



MAGDALEN COLLEGE

Report and Financial Statements

for the Year Ended 31 July 2014

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The Members of the Governing Body, who act as the Charity Trustees, present their Annual Report for the year ended 31 July 2014 under the Charities Act 2011 together with the audited financial statements for the year.

1. REFERENCE and ADMINISTRATIVE INFORMATION

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

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

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

2. STRUCTURE, GOVERNANCE and MANAGEMENT

a. Governing Documents

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

b. Governing Body

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

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

c. Recruitment and Training of Members of the Governing Body

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

d. Organisational Management

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

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

- Human Resources Committee: ensuring that the College operates in compliance with the law and best practice in employment matters.
- Libraries and Archives Committee: matters concerning the Libraries and Archives.
- Fellowship Committee: matters relating to Fellowship appointments.
- Remuneration Committee: matters relating to remuneration and benefits payable to Fellows in accordance with the College Statutes.

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

e. Group Structure and Relationships

The College has the following subsidiary companies and connected bodies:

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

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

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

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

f. Risk Management

Risk assessment and management inform the activities of the College. Policies and procedures for risk management within the College are reviewed regularly by the Bursarial Committee, which reports annually on this matter to the Governing Body. The Governing Body has ultimate responsibility for risk management in the College. Following the most recent annual review in November 2014 the Governing Body concluded that adequate procedures are in place in the College to give reasonable, though not absolute, assurance that major risks are being properly managed.

3. OBJECTIVES and ACTIVITIES

a. Charitable Objects and Aims

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

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

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

b. Aims for the Public Benefit

The College's aims for the public benefit are

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

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

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

c. Equality of Opportunity

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

To help raise educational aspiration and attract outstanding candidates who might not otherwise have considered applying, the College supports various outreach activities, including visits to schools, visits by schools to the College, open days, and the provision of guidance and information on the College website for prospective applicants. Since the appointment of a full-time Outreach and Communications Officer in 2012 the College has significantly extended its activities in these areas, and has now also appointed an Outreach

Fellow. The College and the University jointly provide Oxford Bursaries (a scheme approved by the Office for Fair Access), to help support undergraduate students with limited financial means. The College also operates a Student Support Fund to assist any of its students who experience financial hardship, and supports all its students through travel and research grants. (See section 4c for details.)

d. Activities and Objectives of the College

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

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

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

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

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

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

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

4. ACHIEVEMENTS and PERFORMANCE in the YEAR to 31 JULY 2014

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

a. Academic

The student population of the College consisted of 383 undergraduates on average, undertaking a mixture of three- and four-year courses; and 218 graduates, of whom 75 were studying for taught masters degrees and 143 undertaking research for doctorates.

The examination performance of the undergraduates was good. 36 out of 110 Finalists gained First Class Honours. Magdalen was placed ninth in the Norrington Table, which ranks the final examination results of 30 colleges in the University. 41 undergraduates achieved distinctions or first-class results in University examinations taken in the earlier years of their courses. 11 graduates who completed taught courses achieved

distinctions in their final exams. Many University prizes and awards were won by undergraduates and graduates of the College.

Magdalen Fellows published numerous books, papers and other research contributions during the year. They also gave many lectures in Oxford, elsewhere in the UK and in numerous other countries. There were several notable achievements including the award of Knighthoods to Professor Peter Ratcliffe and Professor Colin Blakemore, election to Fellowship of the Royal Society for Professor Liam Dolan, election to the Academy of Medical Sciences for Professor John Stein, the Sylvester Medal of the Royal Society to Professor Ben Green, the E. Gene Smith Inner Asia Book Prize of the Association for Asian Studies to Professor Clare Harris, the Charles Rees Award of the Royal Society of Chemistry to Professor Tim Donohoe, the Einstein Professorship of the Chinese Academy of Science to Professor David Clary, and the prize for the best PhD thesis from the Plasma Physics Division of the European Physical Society to Dr Edmund Highcock.

The distinguished mathematician Dame Frances Kirwan FRS was elected to an Honorary Fellowship. Two new Fellows by Examination were elected, each for a fixed term of three years, and seven Visiting Fellows from academic institutions outside Oxford were elected for terms of between three and six months to undertake research in collaboration with Oxford academics.

Many academic events were organised during the year. These included a symposium to commemorate the 50th anniversary of the death of C S Lewis, which included lectures from Professor Alister McGrath, author of a recent biography of Lewis; Walter Hooper, the literary advisor of the estate of Lewis; Revd. Dr Michael Piret and Lord Williams, the Master of Magdalene College Cambridge and until recently the Archbishop of Canterbury. The fourth Calleva Research Symposium on Evolution and Human Sciences included a plenary talk from Professor Toby Kiers (Vrije Universiteit of Amsterdam). The Ewen Green Memorial Lecturer was Professor Ross McKibbin. The fourth Humanitas Visiting Professor in Fine Art was the Brazilian Artist Vik Muniz who lectured and gave master classes. Phantasm, the consort-in-residence led by Professor Larry Dreyfus, gave several concerts during the year.

The Zvi and Ofra Meitar Magdalen Graduate Scholarship was awarded for the second year and the new Bellhouse Graduate Scholarship for research in Biomedical Engineering was also awarded.

b. Personal Development and Extra-Curricular Activities

Several students had significant achievements during the year. Of particular note was the Newdigate Prize to Andrew Wyn Owen, which is awarded each year to a student of the University of Oxford for the best composition in English verse and was once won by Oscar Wilde (an old member of the College). Magdalen students also played major roles in many extra-curricular activities. The Magdalen Players performed *Timon of Athens* in the College Hall and there was another successful Arts week. Twenty-three students were awarded Blues through selection for Oxford University sports teams. This included Henry Hughes in the 132nd Annual Rugby Varsity Match and Maxie Scheske in the Women's Boat Race – she was also President of the Oxford University Women's Boat Club. In the summer Eights races the Men's First Boat moved up two places to 4th in the Men's First Division.

c. Financial Support for Students

In order to assist undergraduates entitled to public support, the College and the University jointly provide Oxford Bursaries to help those of limited financial means. In 2013/14 103 students received Oxford Bursaries and a total of £254,000 was awarded. The College contributed £111,000 towards the cost of Oxford Bursaries. The College also operates a Student Support Fund to assist any of its students who experience financial hardship. In 2013/14 the Student Support Fund made grants totalling £180,000 to 76 students. It also supports all its students through travel and research grants (£72,000 awarded in 2013/14).

d. Chapel and Choir

Over the course of the academic year 2013/14, around 380 Chapel services were conducted. About 150 of these were sung by the College Choir, which was established in the Founder's original statutes; approximately 20 more services were sung by the mixed 'Consort of Voices', mainly comprised of members of the College Choir. All Chapel services are open to the general public, regardless of the official opening and closing hours of the College. In addition to the usual term-time pattern, the College offered two services of 'Carols by

Candlelight', one of 'Music and Readings for Advent', the regular annual live broadcast of Choral Evensong for BBC Radio 3, and, in February, a special Evensong accompanied by our viol Consort-in-Residence, Phantasm. Other highlights of the past year included the Remembrance Sunday observances, the choral Requiem for All Souls (sung to the setting by Duruflé), special sermons to mark the fiftieth anniversary of the death of C.S. Lewis, and the Choir's customary singing of the College hymn and madrigals from the Great Tower on May Morning, to large crowds congregating in the streets below. Overall attendance at Chapel services in the course of the past year is estimated at roughly 10,500, not counting the services which are held in Chapel by Magdalen College School. The vast majority of those who attended services came from outside College. It is our continual aim that Chapel services should be increasingly well known and well attended by the general public.

