      |
| <b>Net incoming/(outgoing) resources before other gains and losses</b> |       | <u>700</u>                     | <u>186</u>                   | <u>10</u>                 | <u>896</u>             | <u>801</u>             |
| Investment gains/(losses)  |       | (162)                          | 0                            | (405)                     | (567)                  | 4,629                  |
| <b>Net movement in funds for the year</b>                              |       | <u>538</u>                     | <u>186</u>                   | <u>(395)</u>              | <u>329</u>             | <u>5,430</u>           |
| Fund balances brought forward  | 15    | 13,339                         | 1,296                        | 30,799                    | 45,434                 | 40,004                 |
| <b>Funds carried forward at 31 July</b>                                | 15    | <u>13,877</u>                  | <u>1,482</u>                 | <u>30,404</u>             | <u>45,763</u>          | <u>45,434</u>          |

**Wolfson College Oxford**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2012**

|   | Notes | 2012<br>Group<br>£'000 | 2011<br>Group<br>£'000 | 2012<br>College<br>£'000 | 2011<br>College<br>£'000 |
|---|-------|------------------------|------------------------|--------------------------|--------------------------|
| <b>FIXED ASSETS</b>                           |       |                        |                        |                          |                          |
| Tangible assets                               | 9     | 10,860                 | 9,236                  | 10,860                   | 9,236                    |
| Property investments                          | 10    | 8,008                  | 8,008                  | 8,008                    | 8,008                    |
| Securities and other investments              | 11    | 24,893                 | 27,217                 | 24,893                   | 27,217                   |
|   |       | <b>43,761</b>          | <b>44,461</b>          | <b>43,761</b>            | <b>44,461</b>            |
| <b>CURRENT ASSETS</b>                         |       |                        |                        |                          |                          |
| Stocks  |       | 113                    | 118                    | 113                      | 118                      |
| Debtors                                       | 13    | 648                    | 458                    | 648                      | 458                      |
| Cash at bank and in hand                      |       | 3,058                  | 1,468                  | 3,057                    | 1,467                    |
|   |       | <b>3,819</b>           | <b>2,044</b>           | <b>3,818</b>             | <b>2,043</b>             |
| <b>CREDITORS: falling due within one year</b> | 14    | <b>1,817</b>           | <b>1,071</b>           | <b>1,815</b>             | <b>1,070</b>             |
| <b>NET CURRENT ASSETS/(LIABILITIES)</b>       |       | <b>2,002</b>           | <b>973</b>             | <b>2,003</b>             | <b>973</b>               |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>  |       | <b>45,763</b>          | <b>45,434</b>          | <b>45,764</b>            | <b>45,434</b>            |
| <b>NET ASSETS</b>                             |       | <b>45,763</b>          | <b>45,434</b>          | <b>45,764</b>            | <b>45,434</b>            |
| <b>FUNDS OF THE COLLEGE</b>                   | 15    |                        |                        |                          |                          |
| Endowment funds                               |       | 30,404                 | 30,799                 | 30,404                   | 30,799                   |
| Restricted funds                              |       | 1,482                  | 1,296                  | 1,482                    | 1,296                    |
| Unrestricted funds                            |       |                        |                        |                          |                          |
| Designated funds                              |       | 6,530                  | 6,208                  | 6,530                    | 6,208                    |
| General funds                                 |       | 7,347                  | 7,131                  | 7,348                    | 7,131                    |
|   |       | <b>45,763</b>          | <b>45,434</b>          | <b>45,764</b>            | <b>45,434</b>            |

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

Trustee: Professor Hermione Lee, President

Trustee: Mr Edward Jarron, Bursar

**Wolfson College Oxford**  
**Consolidated Cash Flow Statement**  
**For the year ended 31 July 2012**

|   | Notes | 2012<br>Group<br>£'000 | 2011<br>Group<br>£'000 |
|---|-------|------------------------|------------------------|
| <b>Net cash inflow/(outflow) from operations</b>                | 21    | <b>398</b>             | <b>383</b>             |
| <b>Returns on investments and servicing of finance</b>          |       |                        |                        |
| Income from investments   |       | 1,054                  | 1,032                  |
| Finance costs paid  |       | (1)                    | (2)                    |
|   |       | <b>1,053</b>           | <b>1,030</b>           |
| <b>Capital expenditure and financial investment</b>             |       |                        |                        |
| New endowment capital received                                  |       | 0                      | 0                      |
| Payments for tangible fixed assets                              |       | (2,077)                | (1,175)                |
| Proceeds from sales of tangible fixed assets                    |       | 0                      | 0                      |
| Payments for investments -                                      |       | (8,293)                | (7,748)                |
| Proceeds from sales of investments                              |       | 10,048                 | 7,985                  |
| Other net capital movements                                     |       | 0                      | 0                      |
|   |       | <b>(322)</b>           | <b>(938)</b>           |
| <b>Increase/(decrease) in cash in the year</b>                  |       | <b>1,129</b>           | <b>475</b>             |
| <b>Reconciliation of net cash flow to movement in net funds</b> |       |                        |                        |
| Increase/(decrease) in cash in the year                         |       | 1,129                  | 475                    |
| Transfers to/(from) term deposits and current investments       |       | 0                      | 0                      |
| (Increase)/decrease in loan and lease finance                   |       | 0                      | 0                      |
| <b>Change in net funds</b>                                      |       | <b>1,129</b>           | <b>475</b>             |
| <b>Net funds at 1 August</b>                                    |       | <b>1,358</b>           | <b>883</b>             |
| <b>Net funds at 31 July</b>                                     | 22    | <b>2,487</b>           | <b>1,358</b>           |

