

Somerville College

Annual Report and Financial Statements

Year ended 31 July 2014

SOMERVILLE COLLEGE
Annual Report and Financial Statements
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Governing Body, Officers and Advisers
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MEMBERS OF THE GOVERNING BODY

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

		(1)	(2)	(3)	(4)	(5)
Dr Alice Prochaska, Principal		•	•	•	•	•
Dr Daniel Anthony				•		
Mr Michael Ashdown	Until 30 September 2013			•		
Dr Jonathan Burton		•		•		
Dr Bhaskar Choubey				•		
Dr Julie Dickson		•		•		
Dr Beate Dignas				•		
Mr Julian Duxfield						
Dr Karin Erdmann				•		
Dr Manuele Gragnolati				•		
Dr Hilary Greaves				•		
Dr Christopher Hare				•		
Dr Michael Hayward				•		
Dr Matthew Higgins				•	•	
Ms Joanna Innes				•		
Dr Simon Kemp				•		
Professor Aditi Lahiri				•		
Dr Anne Manuel		•		•		•
Dr Jonathan Marchini	From 1st October 2013			•		
Professor Lois McNay			•	•		
Dr Karen Nielsen	From 1 October 2013			•		
Dr Natalia Nowakowska				•		
Mr Andrew Parker		•	•	•	•	•
Dr Luke Pitcher				•	•	
Dr Mason Porter			•	•		
Dr Charlotte Potts				•		
Professor Stephen Pulman				•		

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		(1)	(2)	(3)	(4)	(5)
Professor Stephen Roberts				•		•
Dr Stephen Rayner		•	•	•	•	•
Professor Alex Rogers				•		
Professor Steven Simon				•		
Professor Charles Spence				•		
Professor Fiona Stafford				•		
Professor Richard Stone				•		
Dr Almut Suerbaum		•	•	•		
Dr Annie Sutherland				•		
Professor Rajesh Thakker				•		
Dr Benjamin J Thompson				•	•	
Dr Renier van der Hoorn	From 1 October 2013			•		
Dr Roman Walczak				•		
Professor Stephen Weatherill				•		
Professor Jennifer Welsh	On leave from 20 September 2013			•		
Dr Philip West		•		•		
Professor Matthew Wood		•		•	•	

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

- (1) Standing Committee
- (2) Finance Committee
- (3) Education Committee
- (4) Development Committee
- (5) IT Committee

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COLLEGE OFFICERS

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

Principal	<i>Dr Alice Prochaska</i>
Senior Tutor	<i>Dr Stephen Rayner</i>
Treasurer (Finance & Estates Bursar)	<i>Mr Andrew Parker</i>
Domestic Bursar	<i>Mr Andrew Parker</i>
Development Director	<i>Ms Sara Kalim</i>
Librarian & Archivist & Head of IT	<i>Dr Anne Manuel</i>

COLLEGE ADVISERS

Investment managers

Newton Investment Management Ltd

Investment property advisers

Cluttons

Auditor

Crowe Clark Whitehill LLP

Bankers

Barclays Bank Plc

Solicitors

Manches LLP

College address

Woodstock Road Oxford OX2 6HD

Website

www.some.ox.ac.uk

SOMERVILLE COLLEGE
Report of the Governing Body
Year ended 31 July 2014

The Members of the Governing Body 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.

REFERENCE AND ADMINISTRATIVE INFORMATION

Somerville College in the University of Oxford, which is known as Somerville College, (“the College”) is a tax exempt educational institution governed by a Charter and Statutes. The College was founded under the title of Somerville Hall in 1879 by a committee chaired by Dr Percival as a non-denominational hall of residence for women and in 1881 was incorporated as an association not intended for profit under the Companies Acts of 1862 and 1867. The title of College was adopted in 1894.

The College registered with the Charities Commission on 22nd December 2010 (registered number 1139440). The names of all members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the College, are given on pages 2 to 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The governing document of the College is the 1951 Charter and Statutes of Somerville College, Oxford. In 1926 the College was incorporated by Royal Charter as “The Principal and Council of Somerville College”. In 1951 its statutes were amended to restrict membership of the Governing Body to the Principal and Fellows. In 1959, when it was admitted with the other Women’s Societies as a full College of the University, its corporate designation became “The Principal and Fellows of Somerville College in the University of Oxford”. The Special Statute of 1961 amended Paragraph (c) of Article 3 of the Charter concerning the investment objectives. In 1992 the Charter and Statutes were changed to enable the admission of men at both senior and junior level.

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 Chancellor of the University of Oxford. The Governing Body is self-appointing, and has such powers as are conferred on it by its Charter and, subject thereto and to the Statutes, has the entire direction and management of the affairs of the College.

The Governing Body appoints the Principal, Fellows, Senior Tutor, Tutors, Lecturers, Librarian, Treasurer and such administrative and other Officers as the Governing Body thinks necessary from time to time. The Governing Body appoints Committees and delegates to them such powers as it thinks fit.

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

Recruitment and training of Members of the Governing Body

New members of the Governing Body are normally recruited through a joint appointment process with the University of Oxford in the case of academics which includes open advertisement of the posts and a professional selection and appointment process. In the case of posts funded solely by the College, recruitment is also through open advertisement of the post followed by a professional selection and appointment process including external representatives as appropriate. New members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, through meetings with the Principal, the Senior Tutor and the Treasurer and the provision of a comprehensive set of reference documents.

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

Organisational management

The members of the Governing Body meet between seven and nine times a year. The work of developing their policies and monitoring their implementation is carried out by the following committees:

- **Standing Committee**
Responsibility for agreeing the agenda for meetings of Governing Body; developing academic and other strategies for the College, and monitoring decision-making, and developments that bear on these strategies; considering academic appointments and bids for association with University posts; considering requests for buy-outs and leave, with particular attention to their impact on teaching resources; receiving the reports of ad hoc working groups; discussing items which by reason of their complexity and difficulty are beyond the remit of other committees, or which need further attention beyond that given to them in a specialised committee, e.g. Buildings Committee, Finance Committee; giving close consideration to policy issues within the wider University, and external bodies, in preparation for consultation with the Governing Body.
- **Finance Committee**
Responsibility for advising the Governing Body on all matters of financial policy and practice, and in particular on the financial implications of any proposals under consideration; presenting annual statements of accounts for the preceding year; approval of budgets and review of management accounts for each period; authorising exceptional expenditure from revenue and making recommendations in respect of capital expenditure; reviewing the college's investments and properties and income drawdown from investments; annual review of all charges made by the College; review of policy and administration relating to conferences, and approval of levels of charges; review of salaries for all College employees and others paid by the College as advised by the Remuneration Committee; considering other financial issues, as appropriate. Finance Committee also has responsibility for equality and diversity issues.
- **Education Committee**
Responsibility for general policies and planning on teaching and learning; the progress, industry and conduct of undergraduates and graduates; the awarding of scholarships, exhibitions and prizes from the appropriate funds, and carrying out an annual review of award holders; examination results; the awarding of course and travel grants from the appropriate funds; the initiation of the College's academic disciplinary procedures in cases of students who fail to meet the standard of application and attendance expected by his or her Tutor; review and report to the Governing Body on the progress and welfare of student members and make recommendations to the Governing Body for the award of College scholarships, exhibitions and prizes.
- **Development Committee**
Responsibility for recommendations on development and fundraising strategy and activities, liaison with the Development Board, which consists of external members.
- **IT Committee**
Responsibility for developing recommendations on IT strategy, service levels and IT projects and provision of guidance and assistance to the IT function within the College.

