



Annual Report and Financial Statements

Year ended 31 July 2015

Jesus College
Annual Report and Financial Statements
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JESUS COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2015

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 during the year or subsequently are detailed below, together with details of the committees where they are members. The College welcomes the appointment of Professor Sir Nigel Shadbolt as Principal following the retirement of Lord Krebs in July 2015.

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Professor Sir N. Shadbolt	Appointed 01/08/15	•	•	•	•	•	•	•	•
Lord Krebs	Retired 31/07/15					•	•	•	•
Professor P.N. Mirfield		•	•	•	•				
Dr P.D. McFadden	Deceased 06/15			•					
Professor K.M. Kohl									
Dr P.O. Daley		•							
Professor M. Brouard									
Dr D.N. Barron		•	•	•	•	•	•	•	•
Professor A. Dancer			•						
Dr S.G. White					•				
Dr A.J. D'Angour							•		
Professor P. Clavin			•						
Dr P. Kewes						•			
Dr S. Srinivas						•			
Professor J. Tilley			•						
Dr C. Warman						•			
Dr S. Aspden				•					
Professor G. Taylor		•							
Professor H.C. Godfray								•	•
Dr J. Magorrian									
Dr M. Turner									
Ms P.M. Roberts		•					•		•
Dr J. Oliver									
Dr A. Lumbers		•		•	•	•	•		•
Dr P. Esö			•		•				
Dr E. Anderson						•			
Dr R. Grenyer						•			
Professor G. Holländer									
Dr A. Gajda							•		
Dr S. Douglas					•				
Professor P. Riley							•		
Dr Y. Chen					•				
Mr P. Goffin			•	•					
Mr R. Baumann		•		•	•		•		•
Dr R. Evans									
Dr S. Morris									
Dr M. John									

JESUS COLLEGE

Governing Body, Officers and Advisers

Year ended 31 July 2015

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mrs R. Green					•				
Dr M. Crockett									
Dr K. Vincent						•			
Mr D. Stevenson	Appointed 21/08/14	•	•	•					•
Professor L. Enriques	Appointed 01/09/14								
Professor T. Coulson	Appointed 01/10/14								•
Professor R. Pierrehumbert	Appointed 13/07/15								
Dr A. Mogensen	Appointed 14/10/15								
Professor S. Dercon	Appointed 14/10/15								
Mr S. Woodward	Appointed 14/10/15	•	•	•	•	•	•	•	•
Professor D. Bradley	Appointed 04/11/15								
Other Non-Governing Body members		1	2	2	0	1	6	2	2

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

- (1) Accommodation, Catering and Conferences Committee
- (2) Estates Committee
- (3) Property Committee
- (4) Human Resources Committee
- (5) Academic Committee
- (6) Development Committee
- (7) Remuneration Committee
- (8) Risk and Audit Committee

As indicated above, a number of the committees have external members as follows:

Mr Robert Kay served as a member of the Accommodation, Catering and Conferences Committee.

During the year Mr Rory McLeod and Mr Andrew Moffat served as members of the Estates Committee. Subsequently, Mr Rory McLeod retired from the Committee and Mr Bob Yates and Mr Simon Pryke have been appointed to the Committee.

Mr James Edgar and Mr Dan Hunt served as members of the Property Committee.

Mr Stephen Walker, Ms Sarah Hendry, Mr Oliver Thomas, Ms Carole Souter, Mr Bob Yates, and Mr David Willis served as members of the Development Committee. Subsequent to the year-end Mr Bob Yates has retired from the Committee.

Ms Clare Matterson and Mr Andrew Jardine served as members of the Remuneration Committee.

Mr Mark Clarke and Mr John Dowty served as members of the Risk and Audit Committee.

COLLEGE SENIOR STAFF

As of the date of these accounts, the senior staff of the College to whom day to day management is delegated are as follows:

Prof Sir N. Shadbolt	Principal
Dr D. Barron	Vice-Principal
Mr S. Woodward	Estates Bursar
Mr R. Baumann	Director of Accommodation, Catering and Conferences
Mrs R. Green	Human Resources Director
Dr A. Lumbers	Academic Director
Mr D. Stevenson	Property Director
Ms P.M. Roberts	Development Director