**Wolfson College Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2012**

**1 INCOME FROM CHARITABLE ACTIVITIES**

|   | Unrestricted<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowed<br>Funds<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'000 |
|---|--------------------------------|------------------------------|---------------------------|------------------------|------------------------|
| <b>Teaching, research and residential</b> |                                |                              |                           |                        |                        |
| Tuition fees - UK and EU students         | 567                            | 0                            | 0                         | 567                    | 457                    |
| Tuition fees - Overseas students          | 582                            | 0                            | 0                         | 582                    | 518                    |
| Other fees                                | 0                              | 0                            | 0                         | 0                      | 0                      |
| Other HEFCE support                       | 71                             | 0                            | 0                         | 71                     | 191                    |
| Other academic income                     | 385                            | 20                           | 0                         | 405                    | 337                    |
| College residential income                | 2,403                          | 0                            | 0                         | 2,403                  | 2,351                  |
|   | <u>4,008</u>                   | <u>20</u>                    | <u>0</u>                  | <u>4,028</u>           | <u>3,854</u>           |

The above analysis includes £183,000 received from Oxford University under the CFF Scheme, net of College fees received directly (2011 - £191,000)

**2 TRADING INCOME**

|                | 2012<br>£'000 | 2011<br>£'000 |
|----------------|---------------|---------------|
| Trading income | <u>342</u>    | <u>272</u>    |

**3 INVESTMENT INCOME -**

|  | Unrestricted<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowed<br>Funds<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'000 |
|--|--------------------------------|------------------------------|---------------------------|------------------------|------------------------|
| Agricultural rent                        | 0                              | 0                            | 0                         | 0                      | 0                      |
| Commercial rent                          | 0                              | 0                            | 170                       | 170                    | 183                    |
| Other property income                    | 45                             | 0                            | 115                       | 160                    | 196                    |
| Equity dividends                         | 171                            | 0                            | 431                       | 602                    | 576                    |
| Income from fixed interest stocks        | 23                             | 0                            | 57                        | 80                     | 66                     |
| Interest on fixed term deposits and cash | 35                             | 1                            | 5                         | 41                     | 11                     |
| Other investment income                  | 0                              | 0                            | 0                         | 0                      | 0                      |
|  | <u>274</u>                     | <u>1</u>                     | <u>778</u>                | <u>1,053</u>           | <u>1,032</u>           |

**4 ANALYSIS OF RESOURCES EXPENDED**

|  | Direct<br>staff costs<br>£'000 | Other<br>direct costs<br>£'000 | Support<br>costs<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'000 |
|--|--------------------------------|--------------------------------|---------------------------|------------------------|------------------------|
| <b>Costs of generating funds</b>       |                                |                                |                           |                        |                        |
| Fundraising                            | 165                            | 107                            | 24                        | 296                    | 225                    |
| Trading expenditure                    | 199                            | 152                            | 53                        | 404                    | 274                    |
| Investment management costs            | 27                             | 123                            | 6                         | 156                    | 162                    |
| <b>Total costs of generating funds</b> | <u>391</u>                     | <u>382</u>                     | <u>83</u>                 | <u>856</u>             | <u>661</u>             |
| <b>Charitable expenditure</b>          |                                |                                |                           |                        |                        |
| Teaching, research and residential     | 1,729                          | 1,815                          | 1,115                     | 4,659                  | 4,345                  |
| <b>Total charitable expenditure</b>    | <u>1,729</u>                   | <u>1,815</u>                   | <u>1,115</u>              | <u>4,659</u>           | <u>4,345</u>           |
| <b>Governance costs</b>                | <u>0</u>                       | <u>22</u>                      | <u>0</u>                  | <u>22</u>              | <u>16</u>              |
| <b>Total resources expended</b>        | <u>2,120</u>                   | <u>2,219</u>                   | <u>1,198</u>              | <u>5,537</u>           | <u>5,022</u>           |

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

The teaching and research costs include College Contribution payable of £4,000 (2011 - £0).