The Governing Body is also supported by additional committees, including Buildings, Library, Nominations and Remuneration.

The day-to-day running of the College is delegated to the Principal, the Senior Tutor, and the Treasurer. They form a management team together with the Librarian and the Director of Development.

Group structure and relationships

The College administers many special trusts, as detailed in Notes 17 to 18 to the financial statements.

The College also has one wholly owned non-charitable subsidiary: Somerville College Trading Limited, whose annual profits are donated to the College under the Gift Aid Scheme. The trading activities of Somerville College Trading Limited primarily comprise revenue from letting of the College facilities when not in use by the College. The subsidiary's aims, objectives and achievements are covered in the relevant sections of this

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report. During the year the college set up the Margaret Thatcher Scholarship Trust, which is a company limited by guarantee. The Trust has one member, Somerville College.

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

Risk management

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

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

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are:

- To provide for women and men who are members of the University of Oxford the protection and training of an Academic House and, with that object, to carry on the work of the old Association (known as Somerville Hall) with such modifications and changes as may from time to time appear desirable.
- To do all such other things as are incidental or conducive to advancing education, learning and research in Oxford and elsewhere.

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 monitored closely the general and supplemental guidance produced by the Charity Commission, in particular its public benefit guidance on advancement of education and on fee-charging.

The College's aims for the public benefit are:

- i. To advance education, learning and research, in particular by providing, in conjunction with the University of Oxford, an education for approximately 402 undergraduate and 144 graduate students. This education is recognised internationally as being of the very highest standard and develops students academically, personally and socially, preparing them to play a full and effective role in society. In particular, the College provides:
 - teaching facilities and individual or small-group teaching, together with academic, pastoral and administrative support;
 - IT and other administrative support and welfare services, including the availability of the Junior Deans and the Chapel Director to assist every member of the College of every religious belief and none; and
 - social, cultural, musical, recreational and sporting facilities to enable students to realise as much as possible of their academic and personal potential whilst studying at the College.
- ii. To advance research by providing:
 - official Fellowships, Career Development Fellowships, and Junior and Senior Research Fellowships to outstanding academics, to enable them to develop their research work and disseminate their research in the public domain; and

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- facilities and grants to assist with the pursuit of research, including grants for attendance at national and international academic conferences and assistance with the costs of research trips and research materials.

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

Activities and objectives of the College

The College's principal activity, as specified in the College's Objects is to provide for members of the University of Oxford the protection and training of an Academic House.

In 2013.14, the College had 402 undergraduates and 144 graduates and admitted students in the following subjects: Ancient & Modern History, Biochemistry, Biological Sciences, Chemistry, Classics, Classical Archaeology & Ancient History, Computer Science, Engineering, English, Experimental Psychology, History, Law, Mathematics, Medicine, Modern Languages, Music, Philosophy, Politics & Economics and Physics.

Significant activities during the year included the completion of the new College social hub, 'The Terrace', the beginning of converting the Penrose loft into five additional student bedrooms, and the first stages of upgrading graduate accommodation at 155 Woodstock Road. Further details of particular achievements are listed later in the report.

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

In order to assist undergraduates entitled to Student Support, the College provides, through a scheme operated in common with the University and other Colleges, bursary support for those of limited financial means. For the academic year 2013.14, the number of awards made was 85; 46 of the awards were for £3,225 or more; and the average value of the awards was £2,790, with a total of £237,112 being disbursed in the year. The scheme is approved by the Office of Fair Access and provides benefits at a substantially higher level than the minimum OFFA requirement.

To support the costs of graduate students, the College provides substantial financial support. This includes scholarships to fund fees and living costs, 'top-up' funding to fill funding shortfalls in students' funding packages and a grant scheme to assist with the purchase of books and equipment, attendance at conferences and travel grants. The total amount expended by the College to graduate students in 2013.14 for this purpose was £170k.

The College also makes awards for academic development and has various scholarships and prizes available to reward academic excellence. During 2013.14 the College awarded £75k for this purpose.

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship and provides access to hardship schemes operated by the University. For the academic year 2013.14 the College awarded £18k in hardship loans and grants and provided £16k of free vacation residence.

A programme to encourage legacies to be made to the College is in place and annual fundraising campaigns focus on the provision of support for students suffering financial hardship.

Public benefit

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

The College admits as students those who have the highest potential to benefit from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College. In the case of both students and academic staff, recruitment is regardless of financial, social, religious or ethnic background:

- there are no geographical restrictions to those who may benefit from the College's aims and objects. Students and academic staff of the College are drawn from across the UK and internationally;

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- there are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and
- there are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

To raise educational aspiration and attract outstanding applicants who might not otherwise have considered applying to the college, the College operates an extensive outreach programme as part of University-wide initiatives to widen access. This programme is under the responsibility of the Senior Tutor and includes an extensive programme of visits by schools to the College, open days, admissions symposia for teachers as well as visits to schools and guidance and information on the College website for prospective applicants.

The College maintains an extensive library so providing a valuable resource for students and Fellows of the College. The College makes its library available to members of other Colleges and the University of Oxford more widely, external scholars and researchers, as well as local children from maintained and other schools as part of educational visits.

ACHIEVEMENTS AND PERFORMANCE

The academic year 2013.14 has been another year of change and continued success for Somerville. The recent increase in tuition fees continues to prompt applicants to be more pragmatic in their selections and students to demand more from their institutions. In many ways, this provides benefits for Oxford and Somerville. Nearly all high-demand Universities and many lower demand Universities are now charging tuition fees of £9,000 per year. Applicants are more focused on seeking value for money from their tuition fee expenditure and it is clear that Oxford offers more for those fees than almost any other UK University. Only the offering from Cambridge is comparable in the quality of personal tuition and attention that students can expect to receive. The University's Bursary support continues to be highly competitive, although the withdrawal of the National Scholarship Scheme meant that some fee waivers had to be reduced. Somerville plays its part in engaging in activities to encourage talented students from all backgrounds to apply to Oxford, and to reassure them of opportunities for financial support during their time here. The generous Moritz-Heyman Scholarship scheme continues to offer a powerful encouragement to all friends of Oxford to support students from low income families. Fundraising for student support across the University has been progressing and it is likely that the second tranche of the original donation (so, a further £25m, to be matched by an equal amount from University funds) will be released during 2014.15. All colleges subsidise the cost of teaching at Oxford and it will remain the case that only about half of the true costs are met from fees. The shortfall is covered by endowment income, conference and B&B business and, essentially from donations and legacies. At Somerville almost 30% of our students receive additional financial assistance, which is above the university average, and approximately 60% of our students come from state schools, which is also above the average for Oxford. Our Access and Communications Officer, Amy Croweller, moved on to another post in the summer of 2013. The role was split into a full-time communications post and a half-time Access Officer. We were fortunate enough to be able to recruit Louis Fletcher on an interim basis to the new half time Access Officer post. Louis had been a very active student helper and slotted into the new role very quickly and effectively. The level of access activity, which had increased sharply when Amy's role was created in 2011, continued to rise in 2013.14. Louis moved on from his temporary appointment in August 2014, handing over to Foteini Dimirouli, who has started in her new role with promising energy and charisma.