JESUS COLLEGE
Governing Body, Officers and Advisers
Year ended 31 July 2015

COLLEGE ADVISERS

Investment managers

Legal & General Investment Management

One Coleman St

London, EC2R 5AA

Sandaire Investment Office

105 Wigmore Street

London, W1U 1QY

Auditor

Crowe Clark Whitehill

Aquis House

49-51 Blagrove Street

Reading

Berkshire, RG1 1PL

Bankers

Barclays Commercial Bank

4th Floor Apex Plaza

Forbury Road

Reading, RG1 1AX

Solicitors

Darbys Solicitors LLP

52 New Inn Hall Street

Oxford, OX1 2QD

Valuers

Smiths Gore

17-18 Old Bond Street

London, W1S 4PT

Deloitte LLP

Athens Place

66 Shoe Lane

London, EC4A 3BQ

JESUS COLLEGE
Governing Body, Officers and Advisers
Year ended 31 July 2015

College address

Jesus College
Turl Street
Oxford, OX1 3DW

Website

www.jesus.ox.ac.uk

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2015

The Members of the Governing Body present their Annual Report for the year ended 31 July 2015 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Jesus College, within the City and University of Oxford, of Queen Elizabeth's Foundation, was established by Letters Patent by Queen Elizabeth I in 1571. It is a registered charity (registration number 1137435).

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 5.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Governing Body consists of the Principal, the College's Tutorial Fellows, some of its Professorial Fellows, and the full-time and part-time College Officers. Members of the Governing Body are the charity's trustees; they are listed on pages 2 and 3 above. Tutorial Fellows are employees of the College, recruited and appointed in conjunction with the relevant University department. Each appointment is made on the recommendation of a committee constituted specifically for that particular appointment; this ensures the necessary expertise is available to advise the Governing Body. The membership of all such committees includes people external to the College. The Governing Body receives a report from the committee and, if satisfied with the report, proceeds to elect to a Fellowship. A Tutorial Fellow's responsibilities for the provision of undergraduate teaching are set out in the College's Statutes. Professorial Fellows are distinguished academics who hold positions in the University. All potential Professorial Fellows are elected by the Governing Body after it has given consideration to a report of an appointment committee. New Governing Body members receive training in their role as trustees from the Principal.

Tutorial Fellows are paid a salary by the College for carrying out their teaching and research duties. Details of their remuneration are provided elsewhere in this report. Recognising the potential conflict of interests, the College has a Remuneration Committee with external membership that recommends the levels of salaries and other benefits provided to members of the Governing Body having regard for the appropriate, established university salary levels.

The College's governing document is its Statutes, the terms of which are enforceable ultimately by the Visitor, the Right Honourable the Earl of Pembroke. The Statutes are made from time to time by order of Her Majesty in Council in accordance with the Royal Charter of 1571 and the Universities of Oxford and Cambridge Act 1923.

Organisational management

The Governing Body holds to itself the responsibilities for the direction of the College, for its administration and for the management of its finances and assets. The members of the Governing Body normally meet 11 times a year. The work of developing their policies and monitoring the implementation of these is carried out by a number of committees including:

- Accommodation, Catering and Conferences Committee (composition and functions as specified in Bylaw 10.8)
- Estates Committee (composition and functions as specified in Bylaw 10.6)
- Property Committee (composition and functions as specified in Bylaw 10.7)
- Human Resources Committee (composition and functions as specified in Bylaw 10.12)
- Academic Committee (composition and functions as specified in Bylaw 10.10)
- Development Committee (composition and functions as specified in Bylaw 10.16)
- Remuneration Committee (composition and functions as specified in Bylaw 10.15)
- Risk and Audit Committee (composition and functions as specified in Bylaw 10.9)

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2015

Group structure and relationships

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

The College has one wholly owned non-charitable subsidiary, Jesus Accommodation Limited, a dormant company. Subsequent to the year end, the company has commenced trading and will account for the conference and function activity of the College.

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

Risk management

The 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 with specialist knowledge who are external to the College. Policies and procedures within the College are reviewed by the relevant College committee, chaired by the Principal or Vice-Principal. Financial and investment risks are assessed by the Estates Committee; the Director of Accommodation, Catering and Conferences and department heads meet regularly to review health and safety issues; and academic matters are addressed by the Academic Director. 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, which has ultimate responsibility for managing any risks faced by the College, has constituted a Risk and Audit Committee to help it identify and control the major risks to which the College is exposed. A risk register has been established and responsibility for the management of the key risks resides with the College officers and their relevant committees, with the Risk and Audit Committee receiving periodic reports on the effectiveness of this. It is recognised that systems can provide only reasonable and not absolute assurance that major risks have been managed.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

Objects

The College's principal object is 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 or research.