The Choir, away from the College, pursued a busy schedule. During the course of the year they sang a special service at St Margaret's Church, Westminster (for the Headmasters' and Headmistresses' Conference), undertook a tour to Holland, performed Mozart's Requiem with the Oxford Philomusica, and the Duruflé Requiem with the Brandenburg Orchestra. They also launched a CD of music by Buxtehude, and recorded a new disc of music by the contemporary composer Matthew Martin.

e. Public Access

The Old Library houses the College's large rare-books and manuscripts collection. During the year hundreds of visitors had tours or attended seminars there. 208 individual scholars from outside College consulted material in the College Libraries to further their own research.

The College grounds, Chapel and Hall are open to the public throughout the year except over the Christmas period. Access is free for local residents, alumni and various special-interest groups. During 2013/14 there were 15,284 adult paying visitors and 21,014 visitors who paid at a concessionary rate. In addition family tickets were purchased by 1,518 families.

The College participates in several programmes that offer free access to members of the public: The Oxford Open Doors weekend in September 2014 welcomed 7,530 members of the public to the College free of charge; on New Year's Day there were 125 visitors; and there were 568 visitors on Sunday 13 April 2014 for the National Gardens Scheme.

f. Development and Alumni Relations

The Development Office is responsible for securing philanthropic income for the College, primarily from alumni, and in 2013/14 secured £4.4m in income. New donations and pledges made during 2013/14 totalled approximately £3.55m.

During the year the amount of money raised for the New Library project rose to £5.5m, leaving another £2m to raise to meet the fundraising target. Plans are in place for the 'public' launch of the Library Campaign this coming year with the hope and expectation that the response from alumni will allow for the successful completion of the fundraising appeal before the completion of the building in early 2016.

Fundraising for both the Classics and History Fellowships (as part of the University's Teaching Fund initiative) was successfully completed by the end of September 2014. Over £1.2m was raised for each fellowship and this will attract £800,000 in matched funding from the University for each post although it should be noted that these funds will remain within the University rather than the College. Work continues on fundraising for the second History Fellowship, of which over £1m has been raised towards the £2m target.

There was a marked increase in international visits to alumni last year, particularly in North America and Asia resulting in increased levels of engagement and donations. Alumni in these regions will continue to be visited this year by the President, Fellows and Development Office staff.

The Development Office will be reorganising and increasing the size of its team this coming year, which will result in a general step-up in both fundraising and alumni relations activities in the UK and abroad. Regular giving and legacy fundraising will receive particular attention and marked improvements in these areas are

anticipated. The office's communications will also receive considerable attention with the expectation that the quantity and quality of communication (primarily to alumni) will be increased.

5. FINANCIAL REVIEW

a. Results for the Year

The consolidated net incoming resources for the year were £4.36m (2013 – net incoming resources £3.71m). This figure is before investment gains of £8.71m, and an actuarial gain on the College's defined benefit pension scheme of £4,000. Overall, there was a net increase in consolidated funds in the year of £13.1m (2013 £24.35m). Incoming resources of £15.89m were 2% lower than in 2013. This is due to a reduction in legacies and donations over the previous year. Expenditure rose by 3% to £13.47m.

Under the College's total return investment policy, adopted by the Governing Body with effect from 31 July 2003 (see section 5c below), a transfer of £4.34m was made from the College's general endowment fund to the unrestricted general fund. This transfer, together with £68,000 of expenditure from investment assets held in unrestricted funds, represents the maximum annual drawdown of 3.5% of appropriately averaged investment asset values.

Actuarial gains arising on the liabilities of the Magdalen College Staff Retirement Benefit Scheme, on an FRS17 basis as at 31 July 2014 resulted in a net credit of £4,000. £190,000 of this credit arises from the difference between actual and expected returns on scheme assets, offset by a £186,000 loss arising from changes in the demographic and financial assumptions underlying the valuation.

The College also spent £934,000 on the refurbishment and extension of the College Library, primarily professional fees and other preliminary works. These costs have been capitalised in Fixed Assets (note 10 to the accounts).

b. Reserves Policy

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

The consolidated free reserves at the year-end amounted to £5.5m (2013 - £5.31m), representing retained unrestricted income reserves excluding an amount of £13.14m for the book value of freehold land and buildings and £4.28m designated for other purposes as scheduled in note 19 to the accounts.

c. Investment Policy, Objectives and Performance

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

In the year to 31 July 2014 gross total return from the investment assets was 8.7% (2012/13 – 16.0%); the total return net of management fees was 8.3% (2012/13 – 15.6%). The value of consolidated investment assets at year end was £185.76m (2013 - £177.49m). The asset allocation of these investments at 31 July 2014 was 60% marketable equities, 11% private equity, 10% the College's share of the Oxford Science Park joint venture, 9% other commercial property, 10% agricultural property and 2% cash. All asset classes generated positive returns during the year with the strongest performance coming from property.

6. OBJECTIVES for 2014-15

In 2014/2015 the College will continue to aim for the highest standards in learning, education and research. Projects for the coming academic year include:

- Development of the Strategy for Magdalen College for 2015-20.
- Agreement on the balance between undergraduate and graduate student numbers, subject range and the distribution of resources among the different subjects that the College offers for the next five years.
- The refurbishment and extension of the College Library.
- Continuing our access activities to encourage students from all backgrounds to apply to Oxford University and Magdalen College.
- Continuing efforts in fundraising to support several projects including the College Library, the endowment of Tutorial Fellowships, Graduate Scholarships and Student Support.
- The start of two new research projects in the Calleva Centre for Evolution and Human Sciences.