The Indira Gandhi Centre for Sustainable Development (IGC) had been established in 2012.13. As Somerville's activities in relation to India continue to evolve, a new over-arching entity based at Somerville, the Oxford India Centre (OIC), has emerged as a nexus for India-related research from across the University, connecting Oxford researchers with each other and with an academic and stakeholder network in India. The Oxford India Centre is a provisional title intended as a place-holder in case a major donor wishes to name the centre. Any permanent title using Oxford in the name would require the agreement of the University Council. The IGC will be a key component of the OIC. The OIC took on a more substantial form with the appointment

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of its first research director, Dr Alfred Gathorne-Hardy. Attempts to recruit a Director of Partnerships/Strategic Director of suitable standing and calibre have proved unsuccessful thus far. The first IGC scholars were all successful on their courses. One scholar completed an MSc and returned to India to put his skills to use in supporting sustainable development through his professional work, as envisaged by the scholarship scheme. Another scholar completed an MSc and was successful in applying for an MPhil. The third scholar was permitted to convert the MSc programme into the first year of an MPhil programme. Three new scholars were selected for 2014.15, including the first DPhil student to be supported by an Indira Gandhi scholarship. Fundraising for the building to house the OIC (and within it the IGC) continues.

The Global Ocean Commission (GOC), established at Somerville in 2011.12, continued its work and this culminated in the publication of the final report 'From Decline to Recovery: A rescue Package for the Global Ocean'. The report was launched at a high profile event in New York in June 2014. The GOC will continue to operate in Somerville at a reduced level of activity in 2014.15 and will probably complete its operations during this coming academic year.

Following the death of our most well-known alumna, Baroness Thatcher, in April 2013 the College accelerated plans for setting up a foundation to provide funding to allow students to study at Somerville and Oxford. The Margaret Thatcher Scholarships Trust will provide opportunities for students from all over the world who currently could not afford to come to Oxford to study in spite of meeting the academic entrance requirements. Somerville's Governing Body set up a Margaret Thatcher Scholarships Trust Committee to make policy proposals and guide the fundraising for this potentially transformative initiative. A silent-phase fundraising campaign was started in 2013.14 and a professional fund-raiser based in the USA has been recruited. It is hoped that this initiative will make a major contribution to what the College can offer to students in the future.

The College continues to have a very diverse Fellowship which is active in teaching and research. There is insufficient room to summarise the research of all our Fellows but some highlights, in no particular order, are given here. Emeritus Fellow Professor Marian Dawkins and Professorial Fellow Raj Thakker were elected to Fellowships of the Royal Society. In addition, Marian Dawkins was appointed CBE for services to animal welfare in January 2014. Dr Mason Porter, Tutorial Fellow in Applied Maths, was awarded the 2014 Erdős-Rényi Prize in network science. Dr Porter was also appointed Associate Editor of the journal IEEE Transactions on Network Science and Engineering. Professor Steve Simon, Tutorial Fellow in Physics, won an MPLS individual teaching award. Professor Sir Marc Feldman, Senior Research Fellow in Medicine, won a Canada Gairdner award and was made a Companion of the Order of Australia. 'Plant Conservation', a new book by Mr Timothy Walker, Stipendiary Lecturer in Plant Sciences, was published by Timber Press in January 2014. Dr Julie Dickson, Tutorial Fellow in Law, has signed a contract with OUP to write a book on methodology in jurisprudence to be titled 'Elucidating Law: The Philosophy of Legal Philosophy.' Dr Benjamin Owens, Junior Research Fellow in Medicine, won the TATA Idea Idol Business Plan competition. A number of Somerville's Fellows achieved notable success in winning highly competitive European Research Council (ERC) research grants in 2013.14. Professor Jennifer Welsh will run an ERC project in Oxford while she is based in Florence as visiting Professor at the European University Institute. Professor Jonathan Marchini and Dr Renier van der Hoorn were also successful in obtaining ERC funding and will lead major research projects over the next few years.

At the end of 2013.14, Dr Karin Erdmann, our Tutorial Fellow in Pure Maths, retired after many years of valued and selfless service to the College and to Mathematics. It is worth noting that The University of Oxford changed the default job title of academic positions to Associate Professor during 2013.14 so new Fellows will be referred to by professorial titles although this does not necessarily equate to the usage of the same form of address for Fellows appointed earlier. Somerville's new Pure Maths Tutorial Fellow will be Professor Dan Ciubotaru. Professor Ciubotaru has worked at MIT and the University of Utah and his research focuses on representation theory. We were also able to appoint a new Tutorial Fellow in Economics. Professor Guido Ascari takes up his Fellowship right at the end of 2013.14. Professor Ascari's research interests are in macro-economics, specifically looking at the modelling of trend inflation. Professor Ascari comes to Somerville from

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the University of Pavia in Italy. Thanks to a successful conclusion to our fund-raising campaign, we were able to appoint a Tutorial Fellow in French. The successful candidate was Dr Simon Kemp, Somerville's own Domus Fellow. Dr Kemp's research focuses on French novels of the 20th and 21st centuries. He also has a keen interest in Film.

In 2013.14 Somerville hosted twenty Two Junior Research Fellows, spanning an enormous range of academic disciplines, with high quality applicants and great competition for places. The presence of such a large, diverse and talented population of researchers contributes significantly to the Somerville College community and enables these early career researchers to build interdisciplinary links. Highlights of their work include designing a system to allow remote diagnosis and monitoring of Parkinson's disease using a smartphone; computational analysis of natural language; the sermons of John Donne; inflammatory bowel disease; representation theory of finite dimensional associative algebras and combinatorics; the influence of the Indian diaspora on the politics of India in the 1970s and phonological representations in the brain..

Somerville Fellows also played a key role within the collegiate university through their role in the Divisions and Departments and also through their membership of several key committees and working groups. The Principal serves on the Steering Group of Conference of Colleges and was made a Pro-Vice-Chancellor during 2013.14 and the Senior Tutor became deputy Chair of the Senior Tutors' Committee. College Officers play key roles on various Conference of Colleges committees, including the Admissions Executive, the committees of Estates Bursars, Domestic Bursars and College Librarians and many more.