**Wolfson College Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2012**

**5 SUPPORT COSTS**

|                               | Generating<br>Funds<br>£'000 | Teaching<br>Research &<br>Residential<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'000 |
|-------------------------------|------------------------------|--|------------------------|------------------------|
| Financial and domestic admin  | 37                           | 401  | 438                    | 455                    |
| Human resources               | 0                            | 32   | 32                     | 34                     |
| IT                            | 25                           | 265  | 290                    | 189                    |
| Depreciation                  | 21                           | 416  | 437                    | 445                    |
| Loss/(profit) on fixed assets | 0                            | 0  | 0                      | 0                      |
| Bank interest payable         | 0                            | 0  | 0                      | 0                      |
| Other finance charges         | 0                            | 1  | 1                      | 2                      |
|                               | <b>83</b>                    | <b>1,115</b>                                   | <b>1,198</b>           | <b>1,125</b>           |

Finance and administration and human resources costs are attributed according to the estimated staff time spent on each activity.

Depreciation costs are attributed according to the use made of the underlying assets.

IT costs are attributed according to the estimated staff time spent on each activity.

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

**6 GRANTS AND AWARDS**

|  | Unrestricted<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'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  | 79                             | 93                           | 172                    | 100                    |
| Bursaries and hardship awards  | 37                             | 0                            | 37                     | 15                     |
| Grants to other institutions   | 0                              | 0                            | 0                      | 0                      |
|  | <b>116</b>                     | <b>93</b>                    | <b>209</b>             | <b>115</b>             |

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

**7 GOVERNANCE COSTS**

|   | 2012<br>£'000 | 2011<br>£'000 |
|---|---------------|---------------|
| <b>Governance costs comprise:</b>       |               |               |
| Auditor's remuneration - audit services | 22            | 16            |
| Auditor's remuneration - other services | 0             | 0             |
|   | <b>22</b>     | <b>16</b>     |

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.

**8 STAFF COSTS**

|   | 2012<br>£'000 | 2011<br>£'000 |
|---|---------------|---------------|
| The aggregate payroll costs for the year were as follows: |               |               |
| Salaries and wages  | 2,141         | 1,917         |
| Social security costs                                     | 149           | 133           |
| Pension costs   | 284           | 260           |
|   | <b>2,574</b>  | <b>2,310</b>  |

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 | 23        | 26        |
| College residential  | 50        | 50        |
| Fundraising          | 3         | 2         |
| Support              | 12        | 12        |
| <b>Total</b>         | <b>88</b> | <b>90</b> |

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

|                             | 2012      | 2011      |
|-----------------------------|-----------|-----------|
| Other teaching and research | 10        | 10        |
| Other                       | 1         | 1         |
| <b>Total</b>                | <b>11</b> | <b>11</b> |

The College also benefits from temporary staff, agency workers who are not on the College payroll.

Details of the remuneration of the College Trustees is included as a separate note in these financial statements.

No employee (excluding the College Trustees) earned gross pay and benefits in excess of £60,000.

**Wolfson College Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2012**

**9 TANGIBLE FIXED ASSETS**

| Group and College     | Leasehold<br>land and<br>buildings<br>£'000 | Freehold<br>land and<br>buildings<br>£'000 | Plant and<br>Machinery<br>£'000 | Fixtures,<br>Fittings and<br>Equipment<br>£'000 | Total<br>£'000 |
|-----------------------|---|--|---------------------------------|---|----------------|
| <b>Cost</b>           |   |  |                                 |   |                |
| At start of year      | 0   | 13,347                                     | 0                               | 1,241   | 14,588         |
| Additions             | 0   | 2,078                                      | 0                               | 0   | 2,078          |
| Disposals             | 0   | (3)  | 0                               | (74)  | (77)           |
| <b>At end of year</b> | <b>0</b>                                    | <b>15,422</b>                              | <b>0</b>                        | <b>1,167</b>                                    | <b>16,589</b>  |
| <b>Depreciation</b>   |   |  |                                 |   |                |
| At start of year      | 0   | 4,261                                      | 0                               | 1,091   | 5,352          |
| Charge for the year   | 0   | 390  | 0                               | 60  | 450            |
| On disposals          | 0   | 0  | 0                               | (73)  | (73)           |
| <b>At end of year</b> | <b>0</b>                                    | <b>4,651</b>                               | <b>0</b>                        | <b>1,078</b>                                    | <b>5,729</b>   |
| <b>Net book value</b> |   |  |                                 |   |                |
| At end of year        | 0   | 10,771                                     | 0                               | 89  | 10,860         |
| At start of year      | 0   | 9,086                                      | 0                               | 150   | 9,236          |

**10 PROPERTY INVESTMENTS**

| Group and College                      | Agricultural<br>£'000 | Commercial<br>£'000 | Other<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'000 |
|--|-----------------------|---------------------|----------------|------------------------|------------------------|
| Valuation at start of year             | 1,082                 | 1,111               | 5,815          | 8,008                  | 5,622                  |
| Additions and improvements at cost     | 0                     | 0                   | 0              | 0                      | 0                      |
| Disposals net proceeds                 | 0                     | 0                   | 0              | 0                      | 0                      |
| Revaluation gains/(losses) in the year | 0                     | 0                   | 0              | 0                      | 2,386                  |
| <b>Valuation at end of year</b>        | <b>1,082</b>          | <b>1,111</b>        | <b>5,815</b>   | <b>8,008</b>           | <b>8,008</b>           |

A formal valuation of the agricultural properties was prepared by TW Gaze LLP RICS as at 28 February 2011.