MEMBERS of the GOVERNING BODY

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

President (Prof. D. C. Clary)		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Vice-President (Prof. L.W.B Brockliss)		(1)	(2)		(4)	(5)		(7)	(8)	(9)
Ardavan, Dr. A.		(1)								
Bagshaw, Prof. R.M.		(1)					(6)	(7)		
Barr, Prof. G.D.		(1)					(6)			
Berenbeim, Dr. J.F.										
Berestycki, Prof. J.	Appointed 1/7/2014	(1)								
Blandford-Baker, Mr. M.R.		(1)					(6)			
Booth, Prof. M.L.	Appointed 1/10/2014									
Bowes, Prof. L.N.	Appointed 1/10/2014	(1)								
Bridson, Prof. M.R.										
Budelmann, Prof. F.J.		(1)	(2)	(3)						
Caney, Prof. S.L.R.		(1)								
Castle, Dr. J.L.		(1)								
Clark, Prof. D.M.									(8)	
Cleveland, Prof. R.O.		(1)								
Conde, Dr. J-C.		(1)								
Coussios, Prof. C-C.			(2)							
Davies, Prof. S.G.										
De Moor, Prof. O.		(1)								
Dolan, Prof. L.										
Donohoe, Prof. T.J.		(1)								
Douglas-Fairhurst, Prof. R.J.		(1)								

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Dreyfus, Prof. L.		(1)								
Due, Dr. R.		(1)								
Dunbar, Prof. R.I.M.						(6)	(7)			
Etheridge, Prof. A.M.				(3)					(8)	
Ferdinand, Dr. C.Y.		(1)			(4)					(9)
Fortunato, Prof. L.	Appointed 1/9/2013	(1)								
Foster, Prof K. R.		(1)								
Fricker, Prof. E.M.		(1)								
Garfitt, Prof. J.S.T.		(1)			(4)	(5)				
Garland, Prof. C.J.		(1)								
Ghosh, Dr. S.	Resigned 30/9/2013									
Gilbert, The Revd Prof. R.J.C.		(1)	(2)			(5)				
Gingrich, Prof. J.	Appointed 1/7/2013	(1)	(2)							
Goodwin, Prof. S.F.		(1)								(9)
Green, Prof. B.J.	Appointed 1/8/2013									
Gregg, Prof. J.F.		(1)								
Grevling, Prof. K.D.		(1)								
Haddad, Dr A.D.M.										
Harris, Prof. C.E.		(1)								
Hartrich, Ms. E.J.	Appointed 1/10/2014									
Hawthorne, Prof. J.P.										
Highcock, Mr. E.	Resigned 30/9/2014									
Hill, Prof. A.V.S.										
Holes, Prof. C.	Retired 30/9/2014									
Horobin, Prof. S.C.P.		(1)							(8)	
Houlbrook, Dr. M.	Resigned 31/8/2013									

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Hyde, Prof. D.S.		(1)				(5)			
Karenowska, Dr A D.					(4)				
Kristensen, Prof. J.		(1)							
Kröning, Prof. D.H.F.									
Lau, Dr. J.Y-F.	Resigned 13/9/2013								
MacKenzie, Prof. S.R.		(1)	(2)						
Maguire, Prof. L.E.		(1)							
McLaughlin, Prof. M.L.								(8)	
Maw, Mr. J.R.H.	Appointed 10/3/2014	(1)		(3)	(4)		(6)	(7)	
Maynard, Mr. J.A.	Appointed 1/10/2013								
Miesenböck, Prof. G.									
Moreno, Dr. A.		(1)							(9)
Nightingale, Prof. J.B.W.		(1)			(4)				
Nizami, Dr. F.A.									(9)
Norman, Dr. T.W.L.		(1)	(2)						(8)
Padamsey, Mr. Z	Appointed 1/10/2014								
Pezzini, Dr. G.	Appointed 1/10/2013								
Piret, The Revd Dr. M.J.		(1)				(5)			
Pobjoy, Dr. M.P.		(1)					(6)	(7)	
Pooley, Prof. S.K.	Appointed 1/10/2014	(1)							
Prassl, Prof. J.F.B.B.	Appointed 1/10/2014	(1)							
Rainey, Mr. S.F.					(4)				
Ratcliffe, Prof. Sir Peter									
Rossotti, Miss H.C.	Resigned 28/2/2014								
Russell, Dr. J.	Resigned 30/9/2014								
Sattentau, Prof. Q.J.		(1)							(8)

Scholar, Dr. J.M.T.										
Smith, Prof. R.J.		(1)			(4)					
Smith, Prof. J.A.C.		(1)								
Stargardt, Prof. N.		(1)		(3)						
Sullivan, Prof. P.B.								(7)		
Turberfield, Prof. A.J.										
Weller, Prof. A.S.		(1)					(6)			
West, Prof. S.C.										
Whitehouse, Prof. H.										
You, Prof. Z.		(1)								
Young, Mr. C.G.	Resigned 16/3/2014									

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

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

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

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

Development and Alumni Relations Committee: Mr M Loveday, Dr P Beckwith, Mr S Haslam, Mr T Pitman

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

COLLEGE ADVISERS

Investment managers

Cazenove Capital Management Ltd
12 Moorgate
London EC2R 6DA

Investment property managers

Savills
Wytham Court
11 West Way
Oxford OX2 0QL

Auditor

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford OX 1 1BE

Bankers

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

Solicitors

Blake Morgan
Seacourt Tower
West Way
Oxford OX2 0FB

College address

High Street
Oxford
OX1 4AU

Website

www.magd.ox.ac.uk

STATEMENT of ACCOUNTING and REPORTING RESPONSIBILITIES

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

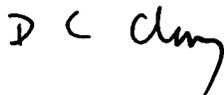
Charity law requires the Governing Body to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

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

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

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the College and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 3 December 2014 and signed on its behalf by:



Prof D C Clary
President

MAGDALEN COLLEGE

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

We have audited the financial statements of Magdalen College for the year ended 31 July 2014 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Governing Body and auditor

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2014 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Governing Body is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept by the parent charity; or

MAGDALEN COLLEGE

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

- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Critchleys LLP
Statutory Auditor
Oxford

~~14~~ December 2014

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

1. Scope of the financial statements

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

2. Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005 (“the Charities SORP”) and applicable accounting standards. The financial statements are drawn up on the historical cost basis of accounting as modified by the revaluation of investment properties and other investments.

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

Fees receivable, HEFCE support and charges for services and use of the premises are accounted for in the period in which the related service is provided.

4. Incoming resources from donations and legacies

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

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

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

5. Investment income

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

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

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

6. Expenditure

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

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

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

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

7. Joint Venture

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

8. Tangible fixed assets

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

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

9. Depreciation

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

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

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

10. Investments

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

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

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

11. Stocks

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

12. Foreign currencies

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

13. Total Return investment accounting

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

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

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

14. Fund accounting

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

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

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

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

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

15. Pension costs

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

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

MAGDALEN COLLEGE
Consolidated Statement of Financial Activities
For the year ended 31 July 2014