The College also has as a charitable object, the provision of public worship. To this end, the College provides a chapel and employs a chaplain.

Public benefit

The Governing Body has satisfied itself that it has complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. The College remains committed to the aim of providing public benefit in accordance with its founding principles. Some of the ways in which it has achieved this in the past year are described below.

The College provides public benefit by offering higher education to its undergraduates. Undergraduate places are offered purely on the basis of academic merit. Financial support is available to undergraduates from the UK or the EU to assist them with the costs of tuition fees and living costs whilst at the College. This support is in addition to that available from the University of Oxford through the Oxford Bursaries scheme, in which the College also participates. In the past year the College spent a total of £112k (2014: £138k) in bursaries and hardship funding, and £529k (2014: £404k) in scholarships, prizes and grants. A number of graduate scholarships are also provided, often in conjunction with University awards. We have made commitments to increase this support in recent years, particularly in the humanities where funding is in particularly short supply. The grants and awards in 2014/15 reached £641k, an increase of 18% year on year.

The education of our undergraduates is furthered through the tutorial system, which provides for undergraduates to meet with their tutor on a regular basis. The tutor is responsible for their students' academic progress and pastoral care. The College also provides the College Library for students' use, as well as computing, accommodation, food and other facilities. On average, about 46% of the cost of running the College is met out of its endowment income.

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2015

Public benefit (continued)

The College provides support to its graduate student members by the provision of a Fellow as College Advisor, dedicated to supporting and monitoring their progress, as well as dealing with any pastoral issues. The College also advances the education of its graduate students by providing research grants to meet costs involved in undertaking research and presenting papers at conferences.

College members undertake research that the College supports in a number of ways. In particular, Junior Research Fellows are fixed-term appointments intended to enable early-career scholars to develop their research. The College also supports the research of its fellows by offering research grants and, where appropriate, sabbatical leave.

The College also provides public benefit by providing access to its library collections. In particular, unique material in our Celtic and Fellows Libraries is accessible to any researcher on application. The College's 140 medieval manuscripts are on deposit at the Bodleian Library where they can be consulted by interested researchers. The College's archives are also made available to all enquirers, and the College employs an Archivist to assist with such requests for information. Finally, the College has a policy of lending its material to Museums on request from exhibition curators. Several of the College's paintings and illuminated manuscripts have been lent to major exhibitions in recent years.

ACHIEVEMENTS AND PERFORMANCE

Activities and achievements during 2014/15

The College continues to provide financial support to students from low income backgrounds both through the Collegiate University's bursary scheme and through its own Access Bursaries. In addition, we continue to support undergraduate and graduate students in their studies by the provision of grants to cover, *inter alia*, the purchase of books, travel and research expenses. The College rewards academic excellence by means of scholarships, exhibitions and prizes. The College is particularly aware of the difficulties that many people aspiring to undertake graduate studies face in obtaining financial support and has therefore increased its efforts to collaborate with the University to provide graduate scholarships.

The College continues to place great importance on attracting applications from potential students from all backgrounds. We have now had our first Access and Career Development Fellow in post for a year. Dr Beth Mortimer organised events including a resident event for pupils from Pembrokeshire, a Law Taster Day and a Women in Science Taster Day. Excluding Open Days and Taster Days, over 400 pupils visited the College via school visits. Dr Mortimer had contact with just under 900 pupils via visits away from the College to schools (excluding HE Fairs), with a particular focus on schools in Wales under the new Seren Hubs set up by the Welsh Assembly. Via Dr Mortimer, the College engaged with 31 schools that had not had contact with the College in the previous five or more years.

31% of our students were awarded a first-class degree. In the 2014 Student Barometer survey, Jesus College was ranked the top Oxford college for overall satisfaction over the five-year period from 2010-2014. Three of our Fellows were awarded Oxford University Student Union Teaching awards: Professor Edward Anderson for Outstanding Tutor in MPLS; Professor Patricia Daley for Outstanding Supervisor in Social Sciences; Professor Timothy Coulson for Outstanding Supervisor in MPLS.