A formal valuation of the commercial properties was prepared by Reeves & Partners RICS as 27 October 2011.

A formal valuation of the other properties was prepared by James Styles & Whitlock as at 31 July 2008 and by Savills (L&P) Limited at 26 January 2011.

**11 SECURITIES AND OTHER INVESTMENTS**

| SECURITIES AND OTHER INVESTMENTS            |                                 | 2012<br>£'000              | 2011<br>£'000          |                        |
|---|---------------------------------|----------------------------|------------------------|------------------------|
| <b>Group investments</b>                    |                                 |                            |                        |                        |
| Valuation at start of year                  |                                 | 27,217                     | 25,211                 |                        |
| New money invested                          |                                 | 28                         | 42                     |                        |
| Amounts withdrawn                           |                                 | (1,785)                    | (279)                  |                        |
| Reinvested income                           |                                 | 0                          | 0                      |                        |
| Investment management fees                  |                                 | 0                          | 0                      |                        |
| (Decrease) Increase in value of investments |                                 | (567)                      | 2,243                  |                        |
| <b>Group investments at end of year</b>     |                                 | <b>24,893</b>              | <b>27,217</b>          |                        |
| Investment in subsidiaries                  |                                 | 0                          | 0                      |                        |
| <b>College investments at end of year</b>   |                                 | <b>24,893</b>              | <b>27,217</b>          |                        |
| <b>Group investments comprise:</b>          |                                 |                            |                        |                        |
|   | Held outside<br>the UK<br>£'000 | Held in<br>the UK<br>£'000 | 2012<br>Total<br>£'000 | 2011<br>Total<br>£'000 |
| Equity investments                          | 7,821                           | 10,110                     | 17,931                 | 20,545                 |
| Property funds                              | 203                             | 2,826                      | 3,029                  | 2,842                  |
| Fixed interest stocks                       | 0                               | 1,715                      | 1,715                  | 1,585                  |
| Alternative and other investments           | 0                               | 708                        | 708                    | 1,196                  |
| Fixed term deposits and cash                | 0                               | 1,510                      | 1,510                  | 1,069                  |
| <b>Total group investments</b>              | <b>8,024</b>                    | <b>16,869</b>              | <b>24,893</b>          | <b>27,217</b>          |

**Wolfson College Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2012**

**12 SUBSIDIARY UNDERTAKINGS**

The College holds 100% of the issued share capital in Wolfson College Developments Limited, a company providing design and build construction services to the College.

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

|                                    | Wolfson College<br>Developments Limited<br>£'000 |
|------------------------------------|--|
| Turnover                           | 2  |
| Expenditure                        | (2)  |
| Donation to College under gift aid | 0  |
| Result for the year                | <u>0</u>   |
| Total assets                       | 2  |
| Total liabilities                  | (2)  |
| Net funds at the end of year       | <u>0</u>   |

**13 DEBTORS**

|  | 2012<br>Group<br>£'000 | 2011<br>Group<br>£'000 | 2012<br>College<br>£'000 | 2011<br>College<br>£'000 |
|--|------------------------|------------------------|--------------------------|--------------------------|
| <b>Amounts falling due within one year:</b>          |                        |                        |                          |                          |
| Trade debtors  | 376                    | 110                    | 376                      | 110                      |
| Amounts owed by College members                      | 120                    | 156                    | 120                      | 156                      |
| Amounts owed by Group undertakings                   | 0                      | 0                      | 0                        | 0                        |
| Loans repayable within one year                      | 12                     | 10                     | 12                       | 10                       |
| Prepayments and accrued income                       | 140                    | 160                    | 140                      | 160                      |
| Other Debtors  | 0                      | 0                      | 0                        | 0                        |
| <b>Amounts falling due after more than one year:</b> |                        |                        |                          |                          |
| Loans  | 0                      | 22                     | 0                        | 22                       |
|  | <u>648</u>             | <u>458</u>             | <u>648</u>               | <u>458</u>               |

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

|                                    | 2012<br>Group<br>£'000 | 2011<br>Group<br>£'000 | 2012<br>College<br>£'000 | 2011<br>College<br>£'000 |
|------------------------------------|------------------------|------------------------|--------------------------|--------------------------|
| Bank overdrafts                    | 571                    | 110                    | 571                      | 110                      |
| Bank loans                         | 0                      | 0                      | 0                        | 0                        |
| Obligations under finance leases   | 0                      | 0                      | 0                        | 0                        |
| Trade creditors                    | 655                    | 280                    | 652                      | 278                      |
| Amounts owed to College Members    | 0                      | 0                      | 0                        | 0                        |
| Amounts owed to Group undertakings | 0                      | 0                      | 1                        | 1                        |
| Taxation and social security       | 3                      | 18                     | 3                        | 18                       |
| College contribution               | 0                      | 0                      | 0                        | 0                        |
| Accruals and deferred income       | 567                    | 642                    | 567                      | 642                      |
| Other creditors                    | 21                     | 21                     | 21                       | 21                       |
|                                    | <u>1,817</u>           | <u>1,071</u>           | <u>1,815</u>             | <u>1,070</u>             |