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2014 Total £'000	2013 Total £'000
INCOMING RESOURCES						
Resources from charitable activities						
	1					
Teaching, research and residential		5,605	0	0	5,605	5,435
Public worship		7	0	0	7	16
Heritage		175	0	0	175	137
		<u>5,787</u>	<u>0</u>	<u>0</u>	<u>5,787</u>	<u>5,588</u>
Resources from generated funds						
Legacies and donations		1,141	2,209	1,067	4,417	5,674
Trading income	2	1,081	0	2,336	3,417	3,595
Investment income	3	176	0	4,252	4,428	3,494
Bank and other interest	4	15	0	0	15	12
		<u>2,413</u>	<u>2,209</u>	<u>7,655</u>	<u>12,277</u>	<u>12,775</u>
Other incoming resources		160	0	0	160	239
Total Incoming Resources		<u>8,360</u>	<u>2,209</u>	<u>7,655</u>	<u>18,224</u>	<u>18,602</u>
Less group share of joint venture's turnover		0	0	(2,336)	(2,336)	(2,431)
Net Incoming Resources		<u>8,360</u>	<u>2,209</u>	<u>5,319</u>	<u>15,888</u>	<u>16,171</u>
RESOURCES EXPENDED						
Cost of generating funds						
	5					
Fundraising		708	2	0	710	645
Trading expenditure		893	0	0	893	994
Investment management costs		140	0	784	924	731
		<u>1,741</u>	<u>2</u>	<u>784</u>	<u>2,527</u>	<u>2,370</u>
Charitable activities						
	5					
Teaching, research and residential		9,138	928	0	10,066	9,817
Public worship		435	47	0	482	481
Heritage		338	16	0	354	214
		<u>9,911</u>	<u>991</u>	<u>0</u>	<u>10,902</u>	<u>10,512</u>
Governance costs	8	37	0	0	37	27
Total Resources Expended		<u>11,689</u>	<u>993</u>	<u>784</u>	<u>13,466</u>	<u>12,909</u>
Net incoming/(outgoing) resources before group share of joint venture's profit / (loss) and transfers between funds		(3,329)	1,216	4,535	2,422	3,262
Group share of joint venture's profit / (loss)	12	0	0	1,937	1,937	444
Transfers between funds	19	4,806	328	(5,134)	0	0
Net incoming/(outgoing) resources before other gains and losses		<u>1,477</u>	<u>1,544</u>	<u>1,338</u>	<u>4,359</u>	<u>3,706</u>
Investment gains		139	0	8,571	8,710	20,515
Actuarial gains / (losses) on defined benefit pension scheme		4	0	0	4	129
Net movement in funds for the year		<u>1,620</u>	<u>1,544</u>	<u>9,909</u>	<u>13,073</u>	<u>24,350</u>
Fund balances brought forward	19	21,276	2,152	170,916	194,344	169,994
Funds carried forward at 31 July	19	<u>22,896</u>	<u>3,696</u>	<u>180,825</u>	<u>207,417</u>	<u>194,344</u>

MAGDALEN COLLEGE
Consolidated and College Balance Sheets
As at 31 July 2014

	Notes	2014 Group £'000	2013 Group £'000	2014 College £'000	2013 College £'000
FIXED ASSETS					
Tangible assets	10	15,283	14,475	15,913	15,105
Property investments	11	30,233	26,423	30,233	26,423
Investment in joint venture					
Share of gross assets	12	19,158	17,785	0	0
Share of gross liabilities		(1,109)	(1,376)	0	0
		<u>18,049</u>	<u>16,409</u>	<u>0</u>	<u>0</u>
Securities and other investments	13	137,480	134,653	154,491	151,663
		<u>201,045</u>	<u>191,960</u>	<u>200,637</u>	<u>193,191</u>
CURRENT ASSETS					
Stocks		463	415	463	415
Debtors	16	1,716	1,169	7,263	6,325
Deposits and other short term investments		28	28	28	28
Cash at bank and in hand		5,794	3,270	4,844	1,977
		<u>8,001</u>	<u>4,882</u>	<u>12,598</u>	<u>8,745</u>
CREDITORS: falling due within one year	17	1,086	1,913	949	1,773
NET CURRENT ASSETS/(LIABILITIES)		<u>6,915</u>	<u>2,969</u>	<u>11,649</u>	<u>6,972</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		207,960	194,929	212,286	200,163
Provisions for liabilities and charges	18	543	585	543	585
NET ASSETS		<u>207,417</u>	<u>194,344</u>	<u>211,743</u>	<u>199,578</u>
FUNDS OF THE COLLEGE					
Endowment funds		180,825	170,916	182,003	172,721
Restricted funds		3,696	2,152	3,696	2,152
Unrestricted funds					
Designated funds		17,414	15,970	17,414	15,970
General funds		5,482	5,306	8,630	8,735
		<u>207,417</u>	<u>194,344</u>	<u>211,743</u>	<u>199,578</u>

The financial statements were approved and authorised for issue by the Governing Body of Magdalen College on 3 December 2014

President: Prof D C Clary



Bursar: Mr JRH Maw



MAGDALEN COLLEGE
Consolidated Cash Flow Statement
For the year ended 31 July 2014

	Notes	2014 Group £'000	2013 Group £'000
Net cash inflow/(outflow) from operations	25	<u>(3,960)</u>	<u>(4,073)</u>
Returns on investments and servicing of finance			
Income from investments		4,428	3,494
Finance costs paid		(157)	(42)
		<u>4,271</u>	<u>3,452</u>
Capital expenditure and financial investment			
New endowment capital received		1,067	4,352
Payments for tangible fixed assets		(1,224)	(2,015)
Proceeds from sales of tangible fixed assets		0	0
Payments for investments		(6,754)	(7,991)
Proceeds from sales of investments		9,124	6,876
		<u>2,213</u>	<u>1,222</u>
Management of liquid resources			
Net (additions to) / withdrawals from term deposits		0	0
		<u>0</u>	<u>0</u>
Increase/(decrease) in cash in the year		<u>2,524</u>	<u>601</u>
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash in the year		2,524	601
Transfers to/(from) term deposits and current investments		0	0
Change in net funds		<u>2,524</u>	<u>601</u>
Net funds at 1 August		3,298	2,697
Net funds at 31 July		<u>5,822</u>	<u>3,298</u>

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

1 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2014 Total £'000	2013 Total £'000
Teaching, research and residential					
Tuition fees - UK and EU students	1,637	0	0	1,637	1,515
Tuition fees - Overseas students	528	0	0	528	540
Other fees	116	0	0	116	135
Other HEFCE support	375	0	0	375	382
Other academic income	72	0	0	72	96
College residential income	2,877	0	0	2,877	2,767
	5,605	0	0	5,605	5,435
Public worship					
Chapel offerings	2	0	0	2	2
Other	5	0	0	5	14
	7	0	0	7	16
Heritage					
Entrance fees	154	0	0	154	117
Other	21	0	0	21	20
	175	0	0	175	137

The above analysis includes £1,967k received from Oxford University under the CFF Scheme, net of College fees received directly (2013 - £1,886k).

2 TRADING INCOME

	2014 £'000	2013 £'000
Subsidiary company trading income	1,081	1,164
Group share of joint venture's turnover	2,336	2,431
	3,417	3,595

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2014 Total £'000	2013 Total £'000
Agricultural rent	0	0	317	317	319
Commercial rent	0	0	673	673	574
Other property income	0	0	361	361	372
Equity dividends	176	0	2,648	2,824	1,994
Interest on fixed term deposits and cash	0	0	40	40	25
Other investment income	0	0	213	213	210
	176	0	4,252	4,428	3,494

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2014 Total £'000	2013 Total £'000
Bank interest	15	0	0	15	12
	<u>15</u>	<u>0</u>	<u>0</u>	<u>15</u>	<u>12</u>

5 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	2014 Total £'000	2013 Total £'000
Costs of generating funds					
Fundraising	363	266	81	710	645
Trading expenditure	273	455	165	893	994
Investment management costs	43	659	222	924	731
Total costs of generating funds	<u>679</u>	<u>1,380</u>	<u>468</u>	<u>2,527</u>	<u>2,370</u>
Charitable expenditure					
Teaching, research and residential	4,825	4,056	1,185	10,066	9,817
Public worship	186	258	38	482	481
Heritage	93	237	24	354	214
Total charitable expenditure	<u>5,104</u>	<u>4,551</u>	<u>1,247</u>	<u>10,902</u>	<u>10,512</u>
Governance costs	<u>0</u>	<u>37</u>	<u>0</u>	<u>37</u>	<u>27</u>
Total resources expended	<u>5,783</u>	<u>5,968</u>	<u>1,715</u>	<u>13,466</u>	<u>12,909</u>

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

The teaching and research costs include College Contribution payable of £190k (2013 - £198k).