The financial support received each year from donations and legacies is absolutely essential for the delivery of the essential service Somerville College provides as a world-class educational institution. With a modest endowment and reduced government funding toward the maintenance of the costly tutorial system, contributions from alumni and friends offer crucial support for core activities

It has been a record year for philanthropic donations to the College with £4,743,124 raised in legacies and cash gifts, the highest total raised in the last seven years. This is in part due to some exceptionally generous legacies left to the College. One legacy alone left by an alumna helped the College secure the matched funding offered by the University's Teaching Fund to endow the French Fellowship at Somerville. Another significant legacy totalling £900,000 was given for the unrestricted use of the College. We have plans to establish a Legacy Society to steward alumni who have made a bequest to the College and to further strengthen and develop this community. Another critical boost to the College's funds was a grant from the Government of India to endow postgraduate scholarships for Indian students at Somerville. This historic agreement allows the College to establish an India Centre for Sustainable Development which will be a hub for interdisciplinary research on the critical issues facing India and the world with impact themes ranging from food and water security to health and environmental conservation. The College continues to benefit from the generous support of almost one in five of our alumni. The 2013 Telethon raised an impressive £193,000 to support the College's core activities. 59% of those who spoke with our student callers decided to make a gift to Somerville. This year we introduced a new initiative to support the Telethon fundraising wherein a small leadership group of alumni created a Matched Fund to incentive participation which resulted in numerous new regular gifts. We plan to further develop this fund in coming years. Research has demonstrated that matched giving schemes are extremely effective in encouraging new and increased support.

Current focus for fundraising strategy at Somerville includes a number of ambitious non-alumni campaigns in the names of the most eminent Somervillian alumni. These campaigns will increase Somerville's profile on the international stage and make us even more attractive to the best undergraduate and postgraduate candidates and able to deliver the best possible financial support packages to our students.

FINANCIAL REVIEW

Financially the most significant features of the year were;

- a concerted effort to relieve pressure on unrestricted funds by taking more expenditure to unspent restricted funds where appropriate, with the overall objective of rebuilding the college's free reserves,

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- the receipt into our endowment funds of the second tranche of funding for the Indian Centre for Sustainable Development from the Government of India (£1.1m), and £0.3m as a restricted donation,
- a legacy of £1.4m from Patricia Norman, an alumna, into our endowment funds to be used to fund the teaching of humanities in general and modern languages in particular,
- an unrestricted legacy of £0.9m from Celia Clarke, an alumna, which was a major factor in the unrestricted surplus for the year, and therefore contributed significantly to rebuilding the college's free reserves.

The net inflow into unrestricted funds (before transfers) was £0.5m, with restricted funds breaking even. The year saw the reclassification of £0.9m from unrestricted endowment funds to unrestricted funds being the accumulated value of income held in those endowments dating back to before 2003 when the college moved away from the previous 'Franks accounts). Endowment funds increased by £3.3m to £50.3m after adjusting for that transfer.

Overall in the year to July 2014, net incoming resources across all funds were £4.8m. This compares with net incoming resources of £7.7m in the year to July 2013 (boosted by investment gains of £5.3m).

Reserves policy

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

Rebuilding the free reserves after a period of sustained capital investment has been a priority. As a result the College's free reserves at the year-end amounted to £0.5m (2013: £0). Free reserves represent retained unrestricted income reserves excluding an amount of £25.0m for the net book value of fixed assets, less associated funding arrangements.

Designated reserves at the year-end comprised £0.55m, being £0.5m set aside to help fund our plans for an Oxford India Centre building to be used in the first instance to cover any fall in conference income during the construction period and £0.05m to fund a new website in 2014.15.

Investment policy, objectives and performance

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

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

The investment strategy, policy and performance is monitored by the Finance Committee. At the year end, the College's long term investments, combining the securities, property and other investments, totalled £50.5m.

FUTURE PLANS

The College's future plans as agreed by the Governing Body are set out in the College Strategic Development Plan. The core elements of this are:

- To balance more effectively the complementary but often contradictory demands of teaching and research so that Fellows' research time is better resourced, and Fellows have the space to deliver high quality teaching,.

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- To refocus resources on the Fellowship and to reposition it at the centre of the college so that it becomes the expression and embodiment of the college's commitment to academic excellence and ambition,
- To raise the academic profile of our undergraduate and graduate students and to strengthen, through evolution and reinforcement, the culture of academic excellence and high expectation, and
- To improve the support we offer to our graduate students.

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

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 29th October 2014 and signed on its behalf by:

A Prochaska
Principal

SOMERVILLE COLLEGE

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

We have audited the financial statements of Somerville 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 29.

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 the 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 151 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.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report 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 in the course of performing the 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
- 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.

Crowe Clark Whitehill LLP

Statutory Auditor
London

Date: October 2014

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

SOMERVILLE COLLEGE
Statement of Accounting Policies
Year ended 31 July 2014

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Cash Flow Statement comprising the consolidation of the College and with its wholly owned subsidiary Somerville College Trading. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiary as included the consolidated income, expenditure and results of the College are disclosed in note 13.

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 without restriction as to utilization or for the general purpose of the College is credited to unrestricted funds.

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

5. Investment income

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

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

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

6. Expenditure

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

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

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

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

7. Leases

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

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

8. Tangible fixed assets

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

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

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
Leasehold properties	50 years or period of lease if shorter
Building improvements	10 - 30 years
Equipment	3 - 10 years

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

10. Investments

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

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

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

11. Stocks

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

12. Foreign currencies

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

13. Fund accounting

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

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

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

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

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

14. Pension costs

The costs of retirement benefits provided to employees of the College through the Universities Superannuation Scheme multi-employer defined pension scheme is accounted for as if it was a defined contribution scheme in accordance with the requirements of FRS 17. The College's contributions to this scheme and to the Somerville Group Personal Pension Plan are charged in the period in which the salaries to which the contributions relate are payable.

Somerville 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						
Teaching and research	1	6,898	0	0	6,898	6,475
		<u>6,898</u>	<u>0</u>	<u>0</u>	<u>6,898</u>	<u>6,475</u>
Resources from generated funds						
Legacies and donations		1,113	325	3,252	4,690	2,447
Trading income	2	856	0	0	856	659
Investment income	3	719	1,089	0	1,808	1,777
Bank and other interest	4	0	4	0	4	3
		<u>2,688</u>	<u>1,418</u>	<u>3,252</u>	<u>7,358</u>	<u>4,886</u>
Other incoming resources		2	7	0	9	55
Total Incoming Resources		<u>9,588</u>	<u>1,425</u>	<u>3,252</u>	<u>14,265</u>	<u>11,416</u>
RESOURCES EXPENDED						
Cost of generating funds						
Fundraising	5	519	41	70	630	645
Trading expenditure		57	0	0	57	49
Investment management costs		51	100	0	151	153
		<u>627</u>	<u>141</u>	<u>70</u>	<u>838</u>	<u>847</u>
Charitable activities						
Teaching, research and residential	5	8,405	1,274	0	9,679	8,928
Deficit (Surplus) on disposal of fixed assets		6	0	0	6	(774)
		<u>8,411</u>	<u>1,274</u>	<u>0</u>	<u>9,685</u>	<u>8,154</u>
Governance costs	8	43	0	0	43	44
Total Resources Expended		<u>9,081</u>	<u>1,415</u>	<u>70</u>	<u>10,566</u>	<u>9,045</u>
Net incoming/(outgoing) resources before transfers						
		507	10	3,182	3,699	2,371
Transfers between funds	17	925	0	(925)	0	0
Net incoming/(outgoing) resources before other gains and losses		<u>1,432</u>	<u>10</u>	<u>2,257</u>	<u>3,699</u>	<u>2,371</u>
Investment gains/(losses)		37	17	1,039	1,093	5,343
Net movement in funds for the year		<u>1,469</u>	<u>27</u>	<u>3,296</u>	<u>4,792</u>	<u>7,714</u>
Fund balances brought forward	17	14,455	2,937	46,954	64,346	56,632
Funds carried forward at 31 July	17	<u>15,924</u>	<u>2,964</u>	<u>50,250</u>	<u>69,138</u>	<u>64,346</u>