**Wolfson College Oxford**  
**Notes to the financial statements**  
**For the year ended 31 July 2012**

**15 FUNDS OF THE COLLEGE MOVEMENTS**

|  | At 1 August<br>2011<br>£'000 | Incoming<br>resources<br>£'000 | Resources<br>expended<br>£'000 | Transfers<br>£'000 | Gains/<br>(losses)<br>£'000 | At 31 July<br>2012<br>£'000 |
|--|------------------------------|--------------------------------|--------------------------------|--------------------|-----------------------------|-----------------------------|
| <b>Endowment Funds - Permanent</b>                   |                              |                                |                                |                    |                             |                             |
| Permanent Endowment Fund                             | 12,549                       | 300                            | 0                              | (300)              | (156)                       | 12,393                      |
| Jeremy Black Fund                                    | 597                          | 19                             | 0                              | (19)               | (13)                        | 584                         |
| Isaiah Berlin Academic Fund                          | 557                          | 19                             | 0                              | (19)               | (13)                        | 544                         |
| Marcel & Tessa Hornik Trust Fund                     | 278                          | 10                             | 0                              | (10)               | (6)                         | 272                         |
| Guy Newton Fund                                      | 276                          | 11                             | 0                              | (11)               | (6)                         | 270                         |
| Norman Hargreaves-Mawdsley Fund                      | 189                          | 7                              | 0                              | (7)                | (4)                         | 185                         |
| Godfrey Lienhardt Fund                               | 171                          | 6                              | 0                              | (6)                | (4)                         | 167                         |
| Sir Ronald Syme Memorial Fund                        | 50                           | 2                              | 0                              | (2)                | (1)                         | 49                          |
| Ghazarian Fund                                       | 17                           | 1                              | 0                              | (1)                | 0                           | 17                          |
| <b>Endowment Funds - Expendable</b>                  |                              |                                |                                |                    |                             |                             |
| Expendable Endowment Fund                            | 15,733                       | 393                            | 0                              | (393)              | (195)                       | 15,538                      |
| Charter Fund   | 278                          | 10                             | 0                              | (10)               | (7)                         | 271                         |
| Marcel & Tessa Hornik Trust Fund                     | 104                          | 0                              | 0                              | 10                 | 0                           | 114                         |
| <b>Total Endowment Funds</b>                         | <b>30,799</b>                | <b>778</b>                     | <b>0</b>                       | <b>(768)</b>       | <b>(405)</b>                | <b>30,404</b>               |
| <b>Restricted Funds</b>                              |                              |                                |                                |                    |                             |                             |
| Guy Newton Fund                                      | 178                          | 0                              | (12)                           | 11                 | 0                           | 177                         |
| Isaiah Berlin Academic Fund                          | 150                          | 0                              | (3)                            | 19                 | 0                           | 166                         |
| Norman Hargreaves-Mawdsley Fund                      | 47                           | 0                              | (5)                            | 7                  | 0                           | 49                          |
| Godfrey Lienhardt Fund                               | 45                           | 0                              | (3)                            | 6                  | 0                           | 48                          |
| Jeremy Black Fund                                    | 40                           | 0                              | (18)                           | 19                 | 0                           | 41                          |
| Sir Ronald Syme Memorial Fund                        | 4                            | 0                              | (2)                            | 2                  | 0                           | 4                           |
| Ghazarian Fund                                       | 3                            | 0                              | 0                              | 1                  | 0                           | 4                           |
| Charter Fund   | 257                          | 0                              | (105)                          | 139                | 0                           | 291                         |
| Oxford Centre for Life Writing<br>at Wolfson College | 299                          | 211                            | (54)                           | 0                  | 0                           | 456                         |
| Beazley Archive Trust                                | 73                           | 3                              | (1)                            | 0                  | 0                           | 75                          |
| Isaiah Berlin Papers Project                         | 62                           | 87                             | (135)                          | 0                  | 0                           | 14                          |
| Ancient World Fund                                   | 63                           | 45                             | (41)                           | 0                  | 0                           | 67                          |
| Mougins Ashmolean Scholarship Fund                   | 60                           | 0                              | (20)                           | 0                  | 0                           | 40                          |
| I C Gandy Fund                                       | 15                           | 0                              | 0                              | 0                  | 0                           | 15                          |
| Building Project                                     | 0                            | 500                            | 0                              | (500)              | 0                           | 0                           |
| Development Specific Funds                           | 0                            | 35                             | 0                              | 0                  | 0                           | 35                          |
| <b>Total Restricted Funds</b>                        | <b>1,296</b>                 | <b>881</b>                     | <b>(399)</b>                   | <b>(296)</b>       | <b>0</b>                    | <b>1,482</b>                |
| <b>Unrestricted Funds</b>                            |                              |                                |                                |                    |                             |                             |
| Fixed Asset Reserve                                  | 5,883                        | 0                              | 0                              | 311                | 0                           | 6,194                       |
| Common Room Fund                                     | 145                          | 157                            | (182)                          | 13                 | 0                           | 133                         |
| Recreational Fund                                    | 142                          | 0                              | (8)                            | 22                 | 0                           | 156                         |
| Sundry Designated Reserves                           | 38                           | 24                             | (23)                           | 8                  | 0                           | 47                          |
| General Reserves                                     | 7,131                        | 4,593                          | (4,925)                        | 710                | (162)                       | 7,347                       |
| <b>Total Unrestricted Funds</b>                      | <b>13,339</b>                | <b>4,774</b>                   | <b>(5,138)</b>                 | <b>1,064</b>       | <b>(162)</b>                | <b>13,877</b>               |
| <b>Total Funds</b>                                   | <b>45,434</b>                | <b>6,433</b>                   | <b>(5,537)</b>                 | <b>0</b>           | <b>(567)</b>                | <b>45,763</b>               |