Over the last twelve months the achievements of the College's academic staff have been recognised by the award of a number of prestigious honours. For example, Professor Patricia Clavin was awarded the British Academy Medal for her book, *Securing the Work Economy: The Reinvention of the League of Nations 1920-1940*, and was awarded a Leverhulme Trust Major Research Fellowship; Professor Marion Turner was awarded a British academic Mid-Career Fellowship; Professor Tim Palmer was awarded a CBE and elected to the American Philosophical Society; Dr Eirik Bjorge (Shaw Foundation JRF in Law) was awarded the Gold Medal of the King of Norway; Dr Jen Perry (Guy Newton JRF in Biosciences) won the Christopher Barnard Award for Outstanding Contributions by a New Investigator 2015, awarded by the Association for the Study of Animal Behaviour; and Professor Peter Mirfield was admitted as an Honorary Bencher of Lincoln's Inn.

There have been many notable publications authored by College Fellows in the past year. For example, OUP published Dr Susan Doran's study, *Elizabeth I and her Circle*; Dr Dennis Duncan (JRF in English) *Theory of the Great Game: Writings from Le Grand Jeu*; Professor Pamela Sammons, *The Routledge International Handbook of Education Effectiveness and Improvement Research, policy and practice*.

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Report of the Governing Body

Year ended 31 July 2015

Activities and achievements 2014/15 (continued)

The College's students have also received recognition in a number of fields. For example, Richard Elliott (DPhil in Politics) won a parliamentary constitution preamble competition; Ffion Williams (Celtic MSt, Jesus) won the Drama Medal at the Urdd Eisteddfod in Caerphilly; Joseph Hone (DPhil English) received press attention after finding a manuscript revealing that Sir Isaac Newton had designed a medal for Queen Anne's coronation in 1702; and Anna East (Geography undergraduate) was awarded a large travel scholarship by the Royal Geographical Society to study the role of deep water coral reefs in Honduras.

The College continues to invest in the repair and upgrading of its property and infrastructure. Towards the end of the year, extensive repairs to, and decoration of, the first quad and Principal's Lodging commenced, including the overhaul of roof coverings and defective stone work. Boilers have been replaced as part of an on-going programme of improvements; and doors have been installed to the staircases in the second quad.

The College has continued its recent policy of investing significant sums in its infrastructure. Many of the houses on Ship Street have been refurbished, with the remaining rooms scheduled to be upgraded next summer. We finally found a cost-effective solution to the problem of providing wheelchair access to the Hall that is compatible with the historic buildings. Lifts that are set into the stone paving when not in use have now been installed in both First and Second Quads. This, combined with creating a ramp outside the main entrance on Turl Street has significantly improved access to our main site.

FINANCIAL REVIEW

The Statement of Financial Activities shows net incoming resources of £4.3m after transfers (2014: £4.2m), although this figure includes legacies and donations of £4.26m (2014: £3.9m). The net unrestricted income was £23k (2014: £555k). Last year's results included a gain of £348k from the sale of fixed assets.

Tuition fee income from UK and EU students, £1.45m, is up slightly on last year, £1.39m, reflecting the new tuition fee regime. Fee income from overseas students was also up marginally at £554k (2014: £547k). Total tuition and research income, excluding residential income, has risen by £64k, or 2.6%.

Residential income primarily comprises income received from College members and charitable conferences. Residential income from College members increased slightly this year from £2.14m to £2.25m. Conference and Function income increased to £1.6m (2014: £1.4m), reflecting the College's determination to use its assets as fully as possible out of term in support of its core educational activities.

Donation income reached a record high of £4.3m this year, representing a 9% increase on last year and a compound annual growth rate of 25.5% over the past 5 years. The College's alumni continue to make major contributions to the College's ability to support its teaching and research activities and to enhance the sporting and cultural as well as educational opportunities of its members. It is thanks to their generosity that the headline figure on the Statement of Financial Activities looks so encouraging, but it has to be remembered that most donations go into the College's endowment funds and it is only the income from this which is available to be spent.

Overall expenditure increased by £863k or 7.8% to £11.9m in 2014/15. The College's staff costs increased to £4.7m (2014: £4.5m). The 4% increase in payroll costs comprises primarily a 2% pay award, automatic annual pay increments, and additional staff recruited to support increased activity in development, catering services, conference and functions. Headline non-pay costs increased by £684k but in underlying terms the increase was only £336k, or 5%, because the costs in 2014 were offset by a £348k gain on the disposal of certain fixed assets. This increase primarily comprises a £110k backdated increase on payments to the Council following rent reviews on the Ship Street houses, £100k mainly on scholarships, prizes and grants and £157k increased maintenance costs following commencement of the major exterior repair project over the summer of the first quad in the College's Turl Street site.