Somerville 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	24,963	23,653	24,963	23,653
Property investments	11	580	665	580	665
Securities and other investments	12	49,882	44,762	49,882	44,762
		75,425	69,080	75,425	69,080
CURRENT ASSETS					
Stocks		21	20	21	20
Debtors	14	747	739	1,100	929
Deposits and other short term investments		3,525	4,797	3,525	4,797
Cash at bank and in hand		930	1,431	70	1,092
		5,223	6,987	4,716	6,838
CREDITORS: falling due within one year	15	1,510	1,721	1,343	1,575
NET CURRENT ASSETS / (LIABILITIES)		3,713	5,266	3,373	5,263
TOTAL ASSETS LESS CURRENT LIABILITIES		79,138	74,346	78,798	74,343
CREDITORS: falling due after more than one year	16	10,000	10,000	10,000	10,000
NET ASSETS		69,138	64,346	68,798	64,343
FUNDS OF THE COLLEGE					
	17				
Endowment funds		50,250	46,954	49,915	46,954
Restricted funds		2,964	2,937	2,964	2,937
Unrestricted funds					
Designated funds		15,513	1,742	15,513	1,742
General funds		411	12,713	406	12,710
		69,138	64,346	68,798	64,343

The financial statements were approved and authorised for issue by the Governing Body of Somerville College
on:

Trustee: Alice Prochaska

Trustee: Andrew Parker

Somerville 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	23	<u>(563)</u>	<u>(1,139)</u>
Returns on investments and servicing of finance			
Income from investments		1,812	1,780
Finance costs paid		(268)	(198)
		<u>1,544</u>	<u>1,582</u>
Capital expenditure and financial investment			
New endowment capital received		3,252	1,960
Payments for tangible fixed assets		(1,516)	(2,692)
Proceeds from sales of tangible fixed assets		205	900
Payments for investments		(3,942)	(4,701)
Proceeds from sales of investments		0	0
		<u>(2,001)</u>	<u>(4,533)</u>
Management of liquid resources			
Net (additions to) / withdrawals from term deposits		519	851
		<u>519</u>	<u>851</u>
Financing			
New bank loans		0	3,075
		<u>0</u>	<u>3,075</u>
Increase/(decrease) in cash in the year		<u>(501)</u>	<u>(164)</u>
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash in the year		(501)	(164)
Transfers to/(from) term deposits and current investments		(1,272)	(851)
(Increase)/decrease in loan and lease finance		0	(3,075)
Change in net funds		<u>(1,773)</u>	<u>(4,090)</u>
Net funds at 1 August		(3,772)	318
Net funds at 31 July		<u>(5,545)</u>	<u>(3,772)</u>

Somerville College
Notes to the financial statements
For the year ended 31 July 2014

1 INCOME 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	1,488	0	0	1,488	1,348
Tuition fees - Overseas students	719	0	0	719	708
Other fees	154	0	0	154	140
HEFCE support	269	0	0	269	286
Other academic income	1,912	0	0	1,912	1,649
College residential income	2,356	0	0	2,356	2,344
	<u>6,898</u>	<u>0</u>	<u>0</u>	<u>6,898</u>	<u>6,475</u>

The above analysis includes £1,747k received from Oxford University under the CFF Scheme, net of College fees received directly (2012 - £1,529k)

2 TRADING INCOME

	2014 £'000	2013 £'000
Subsidiary company trading income	574	385
Other trading income	282	274
	<u>856</u>	<u>659</u>

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2014 Total £'000	2013 Total £'000
Commercial rent	24	36	0	60	33
Other property income	0	0	0	0	0
Equity dividends	516	783	0	1,299	1,270
Income from fixed interest stocks	80	121	0	201	252
Interest on fixed term deposits and cash	17	25	0	42	47
Other investment income	82	124	0	206	175
	<u>719</u>	<u>1,089</u>	<u>0</u>	<u>1,808</u>	<u>1,777</u>

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2014 Total £'000	2013 Total £'000
Bank interest	0	0	0	0	0
Other interest	0	4	0	4	3
	<u>0</u>	<u>4</u>	<u>0</u>	<u>4</u>	<u>3</u>

Somerville College
Notes to the financial statements
For the year ended 31 July 2014

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	399	198	33	630	645
Trading expenditure	1	24	32	57	49
Investment management costs	4	132	15	151	153
Total costs of generating funds	404	354	80	838	846
Charitable expenditure					
Teaching, research and residential	4,206	3,819	1,654	9,679	8,928
Deficit (Surplus) on disposal of fixed assets	0	0	6	6	(774)
Total charitable expenditure	4,206	3,819	1,660	9,685	8,154
Governance costs	24	19	0	43	45
Total resources expended	4,634	4,192	1,740	10,566	9,045

The College is liable to be assessed for Contribution under the provisions of Statute XV of the University of Oxford. The Contribution Fund is used to make grants and loans to colleges on the basis of need. Contribution is calculated annually in accordance with regulations made by the Council. The teaching and research costs include College Contribution payable of £17k (2012 - £17k).

6 SUPPORT COSTS

	Generating Funds £'000	Teaching Research & Residential £'000	Public Worship £'000	Heritage £'000	2014 Total £'000	2013 Total £'000
Financial and domestic admin	31	355	0	0	386	333
Human resources	0	69	0	0	69	65
IT	0	162	0	0	162	148
Depreciation	50	800	0	0	850	768
Loss/(profit) on fixed assets	0	6	0	0	6	(774)
Bank interest payable	0	268	0	0	268	198
Other finance charges	0	0	0	0	0	0
	81	1,660	0	0	1,741	738

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

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2014 Total £'000	2013 Total £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:				
Scholarships, prizes and grants	0	327	327	229
Bursaries and hardship awards	105	0	105	107
Grants to other institutions	0	0	0	0
	105	327	432	336

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

Somerville College
Notes to the financial statements
For the year ended 31 July 2014

8 GOVERNANCE COSTS

	2014	2013
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration - audit services	19	22
Auditor's remuneration - other services	0	0
Legal and other fees on constitutional matters	0	0
Other governance costs	24	23
	43	45

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

9 STAFF COSTS

	2014	2013
	£'000	£'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	4,156	3,963
Social security costs	327	301
Pension costs	462	434
Other benefits	182	339
	5,127	5,037

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

	2014	2013
Tuition and research	32	27
College residential	70	65
Fundraising	6	5
Support	1	1
Total	109	98

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

University Lecturers	17	17
CUF Lecturers	12	12
Other teaching and research	5	3
Other	5	7
Total	39	39

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

The following information relates to the employees of the College excluding the College Trustees. Details of the remuneration and reimbursed expenses of the College Trustees is included as a separate note in these financial statements. There were no employees (excluding the College Trustees) who during the year received gross pay and benefits (excluding employer NI and pension contributions) that were in excess of £60,000 (2013, nil).