**16 FUNDS OF THE COLLEGE DETAILS**

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

|                                     |  |
|-------------------------------------|--|
| <b>Endowment Funds - Permanent:</b> | <i>(capital element)</i>   |
| Permanent Endowment Fund            | A consolidation of gifts and donations where income, but not capital, can be used for the general purposes of the College.   |
| Jeremy Black Fund                   | This fund was established by a bequest from Dr Jeremy Allen Black, supplemented by further funds donated at the time of his death. The original funds are required to be preserved.  |
| Isaiah Berlin Academic Fund         | This fund was established in 1989 to commemorate the College's founding President's 80th birthday, the funds being raised to support Isaiah Berlin research. Subsequent funds raised for this purpose have been added to the original funds. |
| Marcel & Tessa Hornik Trust Fund    | This fund was established from the Lincombe Lodge Research Library Trust and includes the Hornik Library collection.   |



16 FUNDS OF THE COLLEGE DETAILS continued

|   |   |
|---|---|
| Guy Newton Fund                                   | This fund was endowed in 1975 from the EPA Cephalosporia Fund. The deed limits expenditure on subjects to be studied to chemical, biological and medical research and states that the endowment should be preserved.  |
| Norman Hargreaves-Mawdsley Fund                   | This fund was established by a bequest from Mrs Josefina Hargreaves-Mawdsley in memory of her son, the income from which is to be used to finance research in specific arts subject areas.  |
| Godfrey Lienhardt Fund                            | This fund was established in 1994 from a legacy and subscription on the death of Godfrey Lienhardt with the capital to be preserved. Income is to be used for scholarships in social anthropology and Sub-Saharan Africa, excluding South Africa.   |
| Sir Ronald Syme Memorial Fund                     | This fund was established in memory of Sir Ronald Syme to support research into the classics.   |
| Ghazarian Fund                                    | This fund was established in 2006 by a donation from Professor Ghazarian to secure in perpetuity an annual grant in support of research in the history and culture of Christianity in the Mediterranean basin, 400-1500 A.D.  |
| <b>Endowment Funds - Expendable:</b>              | <i>(income element)</i>   |
| Charter Fund                                      | This fund was established in 1981, with funds regularly added by the College.   |
| Marcel & Tessa Hornik Trust Fund                  | The fund may be spent on the expenses of the library and periodically will support a research fellowship in History, history of art, history of ideas, literature, philosophy and Jewish studies.   |
| <b>Restricted Funds:</b>                          |   |
| Guy Newton Fund                                   | The accumulated unspent earnings on the fund investment are to be spent on chemical, biological and medical research.   |
| Isaiah Berlin Academic Fund                       | The accumulated unspent earnings of this fund are to be used to support Isaiah Berlin research.   |
| Norman Hargreaves-Mawdsley Fund                   | The income from this fund is to be used to finance studentships for advanced study and research in Arts with a preference for the History of Spain and her American colonies in the first place, Hispanic European History in the second place and General European History in the third place. |
| Godfrey Lienhardt Fund                            | The income from this fund is to be used for scholarships in social anthropology and Sub-Saharan Africa, excluding South Africa.   |
| Jeremy Black Fund                                 | The accumulated unspent earnings of this fund are to be used to fund a scholarship supporting Sumerian and Akkadian research.   |
| Sir Ronald Syme Memorial Fund                     | The income from this fund is used to support studentships and/or an annual lecture in the classics.   |
| Ghazarian Fund                                    | The income from this fund is used to support an annual grant, normally to a graduate student, in support of research in the history and culture of Christianity in the Mediterranean basin, 400-1500 A.D.   |
| Charter Fund                                      | The income from this fund is used to support three stipendiary research fellowships in the arts, the Creative Arts Fellowship, East European Visiting Scholars and the Kraay Visitor to the Heberden Coin Room.   |
| Oxford Centre for Life Writing at Wolfson College | The first tranche of this grant was received during the year from the Dorset Foundation towards the establishment of an interdisciplinary research centre for life-writing at the College.  |
| Beazley Archive Trust                             | Donations have been received to fund research activities of the Beazley Archive.  |
| Isaiah Berlin Papers Project                      | Donations have been received to fund the project to edit the papers of Isaiah Berlin.   |
| Ancient World Fund                                | Donations have been received from Baron Lorne Thyssen to fund a graduate scholarship in classical art and for research to provide a research fund for the benefit benefit of all ancient world subject areas.   |
| Mougins Ashmolean Scholarship Fund                | A donation to fund a graduate scholarship.  |
| I C Gandy Fund                                    | This fund was established by a bequest from the mother of Dr Robin Gandy to be used for the purchase of books in natural history, biography and mathematics.  |
| Michael Coulson Visiting Fellowship               | This fund was established in memory of Michael Coulson in support of indology.  |