Reserves policy

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

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2015

Reserves policy (continued)

The College's free reserves at the year-end amounted to £13.2m (2014: £11.8m), representing retained unrestricted income reserves excluding an amount of £12.7m for the book value of operating fixed assets. The Estates Committee has conducted a review of the financial risks facing the College in light of its investment portfolio and other financial risks, specifically the threat to some of its commercial rents if tenants move to the new Westgate Centre, and has concluded that this level of reserves is appropriate.

Designated reserves at the year-end include £207k (2014: £246k) in the Development Fund to be spent on supporting both new projects and a variety of current activities including bursaries and widening participation within a 12 to 18 month timescale. The Fabric Fund, created three years ago with an initial allocation of £500k has now been spent.

INVESTMENT POLICY, OBJECTIVES AND PERFORMANCE

Investment policies

The College makes investments with the aim of achieving a total return of inflation + 3.5%. This level of return has been achieved on an annualised basis over the past three years. The College invests in accordance with the following ethical principles:

The College expects all the companies in which it invests to abide by the relevant law. This includes both the law of the place where it has its headquarters and the law of the places where it carries out its operations. Where breaches are shown to have occurred, the College expects prompt and effective corrective action to be taken.

Where a portfolio company, to the College's knowledge, takes action which, whilst lawful, creates a significant risk of such severe reputational loss to the College that the achievement of its academic objectives is imperilled, the College will not seek to maintain its investment if there is no reasonable prospect of change in the company's behaviour.

The College invests in a number of asset classes, including public equities, commercial and agricultural property, government and commercial bonds, and private equity. Management of the endowment is overseen by the Estates Committee, although the equity part of the investment portfolio's management is delegated to external managers. An independent consultant is engaged to verify investment performance reports from external managers and custodian arrangements are kept under regular review.

The College reviews its investment policies and its policy on reserves periodically. On the basis of an analysis of the hypothetical impact on the College's income of periods of poor investment performance in the past, the recent level of reserves is considered adequate for normal circumstances. However, the Governing Body anticipates that there will be a significant reduction in rental income from 2016-18 that may last until the end of 2020. This reduction will occur as existing leases expire and if current tenants move to a redeveloped Westgate Centre and if, as a result, the College decides that the related shops need to be re-configured in order to match the needs of the current retail market. Although the timing of these events is uncertain, it seems highly likely that they will occur at some point. Consequently, the Governing Body decided that it needed to increase its reserves above the normal level to cope with this expected reduction in income. The current level of reserves £13.2m (2014: £11.8m) covers the unrestricted annual expenditure of £10.8m on a ratio of 1.2:1. Given the uncertainty over its commercial rents in both the short and medium term, retaining enough free reserves to cover slightly more than a year's worth of unrestricted expenditure is appropriate.

Last year the College decided in principle to move to a total return investment policy. This will enable the College to take investment decisions without the need to take account of income yields of asset classes, something that is particularly important given the recent decision to reduce the amount of high-yielding commercial property in the investment portfolio. The revised policy has not been applied to these accounts; the College intends to apply it with effect from 1 August 2015.

JESUS COLLEGE
Report of the Governing Body
Year ended 31 July 2015

Investment Report 2014/15

The gross figures for the performance of investments are as follows:

	Value at start of year	Value at end of year	Net additions / (disposals)	Income [‡]	Income yield	Total return
	A	B	D	C		
	£000s	£000s	£000s	£000s	%	%
Agricultural	28,304	29,480	(5)	514	1.8%	6.0%
Commercial, Industrial & Residential	65,654	61,450	-	3,424	5.4%	-1.2%
Equities, bonds & cash	83,490	91,421	2,699	1,617	1.9%	8.2%
Total	177,448	182,351	2,694	5,555	3.1%	4.4%

Income yield = $C / \{(A+B-D) / 2\}$

Total return = $\{(B-A-D) + C\} / A$

Figures for income yield and total return are approximate and do not take into account fees and other costs including the loan on Northgate House.

The agricultural portfolio has continued to perform well with further gains in capital value principally as a result of residential planning consent on a number of redundant farm buildings on the outskirts of Yeovil.