Somerville College
Notes to the financial statements
For the year ended 31 July 2014

10 TANGIBLE FIXED ASSETS

Group	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost					
At start of year	10,521	17,028	0	1,817	29,366
Additions	0	1,483	0	141	1,624
Transfer from current asset investments	0	753	0	0	753
Disposals	0	(238)	0	(22)	(260)
At end of year	10,521	19,026	0	1,936	31,483
Depreciation					
At start of year	387	4,013	0	1,313	5,713
Charge for the year	209	464	0	183	856
On disposals	0	(37)	0	(12)	(49)
At end of year	596	4,440	0	1,484	6,520
Net book value					
At end of year	9,925	14,586	0	452	24,963
At start of year	10,134	13,015	0	504	23,653
College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and Machinery £'000	Fixtures, Fittings and Equipment £'000	Total £'000
Cost					
At start of year	10,521	17,028	0	1,817	29,366
Additions	0	1,483	0	141	1,624
Transfer from current asset investments	0	753	0	0	753
Disposals	0	(238)	0	(22)	(260)
At end of year	10,521	19,026	0	1,936	31,483
Depreciation					
At start of year	387	4,013	0	1,313	5,713
Charge for the year	209	464	0	183	856
At end of year	596	4,440	0	1,484	6,520
Net book value					
At end of year	9,925	14,586	0	452	24,963
At start of year	10,134	13,015	0	504	23,653

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

Somerville College
Notes to the financial statements
For the year ended 31 July 2014

11 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	2014 Total £'000	2013 Total £'000
Valuation at start of year	0	665	0	665	665
Additions and improvements at cost	0	0	0	0	0
Disposals net proceeds	0	0	0	0	0
Revaluation gains/(losses) in the year	0	(85)	0	(85)	0
Valuation at end of year	0	580	0	580	665

A formal valuation of the commercial property was prepared by Mr Craig Middleton MRICS of Cluttons LLP as at 31 July 2014.

12 SECURITIES AND OTHER INVESTMENTS

	2014 £'000	2013 £'000
Group investments		
Valuation at start of year	44,762	34,718
New money invested	4,073	4,825
Amounts withdrawn	0	0
Reinvested income	0	0
Investment management fees	(131)	(124)
(Decrease)/increase in value of investments	1,178	5,343
Group investments at end of year	49,882	44,762
Investment in subsidiaries	0	0
College investments at end of year	49,882	44,762

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2014 Total £'000	2013 Total £'000
Equity investments	10,475	13,772	24,247	24,407
Global multi-asset funds	875	0	875	857
Property funds	0	375	375	341
Fixed interest stocks	2,025	4,090	6,115	5,770
Alternative and other investments	11,912	6,017	17,929	13,029
Fixed term deposits and cash	0	341	341	358
Total group investments	25,287	24,595	49,882	44,762

Somerville College
Notes to the financial statements
For the year ended 31 July 2014

13 SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Somerville College Trading Limited, a company providing conference and other event services on the College premises.

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

	2014	2013
	£'000	£'000
Turnover	574	385
Expenditure	(532)	(353)
Donation to College under gift aid	(42)	(32)
Result for the year	0	0
Total assets	645	469
Total liabilities	(645)	(469)
Net funds at the end of year	0	0

14 DEBTORS

	2014	2013	2014	2013
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	176	246	56	120
Amounts owed by College members	98	35	98	35
Amounts owed by Group undertakings	0	0	480	321
Prepayments and accrued income	127	143	123	139
Other Debtors	246	215	243	214
Amounts falling due after more than one year:				
Loans	100	100	100	100
	747	739	1,100	929

15 CREDITORS: falling due within one year

	2014	2013	2014	2013
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	442	641	361	572
Amounts owed to College Members	0	0	0	0
Taxation and social security	191	179	145	135
College contribution	0	0	0	0
Accruals and deferred income	551	636	508	600
Other creditors	326	265	329	268
	1,510	1,721	1,343	1,575

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16 CREDITORS: falling due after more than one year

	2014	2013	2014	2013
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	10,000	10,000	10,000	10,000
	10,000	10,000	10,000	10,000

The bank loan consists of a £8M loan fixed for a 10 year period, plus a £2M with variable interest at 1% above LIBOR plus mandatory cost. The total £10M is repayable in 30 years.

17 FUNDS OF THE COLLEGE MOVEMENTS

	At 1 August 2013 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2014 £'000
Endowment Funds - Permanent						
1. Fellowship funding:						
Fellowship Endowment Fund	1,984	229			44	2,257
Indira Gandhi Fund	1,523	1,060			34	2,617
P. Norman Fellowship Fund	0	1,430			0	1,430
Other funds less than £500,000	791	100			18	909
2. Academic awards:						
Funds less than £500,000	953				21	974
3. Student support:						
Funds less than £500,000	498				11	509
4. Other funds:						
College Capital Fund	1,925				42	1,967
Total endowment permanent	7,674	2,819	0	0	170	10,663
Endowment Funds - Expendable						
1. Fellowship funding:						
Centenary Appeal Fund	601				13	614
E.P.A.Cephalosporin Fund	805			(25)	18	798
A & W Cobbe Fund Fund	3,070			(224)	68	2,914
L.Labowsky Fund 1992	674			(116)	15	573
Mitchell Fund	2,056			(88)	45	2,013
Carlisle & C.A.Lee Fund	664				15	679
Ernest Cook Fund	752				17	769
Mary Ewart Trust Fund	904				20	924
Rose Graham Fund	1,286				28	1,314
Daphne Osborne Fund	4,746				105	4,851
C. & D. Roaf Fund	1,022				23	1,045
Mary Snow Fellowship Fund	1,255				28	1,283
Mary Somerville Research Fund	817				18	835
Margaret Thatcher Fund	929		(70)		21	880
K & L Woolley Fund Fund	744				16	760
Wolfson Fund	564				12	576
	20,889	0	(70)	(453)	462	20,828
Other funds less than £500,000	4,298	0			95	4,393
	25,187	0	(70)	(453)	557	25,221
2. Academic awards:						
Janet Watson Fund	665				15	680
Other funds less than £500,000	3,219	2			71	3,292
	3,884	2	0	0	86	3,972
3. Student Support:						
Bursary Fund	1,639	67			36	1,742
Dame Emily Penrose Fund	633				14	647
Other funds less than £500,000	1,980	9			44	2,033
Margaret Thatcher Scholarship Trust	0	335			0	335
	4,252	411	0	0	94	4,757

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17 FUNDS OF THE COLLEGE MOVEMENTS cont.