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

6 SUPPORT COSTS

	Generating funds £'000	Teaching research and residential £'000	Public worship £'000	Heritage £'000	2014 Total £'000	2013 Total £'000
Financial and domestic admin	287	466	14	18	785	911
Human Resources	11	119	14	1	145	138
IT	44	168	4	2	218	222
Depreciation	3	396	6	3	408	389
Loss/(profit) on fixed assets	0	2	0	0	2	0
Other finance charges	123	34	0	0	157	42
	468	1,185	38	24	1,715	1,702

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

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2014 Total £'000	2013 Total £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted funds as follows:				
Scholarships, prizes and grants	160	129	289	257
Bursaries and hardship awards	16	291	307	382
Grants to other institutions	154	0	154	147
	330	420	750	786

Unrestricted grants to other institutions comprises payments to Magdalen College School, Oxford, as a contribution towards the education of 16 choristers (2013 - £147k). This sum is included within the charitable expenditure on Public Worship.

8 GOVERNANCE COSTS

	2014 £'000	2013 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	30	27
Legal and other fees on constitutional matters	7	0
	37	27

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

9 STAFF COSTS

	2014	2013
	£'000	£'000
The aggregate payroll costs for the year were as follows:		
Salaries and wages	5,408	5,395
Social security costs	407	408
Pension costs	864	953
	<u>6,679</u>	<u>6,756</u>

	2014	2013
The average number of permanent employees of the College, excluding Trustees, on a full time equivalent basis was as follows:		
Tuition and research	12	13
College residential	87	88
Public worship	2	2
Fundraising	5	5
Support	14	13
Total	<u>120</u>	<u>121</u>

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

University Lecturers	23	21
CUF Lecturers	9	10
Other teaching and research	15	16
Other	8	8
Total	<u>55</u>	<u>55</u>

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

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

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

£60,000 - £70,000	<u>1</u>	<u>0</u>
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The number of employees with retirement benefits accruing was as follows:

In defined benefit schemes	<u>1</u>	<u>0</u>
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The College contributions to defined contribution pension schemes totalled	<u>£0</u>	<u>£0</u>
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MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

10 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
At start of year	17,176	3,089	20,265
Additions	934	289	1,223
Disposals	0	(52)	(52)
At end of year	18,110	3,326	21,436
Depreciation			
At start of year	4,677	1,113	5,790
Charge for the year	296	110	406
On disposals	0	(43)	(43)
At end of year	4,973	1,180	6,153
Net book value			
At end of year	13,137	2,146	15,283
At start of year	12,499	1,976	14,475

College	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
At start of year	17,176	3,711	20,887
Additions	934	289	1,223
Disposals	0	(52)	(52)
At end of year	18,110	3,948	22,058
Depreciation			
At start of year	4,677	1,105	5,782
Charge for the year	296	110	406
On disposals	0	(43)	(43)
At end of year	4,973	1,172	6,145
Net book value			
At end of year	13,137	2,776	15,913
At start of year	12,499	2,606	15,105

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

11 PROPERTY INVESTMENTS

Group and College				2014	2013
	Agricultural £'000	Commercial £'000	Other £'000	Total £'000	Total £'000
Valuation at start of year	15,856	7,275	3,292	26,423	25,723
Additions and improvements at cost	0	0	0	0	0
Disposals net proceeds	0	(190)	0	(190)	(175)
Revaluation gains/(losses) in the year	2,418	1,462	120	4,000	875
Valuation at end of year	18,274	8,547	3,412	30,233	26,423

A formal valuation of the agricultural, commercial and other properties was prepared by the College's Estate Managers, Savills, at 31 July 2014.

12 JOINT VENTURE

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

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

	2014	2013
	£'000	£'000
Turnover	2,336	2,431
Expenditure	(399)	(1,987)
Result for the year	1,937	444
Fixed assets	10,581	10,264
Current assets	8,577	7,521
Liabilities due within one year	(1,109)	(1,376)
	18,049	16,409
Group share of joint venture assets at 1 August 2013	16,409	16,265
Group share of distribution from joint venture	(300)	(300)
Group share of revaluation loss	3	0
Group share of joint venture profit / (loss) for the year	1,937	444
Group share of joint venture assets at 31 July 2014	18,049	16,409

Within the joint venture, fixed assets are valued on a market basis. The last valuation was carried out on 31 December 2013 by Jones Lang LaSalle.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

13 SECURITIES AND OTHER INVESTMENTS	2014	2013	2014	2013
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Valuation at start of year	134,653	113,423	151,663	130,433
New money invested	3,890	5,971	3,891	5,971
Amounts withdrawn	(8,271)	(6,086)	(8,271)	(6,086)
Reinvested income	2,864	2,020	2,864	2,020
Investment management fees	(363)	(315)	(363)	(315)
Increase in value of investments	4,707	19,640	4,707	19,640
Valuation at end of year	137,480	134,653	154,491	151,663
Group investments comprise:	Held outside the UK	Held in the UK	2014 Total	2013 Total
	£'000	£'000	£'000	£'000
Equity investments	0	110,557	110,557	101,126
Property funds	0	4,114	4,114	3,745
Alternative and other investments	16,237	3,630	19,867	21,752
Fixed term deposits and cash	0	2,942	2,942	8,030
Total group investments	16,237	121,243	137,480	134,653
College investments comprise:	Held outside the UK	Held in the UK	2014 Total	2013 Total
	£'000	£'000	£'000	£'000
Equity investments	0	110,557	110,557	101,126
Property funds	0	4,114	4,114	3,745
Investment in subsidiary companies	0	17,010	17,010	17,010
Alternative and other investments	16,237	3,630	19,867	21,752
Fixed term deposits and cash	0	2,943	2,943	8,030
Total college investments	16,237	138,254	154,491	151,663

14 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

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

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

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

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

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

14 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS - CONT.