The comparatively lower performance of the commercial portfolio is caused by a reduction in valuation of Northgate House to reflect the impact of the Westgate Centre and the potential relocation of some of the tenants to this development. The College is currently considering a number of alternative options for the future of this property.

Equity and related returns for the financial year were encouraging, although it should be noted that the full effect of the recent volatility in equity markets following the well-publicised slowdown in China will not have been reflected in the valuation of these investments until after the year end.

Details of income are included in Note 3 Investment Income. Rents from the College's commercial properties were maintained at £3.4m. The College's void rate continues to be very low by national standards, although as discussed above, the College is aware of the risk of tenants in its Oxford retail properties moving to the redeveloped Westgate Centre when this opens, probably in 2017. Agricultural rents were also maintained at £514k in 2014/15, while there was an increase of 9% in income from equities to £1.5m, reflecting the increase in investment in this asset class.

On the basis that inflation remained flat over the year to July 2015, the total return required to meet the College's investment policy has been achieved. Details can be found in Notes 11 and 12.

[‡] Gross before management fees.

JESUS COLLEGE

Report of the Governing Body

Year ended 31 July 2015

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 2 December 2015 and signed on its behalf by:

Prof Sir N. Shadbolt
Principal

JESUS COLLEGE

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

Year ended 31 July 2015

We have audited the financial statements of Jesus College for the year ended 31 July 2015, 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 Report of 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 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 2015 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.

JESUS COLLEGE

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

Year ended 31 July 2015

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

Reading

Date: 2 December 2015

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

JESUS COLLEGE

Statement of Accounting Policies

Year ended 31 July 2015

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 Jesus Accommodation Limited. No separate SOFA has been presented for the College as permitted by paragraph 397 of the Charities SORP 2005.

2. Basis of accounting

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

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

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

4. Incoming resources from 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 directly to a designated fund and subject to review and planned distribution by the Development Committee each October in the following year.

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.

7. Leases

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

JESUS COLLEGE

Statement of Accounting Policies

Year ended 31 July 2015

8. Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings together with plant and machinery, and fixtures, fittings and equipment is reviewed on a case by case basis in conjunction with independent advisers to determine whether it is appropriate to capitalise and if so ascertain the correct period to depreciate the asset over. Costs, when capitalised, are 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	15 - 50 years
Leasehold properties, including land	25 - 50 years or period of lease
Building improvements	10 - 25 years
Equipment	10 - 15 years
Plant and Machinery	10 – 20 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.

Works of art and other valuable artefacts that can be regarded as inalienable are not included in the financial statements.

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, which comprise principally consumables, 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

JESUS COLLEGE

Statement of Accounting Policies

Year ended 31 July 2015

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 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.

Jesus College
Consolidated Statement of Financial Activities
For the year ended 31 July 2015

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	31/7/15 Total £'000	31/7/14 Total £'000
INCOMING RESOURCES						
Resources from charitable activities	1					
Teaching and research		5,816	-	-	5,816	5,414
Public worship		1	-	-	1	2
		<u>5,817</u>	<u>-</u>	<u>-</u>	<u>5,817</u>	<u>5,416</u>
Resources from generated funds						
Legacies and donations		207	268	3,784	4,259	3,912
Trading income	2	549	-	-	549	508
Investment income	3	5,012	543	-	5,555	5,404
Bank and other interest	4	1	-	-	1	1
		<u>5,769</u>	<u>811</u>	<u>3,784</u>	<u>10,364</u>	<u>9,825</u>
Total Incoming Resources		<u>11,586</u>	<u>811</u>	<u>3,784</u>	<u>16,181</u>	<u>15,241</u>
RESOURCES EXPENDED						
Cost of generating funds	5					
Fundraising		592	-	-	592	530
Trading expenditure		479	-	-	479	431
Investment management costs		272	-	270	542	651
Loan interest payable		1,048	-	-	1,048	1,089
		<u>2,391</u>	<u>-</u>	<u>270</u>	<u>2,661</u>	<u>2,701</u>
Charitable activities	5					
Teaching and research		8,412	753	-	9,165	8,264
Public worship		51	-	-	51	44
		<u>8,463</u>	<u>753</u>	<u>-</u>	<u>9,216</u>	<u>8,308</u>
Governance costs	8	15	-	-	15	20
Total Resources Expended		<u>10,869</u>	<u>753</u>	<u>270</u>	<u>11,892</u>	<u>11,029</u>
Net incoming resources before transfers		717	58	3,514	4,289	4,212
Transfers between funds	17	(694)	(25)	719	-	-
Net incoming resources before other gains and losses		<u>23</u>	<u>33</u>	<u>4,233</u>	<u>4,289</u>	<u>4,212</u>
Investment gains		227	-	1,982	2,209	8,097
Net movement in funds for the year		<u>250</u>	<u>33</u>	<u>6,215</u>	<u>6,498</u>	<u>12,309</u>
Fund balances brought forward	17	25,870	2,020	151,753	179,643	167,334
Funds carried forward at 31 July	17	<u>26,120</u>	<u>2,053</u>	<u>157,968</u>	<u>186,141</u>	<u>179,643</u>