	At 1 August 2013 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2014 £'000
Endowment Funds - Expendable						
4. Other funds:						
General Endowment Fund	1,611	17		(287)	36	1,377
Loan Repayment Fund	925			43	20	988
Carys Bannister Fund	956				21	977
C A Lee Fund	582			(115)	13	480
Other funds less than £500,000	1,883	3		(113)	42	1,815
	<u>5,957</u>	<u>20</u>	<u>0</u>	<u>(472)</u>	<u>132</u>	<u>5,637</u>
Total endowment funds, expendable	<u>39,280</u>	<u>433</u>	<u>(70)</u>	<u>(925)</u>	<u>869</u>	<u>39,587</u>
Total Endowment Funds	<u>46,954</u>	<u>3,252</u>	<u>(70)</u>	<u>(925)</u>	<u>1,039</u>	<u>50,250</u>
Restricted Funds						
Endowment income	2,699	1,425	(1,415)	0	18	2,727
ROQ Building project appeal	0	0		0		0
Other restricted funds	238	0	0		(1)	237
	<u>2,937</u>	<u>1,425</u>	<u>(1,415)</u>	<u>0</u>	<u>17</u>	<u>2,964</u>
Total Restricted Funds	<u>2,937</u>	<u>1,425</u>	<u>(1,415)</u>	<u>0</u>	<u>17</u>	<u>2,964</u>
Unrestricted Funds						
General funds:						
Unrestricted	12,713	9,588	(9,081)	(12,841)	32	411
Designated Funds	1,742			(1,197)	5	550
Fixed asset designated funds	0			14,963		14,963
	<u>14,455</u>	<u>9,588</u>	<u>(9,081)</u>	<u>925</u>	<u>37</u>	<u>15,924</u>
Total Unrestricted Funds	<u>14,455</u>	<u>9,588</u>	<u>(9,081)</u>	<u>925</u>	<u>37</u>	<u>15,924</u>
Total Funds	<u>64,346</u>	<u>14,265</u>	<u>(10,566)</u>	<u>0</u>	<u>1,093</u>	<u>69,138</u>

Transfers between funds of £925k represent the reclassification from unrestricted endowment funds to unrestricted funds being the accumulated value of income held in these endowments dating back to before 2003 when the College moved away from the previous "Franks" accounts.

18 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Fellowship Endowment Fund	A fund established for the purpose of building up a general endowment of official stipends.
Indira Gandhi Fund	A joint initiative between the University, the College and the Government of India, to provide graduate scholarships for students from India to study in Oxford on programmes relating to sustainable development.

Endowment Funds - Expendable:

Carys Bannister Fund	Established from a bequest, used to fund medicine.
Centenary Appeal Fund	An appeal established to mark the College's centenary, income currently used towards Tutorial Fellowship funding.
E.P.A.Cephalosporin	Established by gifts from the E.P.A.Cephalosporin fund to recognise Dorothy Hodgkin's association with the College, and used to fund Tutorial fellowship costs in medical, biological or chemical sciences.
A & W Cobbe Fund	Established from a bequest, used to fund tutorial costs in mathematics.
L.Labowsky Fund	Established from a bequest, used to fund a fellowship in English language & literature.
Mitchell Fund	A gift and subsequent legacy, the income to be used towards the stipend of a Tutorial Fellow in English, and thereafter for general purposes.
Carlisle & C.A.Lee Fund	A fund established from several bequests, income from which funds the cost of special leave by Tutorial Fellows.

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18 FUNDS OF THE COLLEGE DETAILS cont.

Ernest Cook Fund	Established by benefaction to endow a research fellowship in environmental studies.
Mary Ewart Trust Fund	A fund used to provide scholarships and travelling grants and to fund the stipend of a research fellowship
Rose Graham Fund	Established from a bequest, used to fund a fellowship in European or English History prior to 1700.
Daphne Osborne Fund	Established from a bequest, used to fund a fellowship in Physical and/or Biological Sciences
C. & D. Roaf Fund	Gifts used to support the study and teaching of Modern Languages
Mary Snow Fellowship	A gift used to contribute towards the stipend of a Tutorial Fellow in the Biological Sciences
Mary Somerville Res. Fund	A fund established from donations to cover the stipend of a Research Fellowship.
Margaret Thatcher	Established to fund the teaching of Chemistry and Law
K & L Woolley Fund	Established by a bequest, used to provide a Scholarship or Fellowship in near, Middle-East Mediterranean or Far East Archaeology
Wolfson Fund	A gift from the Wolfson Foundation used to endow a tutorial fellowship in the Natural Sciences.

Restricted Funds:

1. Permanent endowment income	Income generated from permanent endowment funds, available for current and future costs as restricted by the underlying endowment fund.
2. Expendable endowment income	Income generated from expendable endowment funds, available for current and future costs as restricted by the underlying endowment fund.
3. ROQ Building project appeal	Gifts and legacies received in connection with the College Appeal, for use in contributing towards the costs of new accommodation buildings on the Radcliffe Observatory Quarter

Designated Funds

Designated Other	Unrestricted Funds allocated by the Fellows for current and future costs of related to particular purposes.
Fixed Asset Fund	A New fund to reflect those funds invested in the College's fixed assets.

The General Unrestricted Funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College.

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	0	24,963	0	0	24,963
Property investments	0	0	0	580	580
Securities and other investments	925	0	0	48,957	49,882
Endowment investment in College	0	0	0	0	0
Net current assets	(514)	550	2,964	713	3,713
Long-term bank loan	0	(10,000)	0	0	(10,000)
	<u>411</u>	<u>15,513</u>	<u>2,964</u>	<u>50,250</u>	<u>69,138</u>

20 TRUSTEES' REMUNERATION

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

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

Trustees of the college fall into the following categories:

- The Principal
- Administrative Fellows
- Tutorial Fellows
- Professorial Fellows
- Additional Fellows

Six trustees (the Principal, the Treasurer, the Domestic Bursar, the Development Director, the Librarian and the Senior Tutor) work full time on management and fundraising.

Employed trustees, are eligible for college housing schemes. Four trustees live in houses owned by the college and have a deduction from salary as 'rent'. Others may be eligible for a housing allowance which is disclosed within the salary figures below. Ten trustees live in houses owned jointly with the college. Two such houses were bought during the year.

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20 TRUSTEES' REMUNERATION cont.

Some trustees receive additional allowances for additional work carried out as part time college officers, such as the Dean, the Dean of Degrees and the Archivist. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,183,439 (2012-13 £1,218,886). The total of pension contributions is £192,614 (2012-13 £187,931).