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

	MDC £'000	MCTL £'000	MCECL £'000	MCDT £'000
Turnover / Incoming Resources	454	826	433	3,529
Expenditure	(182)	(586)	(433)	(3,529)
Donation to College under gift aid	(1,003)	(240)	-	-
Result for the year	<u>(731)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total assets	18,270	99	102	859
Total liabilities	(4,976)	(99)	(102)	(839)
Net funds at the end of year	<u>13,294</u>	<u>0</u>	<u>0</u>	<u>20</u>

15 STATEMENT OF INVESTMENT TOTAL RETURN

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

	Permanent Endowment £'000	Expendable Endowment £'000	Designated Funds £'000	Unrestricted Funds £'000	Total £'000
Investment total return					
Income distributions	156	4,095	92	84	4,427
Capital gains/losses	89	8,480	72	66	8,707
Investment management costs	(18)	(766)	(12)	(11)	(807)
Total return for the year	<u>227</u>	<u>11,809</u>	<u>152</u>	<u>139</u>	<u>12,327</u>
Amount applied as income for spending	<u>(139)</u>	<u>(4,996)</u>	<u>(36)</u>	<u>(68)</u>	<u>(5,239)</u>
Net increase in Unapplied Total Return in the year	88				
Unapplied Total Return at start of year	1,323				
Unapplied Total Return at end of year	<u>1,411</u>				
Preserved value of original permanent endowments					<u>6,543</u>

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

16 DEBTORS

	2014	2013	2014	2013
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	189	232	43	62
Amounts owed by College members	103	144	103	144
Amounts owed by Group undertakings	12	0	5,891	5,707
Loans repayable within one year	14	9	14	9
Prepayments and accrued income	1,092	555	1,079	316
Other debtors	306	229	133	87
	1,716	1,169	7,263	6,325

17 CREDITORS: falling due within one year

	2014	2013	2014	2013
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	255	741	255	731
Amounts owed to College members	53	58	53	58
Taxation and social security	207	199	176	170
College contribution	200	195	200	195
Accruals and deferred income	162	475	56	374
Other creditors	209	245	209	245
	1,086	1,913	949	1,773

18 PROVISIONS FOR LIABILITIES AND CHARGES

	2014	2013	2014	2013
	Group	Group	College	College
	£'000	£'000	£'000	£'000
At start of year	585	748	585	748
Charged in the Statement of Financial Activities	23	(99)	23	(99)
Settled in the year	(65)	(64)	(65)	(64)
At end of year	543	585	543	585

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

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

19 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2013 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2014 £'000
Endowment Funds - Permanent						
Beghian Scholarship Fund	2,749	23	0	0	(21)	2,751
Fleet Fund	3,565	96	(12)	(110)	75	3,614
Kerruish Fund	673	18	(2)	(13)	14	690
Harold Robertshaw bequest	260	83	(1)	(5)	9	346
Consolidated prizes/scholarships funds	412	11	(1)	(6)	9	425
Consolidated other sundry funds	126	6	0	(5)	3	130
Endowment Funds - Expendable						
General endowment fund	132,649	3,278	(663)	(4,340)	9,775	140,699
Calleva Fund	3,959	106	(14)	(72)	84	4,063
Perkin research studentship Fund	343	9	(1)	(7)	7	351
Dr Rose's Benefaction	654	19	(2)	(19)	14	666
Giles Bequest	659	18	(2)	(19)	14	670
History fellowship Fund	1,710	141	(6)	(51)	36	1,830
Law fellowship Fund	1,253	175	(4)	0	26	1,450
PPE Fund	2,065	64	(7)	(64)	44	2,102
Classics fellowship Fund	165	374	(1)	0	3	541
Frank Richardson Fund	553	15	(2)	(16)	12	562
Robin Snow Fund	397	11	(1)	(12)	8	403
Bellhouse Research Studentship	593	16	(2)	0	13	620
Duncan Mackinnon Fund	882	24	(3)	(29)	19	893
Student Support Fund	9,011	511	(31)	(183)	190	9,498
Tavella Stewart Fund	429	11	(1)	(15)	9	433
Allingham Settlement	219	6	(1)	0	5	229
Boat Club Fund	374	15	(1)	(11)	8	385
Paul Getty Fund	521	14	(2)	(15)	11	529
Hong Kong Scholarship	1,143	31	(4)	(18)	24	1,176
Law Tutorship Trust	2,836	76	(10)	(72)	60	2,890
Consolidated prizes/scholarship funds	1,346	37	(5)	(27)	28	1,379
Consolidated chapel / choir funds	213	6	(1)	(6)	4	216
Consolidated gardens funds	265	7	(1)	(8)	6	269
Consolidated tutorial / research fellowship funds	141	99	0	(4)	3	239
Consolidated other sundry funds	751	19	(3)	(7)	16	776
Total Endowment Funds - Group	170,916	5,319	(784)	(5,134)	10,508	180,825
General endowment fund held by subsidiaries	1,805	1,263	48	0	(1,938)	1,178
Total Endowment Funds - College	172,721	6,582	(736)	(5,134)	8,570	182,003

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

19 ANALYSIS OF MOVEMENTS ON FUNDS - CONT.

	At 1 August 2013 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2014 £'000
Restricted Funds						
Transfer from other funds for spending	0	0	(803)	803	0	0
New Library Fund	1,604	1,789	0	(477)	0	2,916
Student Support Fund	259	54	(64)	2	0	251
Consolidated scholarship funds	171	74	(48)	0	0	197
Consolidated other sundry funds	118	292	(78)	0	0	332
Total Restricted Funds - Group and College	2,152	2,209	(993)	328	0	3,696
Unrestricted Funds						
General unrestricted funds	5,306	7,349	(11,409)	4,165	71	5,482
Designated funds:						
Fixed asset designated	12,499	0	0	637	0	13,136
History fellowship Fund	540	14	(17)	4	11	552
Law fellowship Fund	559	15	(2)	0	12	584
George Freeman JRF Fund	1,140	31	(4)	0	24	1,191
Wills Fund	0	800	(114)	0	0	686
Student Support Fund	339	9	(1)	0	7	354
Consolidated chapel / choir funds	412	11	(13)	0	9	419
Consolidated other sundry funds	481	11	(9)	0	9	492
Total Unrestricted Funds - Group	21,276	8,240	(11,569)	4,806	143	22,896
General unrestricted funds held by subsidiaries	3,429	(262)	(19)	0	0	3,148
Total Unrestricted Funds - College	24,705	7,978	(11,588)	4,806	143	26,044
Total Group Funds						207,417
Total College Funds						211,743

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

20 FUNDS OF THE COLLEGE - DETAILS

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

Endowment Funds - Permanent:

Beghian Scholarship Fund	Legacy to provide scholarships for graduate students
Fleet Fund	Lifetime gifts and legacy for endowing fellowships in Modern History and Economics
Kerruish Fund	Lifetime gift for the benefit of the choir
Harold Robertshaw Bequest	Legacy for the benefit of the choir
Consolidated prizes/scholarships funds	Individual gifts to establish prizes and scholarships for students
Consolidated other sundry funds	Individual gifts, none larger than £200k, for a variety of other purposes

Endowment Funds - Expendable:

General endowment fund	Those funds required for the long term which fundamentally underpin and sustain the operation of the College at its desired level of activity. It has not been possible to distinguish between the original Founder's capital or assets purchased with sale proceeds therefrom, and invested surpluses, and so the entire fund is maintained as an expendable endowment used to fund the general purposes of the College
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Calleva Fund	Lifetime gift to establish a research centre for the study of Evolution and Human Science
Perkin research studentship Fund	Legacy to establish a research studentship in Chemistry
Dr Rose's Benefaction	Lifetime gift, augmented by numerous individual gifts to benefit the choir
Giles Bequest	Legacy to fund a fellowship by examination
History fellowship Fund	Numerous individual gifts to fund two fellowships in History
Law fellowship Fund	Numerous individual gifts to fund a fellowship in Law
PPE Fund	Numerous individual gifts to fund a fellowship in PPE
Classics fellowship Fund	Numerous individual gifts to fund a fellowship in Classics
Frank Richardson Fund	Lifetime gift to fund a fellowship in Economics
Robin Snow Fund	Lifetime gift to fund a fellowship in Plant Sciences
Bellhouse Research Studentship	Individual lifetime gifts to fund a graduate research studentship
Duncan Mackinnon Fund	Legacy to provide for scholarships for junior members
Student Support Fund	Numerous individual gifts to provide bursaries for junior members
Tavella Stewart Fund	Legacy to provide for scholarships for junior members
Allingham Settlement	Fund to support junior members
Boat Club Fund	Numerous individual gifts to fund rowing
Paul Getty Fund	Lifetime gift to fund conservation
Hong Kong Scholarship Fund	Individual gift to fund a graduate scholarship
Law Tutorship Trust	Individual gifts to fund a fellowship in Law and to advance the study of Law
Consolidated prizes/scholarship funds	Numerous individual gifts to establish prizes and scholarships for students
Consolidated chapel/choir funds	Individual gifts and legacies to support the chapel and choir
Consolidated gardens funds	Individual gifts and legacies to maintain the College gardens, including the Lasker Rose Garden
Consolidated tutorial/research fellowship funds	Individual gifts and legacies to fund fellowships
Consolidated other sundry funds	Individual gifts, none larger than £200k, for a variety of other purposes

Restricted Funds:

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

Unrestricted Funds

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

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

MAGDALEN COLLEGE
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21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	15,283	0	0	15,283
Property investments	0	0	30,233	30,233
Investment in joint venture	0	0	18,049	18,049
Securities and other investments	4,937	0	132,543	137,480
Net current assets	3,219	3,696	0	6,915
Provisions	(543)	0	0	(543)
	<u>22,896</u>	<u>3,696</u>	<u>180,825</u>	<u>207,417</u>

22 TRUSTEES' REMUNERATION

The trustees of the College comprise the Governing Body, many of whom are fellows engaged in teaching and research and who sit on Governing Body by virtue of their employment.

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

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

Trustees of the college fall into the following categories:

Non Stipendiary (Professorial) Fellows

Tutorial Fellows

Fellows by Examination (Junior Research Fellows)

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

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

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

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

The total remuneration, taxable benefits and pension contributions as shown and noted below is £2,507,024 (2013 - £2,647,963). The total cost of pension contributions is £340,211 (2013 - £435,911).

MAGDALEN COLLEGE
Notes to the financial statements
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22 TRUSTEES' REMUNERATION - CONT.

Remuneration paid to trustees

Range	2013-2014		2012-2013	
	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £
£1-£999	4	1,122	4	1,061
£1,000-£1,999	3	4,301	4	6,530
£2,000-£2,999	1	2,015	-	-
£5,000-£5,999	1	5,378	1	5,622
£7,000-£7,999	1	7,770	-	-
£8,000-£8,999	1	8,419	-	-
£9,000-£9,999	-	-	1	9,345
£10,000-£10,999	2	21,982	2	21,712
£13,000-£13,999	-	-	1	13,170
£14,000-£14,999	-	-	2	29,664
£16,000-£16,999	1	16,002	-	-
£19,000-£19,999	1	19,761	-	-
£20,000-£20,999	1	20,694	1	20,449
£22,000-£22,999	-	-	1	22,384
£23,000-£23,999	2	47,572	11	260,010
£24,000-£24,999	11	273,364	-	-
£25,000-£25,999	1	25,512	1	25,337
£26,000-£26,999	3	79,195	1	26,066
£27,000-£27,999	1	27,313	2	54,418
£28,000-£28,999	1	28,514	1	28,590
£31,000-£31,999	-	-	2	63,027
£33,000-£33,999	-	-	2	66,121
£34,000-£34,999	1	34,450	-	-
£35,000-£35,999	1	35,981	-	-
£36,000-£36,999	1	36,532	-	-
£37,000-£37,999	-	-	1	37,394
£39,000-£39,999	1	39,916	-	-
£40,000-£40,999	-	-	1	40,652
£42,000-£42,999	1	42,862	1	42,437
£48,000-£48,999	-	-	1	48,523
£51,000-£51,999	1	51,438	-	-
£52,000-£52,999	-	-	1	52,756
£53,000-£53,999	-	-	6	320,572
£54,000-£54,999	3	164,944	-	-
£55,000-£55,999	1	55,362	-	-
£56,000-£56,999	1	56,781	-	-
£57,000-£57,999	1	57,081	1	57,578
£58,000-£58,999	2	116,816	1	58,792
£61,000-£61,999	1	**61,786	1	63,291
£65,000-£65,999	1	65,836	-	-
£67,000-£67,999	-	-	1	67,844
£69,000-£69,999	1	69,638	-	-
£70,000-£70,999	-	-	2	141,388
£71,000-£71,999	-	-	1	71,029
£73,000-£73,999	1	73,001	-	-
£74,000-£74,999	2	149,125	1	74,917

MAGDALEN COLLEGE
Notes to the financial statements
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22 TRUSTEES' REMUNERATION - CONT.

Remuneration paid to trustees - cont.

Range	2013-2014		2012-2013	
	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/ fellows	Gross remuneration, taxable benefits and pension contributions £
£75,000-£75,999	2	151,282	1	75,004
£76,000-£76,999	-	-	1	76,386
£78,000-£78,999	1	78,367	1	78,323
£79,000-£79,999	-	-	-	-
£81,000-£81,999	2	162,912	1	81,185
£83,000-£83,999	-	-	1	83,170
£85,000-£85,999	1	85,035	-	-
£91,000-£91,999	1	91,831	-	-
£95,000-£95,999	-	-	1	**95,944
£111,000-£111,999	-	-	1	111,571
£113,000-£113,999	1	113,719	-	-
£122,000-£122,999	-	-	1	122,193
£123,000-£123,999	1	123,416	-	-

** In respect of the Fellow whose salary and pension contributions fell into these bands in 2013/14 and 2012/13, additional payments were made as a result of a redundancy agreement. The additional payments were compensation for loss of office of £83k, and a pension augmentation and early retirement funding charge required under USS rules of £110k. Payments made in 2013/14, including salary, totalled £255k, of which £193k was charged in the year to 31 July 2013.

16 trustees have received no remuneration from the College (2013 - 14).

Trustee expenses

4 fellows were paid travel expenses for travel to trustee or other meetings (for example meetings in London in relation to college investments). The total cost of these expenses was £442 (2013 - 3 fellows were paid £231).

23 PENSION SCHEMES

The College participates in two principal pension schemes - the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") on behalf of its staff. Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and 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 next actuarial valuation of the scheme.