16 FUNDS OF THE COLLEGE DETAILS continued

**Designated Funds**

**Fixed Asset Reserve**

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

**Common Room Fund**

Unrestricted funds allocated by the College for the costs of providing social, sporting and cultural activities for College members.

**Recreational Fund**

Unrestricted funds allocated by the College for the costs of providing support for graduate students to participate in the social, sporting and cultural activities of the Common Room.

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.

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

|                                  | Unrestricted<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowment<br>Funds<br>£'000 | Total<br>£'000 |
|----------------------------------|--------------------------------|------------------------------|-----------------------------|----------------|
| Tangible fixed assets            | 10,860                         | 0                            | 0                           | 10,860         |
| Property investments             | 0                              | 0                            | 8,008                       | 8,008          |
| Securities and other investments | 2,497                          | 0                            | 22,396                      | 24,893         |
| Net current assets               | 520                            | 1,482                        | 0                           | 2,002          |
|                                  | <u>13,877</u>                  | <u>1,482</u>                 | <u>30,404</u>               | <u>45,763</u>  |

18 TRUSTEES' REMUNERATION

The trustees of the college comprise the Governing Body Fellows who are research and teaching employees of the University of Oxford and who sit on Governing Body by virtue of their University and College duties.

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. These salaries are subject to review by the College Remuneration and Personnel committee.

There are also 5 trustees (President, Vicegerent, Bursar, Senior Tutor, Development Director) who work full or part time on management and fundraising.

Some trustees receive allowances for additional work carried out as part-time college officers (Secretary to the Governing Body, Fellow for Library & Archives, Deans of Degrees, Editor of the College Record, Research Fellows' Liaison Officer, Directors of Academic Clusters). These amounts are included within the remuneration figures below.

The total remuneration and taxable benefits as shown below is £367,994 (2010-2011 £312,478). Pension contributions included in this total represent £25,352 (2012-2011 £26,563).

Remuneration paid to trustees:

| Range             | 2011 - 2012                |  |  | 2010 - 2011                |  |
|-------------------|----------------------------|--|--|----------------------------|--|
|                   | Number of trustees/fellows | Gross remuneration & pension contributions £ |  | Number of trustees/fellows | Gross remuneration & pension contributions £ |
| £1 - £999         |                            |  |  | 4                          | 1,614  |
| £1,000 - £1,999   | 33                         | 33,688                                       |  | 2                          | 3,310  |
| £2,000 - £2,999   | 1                          | 2,740  |  |                            |  |
| £3,000 - £3,999   | 2                          | 6,766  |  |                            |  |
| £4,000 - £4,999   | 1                          | 4,203  |  |                            |  |
| £5,000 - £5,999   |                            |  |  | 1                          | 5,126  |
| £6,000 - £6,999   |                            |  |  | 1                          | 6,883  |
| £7,000 - £7,999   | 1                          | 7,274  |  |                            |  |
| £8,000 - £8,999   |                            |  |  | 1                          | 8,264  |
| £43,000 - £43,999 |                            |  |  | 1                          | 43,500                                       |
| £54,000 - £54,999 | 1                          | 54,244                                       |  |                            |  |
| £71,000 - £71,999 |                            |  |  | 1                          | 71,350                                       |
| £75,000 - £75,999 | 1                          | 75,017                                       |  |                            |  |
| £77,000 - £77,999 |                            |  |  | 1                          | 77,297                                       |
| £86,000 - £86,999 | 1                          | 86,026                                       |  |                            |  |
| £95,000 - £95,999 |                            |  |  | 1                          | 95,134                                       |
| £95,000 - £95,999 | 1                          | 98,036                                       |  |                            |  |
|                   | <u>42</u>                  | <u>367,994</u>                               |  | <u>13</u>                  | <u>312,478</u>                               |

All fellows may eat at common table, as can employees who are entitled to meals while working.  
No fellow claimed any expenses for work as a trustee.