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 £
£1,000-£1999			1	412
£3,000-£3,999			1	3,769
£4,000-£4,999			1	4,276
£5,000-£5,999			1	5,585
£8,000-£8,999	1	8,120		
£9,000-£9,999	1	9,890	3	28,936
£10,000-£10,999	3	32,567	1	10,882
£11,000-£11,999			1	11,306
£12,000-£12,999			1	12,963
£13,000-£13,999	1	13,929		
£17,000-£17,999	2	34,485		
£19,000-£19,999	11	213,998	11	214,149
£20,000-£21,999			2	45,151
£22,000-£22,999	1	22,544		
£35,000-£35,999			1	35,805
£37,000-£37,999			2	74,845
£38,000-£38,999	1	38,436		
£40,000-£40,999			1	40,326
£41,000-£41,999			1	41,376
£43,000-£43,999			1	43,569
£46,000-£46,999	1	46,439		
£47,000-£47,999	1	47,914	1	47,832
£48,000-£48,999	1	48,795	1	48,167
£49,000-£49,999	9	446,310	8	394,194
£56,000-£56,999			1	56,643
£61,000-£61,999			1	61,392
£63,000-£63,999			1	63,124
£64,000-£64,999	1	64,028	1	64,218
£67,000-£67,999	1	67,672		
£71,000-£71,999	1	71,859		
£98,000-£98,999			1	97,897
£102,000-£102,999	1	102,896		
£106,000-£106,999	1	106,172		

5 trustees are not employees of the College and do not receive remuneration.

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

Trustee expenses

No fellow claimed any expenses for work as a trustee.

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21 PENSION SCHEMES

1. Schemes in operation

The College participates in two pension schemes on behalf of its staff:

- (i) The Universities Superannuation Scheme ("the USS"), a contributory defined benefit scheme and
- (ii) A group personal pension scheme operated by Friends Provident Life and Pensions Limited.

The USS is a contributory defined benefit scheme (i.e. it provides benefits based on length of service and pensionable salary) and is contracted out from the State Second Pension Scheme. The assets of USS are held in separate trustee-administered funds. The USS scheme is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Therefore, as required by the accounting standard FRS17 "Retirement Benefits", the College accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme 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.

2. Actuarial valuations

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

Date of valuation:	31/03/2011	<i>note a</i>
Date valuation results published:	15/06/2012	
Value of liabilities:	£35,344m	
Value of assets:	£32,434m	
Funding Surplus/(Deficit):	(£2,910m)	
Principal assumptions:		<i>note b</i>
Rate of interest (past service liabilities)	6.1% pa	
Rate of interest (future service liabilities)	6.1% pa	
Rate of interest (periods up to retirement)	-	
Rate of interest (periods after retirement)	-	
Rate of increase in salaries	4.4% pa	
Rate of increase in pensions	3.4% pa	
Mortality assumptions:		<i>note c</i>
Assumed life expectancy at age 65 (males)	23.7 yrs	
Assumed life expectancy at age 65 (females)	25.6 yrs	
Funding Ratios:		
Technical Provisions basis:	92.0%	
Statutory Pension Protection Fund basis:	93.0%	
"Buy-out" basis:	57.0%	
Estimated FRS17 basis	82.0%	
Recommended Employer's contribution rate (as % of pensionable salaries):	16.0%	
Effective date of next valuation:	31/03/2014	

Note a.

USS' actuarial valuation as at 31st March 2011 identified a funding deficit of £2,910m. The USS Joint Negotiating Committee has proposed, and USS has implemented with effect from 1st October 2011, a package of changes, including the admission of new members into a Career Revalued Benefits section. The changes are required to ensure the future sustainability of the Scheme. Further details about the changes may be reviewed on USS' website, www.uss.co.uk. After allowing for those changes, the actuary established a long term employer contribution rate of 12.6% of total pensionable salaries for the 2011/12 year, reducing over time. USS agreed with Universities UK, on behalf of all the employers participating in the scheme, to address the deficit by continuing the employer contribution rate at the previously agreed rate of 16% of total pensionable salaries (this being the rate paid by the employers since 1st October 2009) until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals. The actuary has certified that the additional contribution should eliminate the deficit by 31st March 2021.

Note b.

As the 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 to deliver the 2011 actuarial valuation. On that basis that 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 is based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes to market conditions.

Note c.

As noted above (note a.), the USS employer contribution rate required for future service benefits alone at the date of the valuation was 12.6% of total pensionable salaries. It was agreed that employers should continue to contribute at the previously agreed rate of 16% of total pensionable salaries (this being the rate paid by the employers since 1st October 2009) until 31st March 2017, following which the employers will pay an additional 2% of salaries in excess of the blended employer future service cost of accruals.

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3. Sensitivity of actuarial valuation assumptions

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

Assumption	Change in assumption	Impact on scheme liabilities
		US\$
Valuation rate of interest	increase/decrease by 0.5%	decrease / increase by £3.2bn
Rate of pension increases	increase/decrease by 0.5%	increase / decrease by £2.0bn
Rate of salary growth	increase/decrease by 0.5%	increase / decrease by £1.2bn
Rate of mortality	more prudent assumption (mortality)	increase by £0.8bn

4. Pension charge for the year

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

	2014	2013
	£k	£k
University Superannuation Scheme	292	283
Friends Provident GPPS	170	151
	<u>462</u>	<u>434</u>

22 TAXATION

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes. No liability to corporation tax arises in the College's subsidiary company because the directors of this company 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.

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

	2014	2013
	£'000	£'000
Net incoming resources for the year	3,699	2,371
Elimination of non-operating cash flows:		
- Investment income	(1,812)	(1,780)
- Endowment donations	(3,252)	(1,960)
- Financing costs	268	198
Depreciation	856	766
(Surplus)/loss on sale of fixed assets	6	(774)
Decrease/(Increase) in stock	(1)	(4)
Decrease/(Increase) in debtors	(8)	77
(Decrease)/Increase in creditors	(319)	(33)
(Decrease)/Increase in provisions	0	0
Net cash inflow/(outflow) from operations	(563)	(1,139)

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24 ANALYSIS OF CHANGES IN NET FUNDS

	2013 £'000	Cash flow £'000	2014 £'000
Cash at bank and in hand	1,431	(501)	930
Bank overdrafts	0	0	0
	<u>1,431</u>	<u>(501)</u>	<u>930</u>
Deposits and other short term investments	4,797	(1,272)	3,525
Bank loans due after one year	(10,000)	0	(10,000)
	<u>(3,772)</u>	<u>(1,773)</u>	<u>(5,545)</u>

25 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £194k (2013 - £194k).

26 RELATED PARTY TRANSACTIONS

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

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

The following trustee had loans outstanding from the College at the start and/or end of the year.

	2014 £'000	2013 £'000
B Thompson	<u>100,000</u>	<u>100,000</u>

Interest is charged on the above loans at 4% per annum. The loan is repayable within 10 years or on the departure of the trustee from the College if earlier.

The College has properties with the followings net book values owned jointly with trustees under joint equity ownership agreements between the trustee and the College.

	2014 £'000	2013 £'000
F Stafford	77	79
P West	127	130
A Sutherland	191	195
M Hayward	84	86
A Rogers	0	189
M Higgins	154	157
A Manuel	187	191
M Wood	190	194
C Hare	189	193
S Rayner	193	197
B Choubey	188	0
J Marchini	248	0

All joint equity properties are subject to sale on the departure of the trustee from the College. The trustees pay rent to the College on the College owned share of the properties at the assessed current market rate.

28 CONTINGENT LIABILITIES

There were no contingent liabilities at 31st July 2014.

29 POST BALANCE SHEET EVENTS

There were no events subsequent to 31st July 2014 that materially affect the understanding of these accounts.