MAGDALEN COLLEGE
Notes to the financial statements
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23 PENSION SCHEMES - CONT.

USS' actuarial valuation as at 31 March 2011 identified a funding deficit of £2,910m. USS implemented with effect from 1 October 2011 a package of changes, including the admission of new members into a Career Revalued Benefits section. After allowing for these changes, the actuary established a long term employer contribution rate of 12.6% of total pensionable salaries for the year 2011/12, reducing over time. USS agreed with Universities UK, on behalf of all the employers participating in the Scheme, to address the deficit by continuing the employer contribution rate at the previously agreed rate of 16% of total pensionable salaries until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals. The actuary has certified that the additional contributions should eliminate the deficit by 31st March 2021.

As work on the 2014 valuation for USS is not yet complete the trustee cannot provide the final figure for funding as at 31 March 2014. However, an estimate has been provided using the assumptions used to deliver the 2011 actuarial valuation. On that basis the actuary has estimated that the funding level under the scheme specific funding regime will have fallen from 92% at 31 March 2011 to 85% at 31 March 2014. This estimate was based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes in market conditions.

The latest actuarial valuation of the OSPS was carried out at 31 March 2013 and identified a required long-term employer contribution rate of 20.1% of total pensionable salaries, and a funding deficit of £173m. The University, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by raising the employer contribution rate in increments of 0.5% of pensionable salary to 23.5%, with the increase being implemented over the next three years to 1 August 2017. The actuary has certified that the additional contribution should eliminate the deficit by 30 June 2026.

The pension charge for the year includes contributions payable to the USS of £352k (2013 - £456k), contributions payable to the OSPS of £499k (2013 - £488k) and contributions to other schemes of £10k (2013 - £8k).

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

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

	2014	2013
	£'000	£'000
Present value of funded obligations	(2,048)	(1,841)
Fair value of plan assets	1,505	1,256
Deficit	<u>(543)</u>	<u>(585)</u>

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

	2014	2013
	£'000	£'000
Opening defined benefit obligation	(1,841)	(2,109)
Service cost	-	-
Interest cost	(83)	(86)
Employee contributions	-	-
Actuarial gain / (loss)	(186)	246
Benefits paid	62	108
Defined benefit obligation at end of year	<u>(2,048)</u>	<u>(1,841)</u>

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23 PENSION SCHEMES - CONT.

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

	2014	2013
	£'000	£'000
Opening fair value of scheme assets	1,256	1,361
Expected return	56	56
Actuarial (loss) / gain	190	(117)
Employer contributions	65	64
Employee contributions	-	-
Benefits paid	(62)	(108)
Fair value of scheme assets at the year end	1,505	1,256

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

	2014	2013
	£'000	£'000
Current service cost	-	-
Past service cost	-	-
Expected return on scheme assets	(56)	(56)
Interest on pension liabilities	83	86
Total amount charged within net incoming / (outgoing) resources	27	30
Actuarial gains and losses	(4)	(129)
Total amount charged to the Statement of Financial Activities	23	(99)

Magdalen College expects to contribute £66,744 to its defined benefit pension scheme in 2014/15.
The cumulative total of recognised actuarial gains and losses since the adoption of FRS17 is £13,000 loss.

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

	2014	2013
Phoenix Life / Scottish Mutual With-Profits Fund	100%	100%

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

	2014	2013
	£'000	£'000
Phoenix Life / Scottish Mutual With-Profits Fund	4.60%	4.20%

f) Principal assumptions at the balance sheet date

	2014	2013
Discount rate	4.20%	4.60%
Price inflation - RPI	3.40%	3.40%
Price inflation - CPI	2.60%	2.70%
Rate of increase in salaries	n/a	n/a
Rate of increase of pensions in payment	3.40%	3.40%
Rate of increase of pensions in deferment	2.60%	2.70%
Proportion of employees opting for early retirement	n/a	n/a
Expected return on scheme assets	4.60%	4.20%
Assumed life expectations on retirements age 65:		
Retiring today - males	22.7	22.6
Retiring today - females	24.9	24.7
Retiring in 20 years - males	25.0	24.9
Retiring in 20 years - females	27.2	27.1

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23 PENSION SCHEMES - CONT.

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

	2014	2013	2012	2011	2010
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	-2,048	-1,841	-2,109	-1,611	-1,554
Scheme assets	1,505	1,256	1,361	952	1,047
Surplus / (deficit)	-543	-585	-748	-659	-507
Experience adjustments on scheme liabilities	0	84	-23	-15	2
Experience adjustments on scheme assets	190	-117	316	-62	42

24 TAXATION

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

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

	2014	2013
	£'000	£'000
Net incoming resources for the year	4,359	3,706
Elimination of non-operating cash flows:		
- Investment income	(4,428)	(3,494)
- Endowment donations	(1,067)	(4,352)
- Financing costs	157	42
-Group share of joint venture loss/(profit)	(1,937)	(444)
-Actuarial profit / (loss) on pension scheme	4	129
Depreciation	406	389
Decrease/(Increase) in stock	(48)	33
Decrease/(Increase) in debtors	(547)	(567)
(Decrease)/Increase in creditors	(819)	648
(Decrease)/Increase in provisions	(42)	(163)
Net cash inflow/(outflow) from operations	<u>(3,960)</u>	<u>(4,073)</u>

26 ANALYSIS OF CHANGES IN NET FUNDS

	2013	Cash flow	2014
	£'000	£'000	£'000
Cash at bank and in hand	3,270	2,524	5,794
Deposits and other short term investments	28	0	28
	<u>3,298</u>	<u>2,524</u>	<u>5,822</u>

27 FINANCIAL COMMITMENTS

The College had annual commitments of £8k under non-cancellable operating leases at 31 July 2014.

MAGDALEN COLLEGE
Notes to the financial statements
For the year ended 31 July 2014

28 CAPITAL COMMITMENTS

The College has entered into a contract for the rebuilding of the main College library. The contractual commitment at 31 July 2014 was £6.5 million.
The College has entered into a commitment to purchase replacement dining chairs. The outstanding amount payable at 31 July 2014 was £73,000.

29 RELATED PARTY TRANSACTIONS

The College is part of the collegiate University of Oxford. Material interdependencies between the University and of the College arise as a consequence of this relationship. For reporting purposes, the University and the other Colleges are not treated as related parties as defined in FRS 8 ("Related party disclosures").

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

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

	2013-2014		2012-2013	
Range	Number of trustees/ fellows	Total amount outstanding £	Number of trustees/ fellows	Total amount outstanding £
£0-£999	17	11,311	17	10,017

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

	2014 £'000	2013 £'000
	150	150

Joint equity properties are subject to sale on the departure of the trustee from the College. In consideration for permitting a trustee to occupy a joint equity property, an annual occupation fee is payable by the trustee to the College. With effect from November 2013, this was changed from a flat rate of 5% of the total amount of the College's financial contribution to one based on Bank of England base rate plus a margin ranging from 1% to 3% depending on the length of occupation.

30 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 July 2014.

31 POST BALANCE SHEET EVENTS

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