## 19 PENSION SCHEMES

### 1. The Pension schemes:

The College participates in two 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, 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 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 net 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:  | 31/03/2011 | 31/03/2010 |
| Date valuation results published:                                       | 15/06/2012 | 30/06/2011 |
| Value of liabilities:   | £35,344m   | £384m      |
| Value of assets:  | £32,434m   | £312m      |
| Funding Surplus/(Deficit):  | (£2,910m)a | (£82m) b   |
| 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 Employers contribution rate (as % of pensionable salaries): | 16%        | 21.5%      |
| Effective date of next valuation:                                       | 31/03/2014 | 31/03/2013 |

#### Notes:

- a. USS' actuarial valuation as at 31st March 2011 identified a funding deficit of £2,910m. The USS Joint Negotiating Committee has proposed, and USS has implemented with effect from 1st October 2011, a package of changes, including the admission of new members into a Career Revalued benefits section. The changes are required to ensure the future sustainability of the Scheme. Further details about the changes may be reviewed on USS' website, [www.uss.co.uk](http://www.uss.co.uk). After allowing for those changes, the actuary established a long term employer contribution rate of 12.6% of total pensionable salaries for the 2011/12 year, reducing over time. USS agreed with Universities UK, on behalf of all the employers participating in the scheme, to address the deficit by continuing the employer contribution rate at the previously agreed rate of 16% of total pensionable salaries (this being the rate paid by the employers since 1st October 2009) until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals. The actuary has certified that the additional contribution should eliminate the deficit by 31st March 2021.
- b. OSPS' actuarial valuation as at 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 1st August 2008). The actuary has certified that the additional contribution should eliminate the deficit by 31st March 2027. In addition, the University has agreed to close the scheme to future final salary accrual, transferring all members onto a Career Revalued benefits structure with effect from 1st January 2013. Further details may be seen on the Schemes' website [www.admin.ox.ac.uk/finance/pensions/osps/](http://www.admin.ox.ac.uk/finance/pensions/osps/)

### 3. 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<br>£'000 | 2011<br>£'000 |
|---|---------------|---------------|
| Universities Superannuation Scheme        | £71           | £65           |
| University of Oxford Staff Pension Scheme | £213          | £195          |

**20 TAXATION**

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

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

|  | 2012<br>£'000 | 2011<br>£'000 |
|--|---------------|---------------|
| <b>Net incoming resources for the year</b>       | <b>896</b>    | <b>801</b>    |
| Elimination of non-operating cash flows:         |               |               |
| - Investment income                              | (1,053)       | (1,032)       |
| - Endowment donations                            | 0             | 0             |
| - Financing costs                                | 1             | 2             |
| Depreciation                                     | 450           | 464           |
| (Surplus)/loss on sale of fixed assets           | 4             | 0             |
| Decrease/(Increase) in stock                     | 5             | (14)          |
| Decrease/(Increase) in debtors                   | (190)         | 204           |
| (Decrease)/Increase in creditors                 | 285           | 1             |
| (Decrease)/Increase in provisions                | 0             | 0             |
| <b>Net cash inflow/(outflow) from operations</b> | <b>398</b>    | <b>426</b>    |

**22 ANALYSIS OF CHANGES IN NET FUNDS**

|                                | 2011<br>£'000 | Cash flow<br>£'000 | 2012<br>£'000 |
|--------------------------------|---------------|--------------------|---------------|
| Cash at bank and in hand       | 1,468         | 1,590              | 3,058         |
| Bank overdrafts                | (110)         | (461)              | (571)         |
|                                | 1,358         | 1,129              | 2,487         |
| Bank loans due within one year | 0             | 0                  | 0             |
| Bank loans due after one year  | 0             | 0                  | 0             |
|                                | 1,358         | 1,129              | 2,487         |

**23 FINANCIAL COMMITMENTS**

At 31 July the College had no material commitments under non-cancellable operating leases.

**24 CAPITAL COMMITMENTS**

During the year the College expended £2,078,000 on refurbishment and new build projects. In the coming financial year a further £2,798,00 is committed to complete these projects. The College has undrawn investment fund commitments £208,000 at 31 July 2012 (2011: £222,000).

**25 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.

**26 CONTINGENT LIABILITIES**

It is a condition of the grant to the Oxford Centre for Life Writing at Wolfson College that in addition to the total grant of £875,000 (£492,000 of which was received by 31 July 2012) that the College will obtain funding from its own resources or third parties to support the Centre through to the academic year ending 2022. This funding requirement is estimated at £1.1 million.

**27 POST BALANCE SHEET EVENTS**

The College is expected to receive a benefaction with an estimated value of £5 million. There were no other material events occurring after the balance sheet date.