Jesus College
Consolidated and College Balance Sheets
As at 31 July 2015

	Notes	31/7/15 Group £'000	31/7/14 Group £'000	31/7/15 College £'000	31/7/14 College £'000
FIXED ASSETS					
Tangible assets	10	12,676	13,632	12,676	13,632
Property investments	11	90,930	93,958	90,930	93,958
Securities and other investments	12	91,421	83,490	91,421	83,490
		<u>195,027</u>	<u>191,080</u>	<u>195,027</u>	<u>191,080</u>
CURRENT ASSETS					
Stocks		132	147	132	147
Debtors	14	1,832	1,530	1,834	1,532
Deposits and other short term investments	24	7,945	6,871	7,945	6,871
Cash at bank and in hand		1,768	737	1,768	737
		<u>11,677</u>	<u>9,285</u>	<u>11,679</u>	<u>9,287</u>
CREDITORS: falling due within one year	15	3,401	2,801	3,401	2,800
		<u>8,276</u>	<u>6,484</u>	<u>8,278</u>	<u>6,487</u>
NET CURRENT ASSETS					
		203,303	197,564	203,305	197,567
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS: falling due after more than one year	16	17,162	17,922	17,162	17,922
		<u>186,141</u>	<u>179,642</u>	<u>186,143</u>	<u>179,643</u>
NET ASSETS					
FUNDS OF THE COLLEGE					
	17				
Endowment funds		157,968	151,753	157,968	151,753
Restricted funds		2,053	2,020	2,053	2,020
Unrestricted funds					
Designated funds		12,895	14,114	12,895	14,114
General funds		13,225	11,755	13,227	11,758
		<u>186,141</u>	<u>179,642</u>	<u>186,143</u>	<u>179,643</u>

The financial statements were approved and authorised for issue by the Governing Body of Jesus College on 2 December 2015

Prof Sir N. Shadbolt

Mr S. Woodward

Principal

Estates Bursar

Jesus College
Consolidated Cash Flow Statement
For the year ended 31 July 2015

	Notes	31/7/15 Group £'000	31/7/14 Group £'000
Net cash outflow from operations	23	(2,664)	(2,866)
Returns on investments and servicing of finance			
Income from investments		5,555	5,405
Finance costs paid		(1,060)	(1,118)
		4,495	4,287
Capital expenditure and financial investment			
New endowment capital received		3,784	3,102
Payments for tangible fixed assets		(97)	(915)
Proceeds from sales of tangible fixed assets		-	353
Payments for investments		(3,461)	(9,995)
Proceeds from sales of investments		767	8,097
		993	642
Management of liquid resources			
Net additions to term deposits		(1,074)	(1,150)
		(1,074)	(1,150)
Financing			
Bank loans repaid		(719)	(678)
		(719)	(678)
Increase in cash in the year		1,031	235
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year		1,031	235
Transfers to term deposits and current investments		1,074	1,150
Decrease in loan and lease finance		719	678
Change in net funds		2,824	2,063
Net funds at 1 August	24	(11,033)	(13,096)
Net funds at 31 July	24	(8,209)	(11,033)

1 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	31/7/15 Total £'000	31/7/14 Total £'000
Teaching and research					
Tuition fees - UK and EU students	1,454	-	-	1,454	1,386
Tuition fees - Overseas students	554	-	-	554	547
Other HEFCE support	339	-	-	339	322
Other academic income	144	-	-	144	172
College residential income	3,325	-	-	3,325	2,987
	5,816	-	-	5,816	5,414
Public worship					
Chapel offerings	1	-	-	1	2
	1	-	-	1	2

The above analysis includes £1,737k received from Oxford University under the CFF Scheme, net of college fees received directly (2014: £1,669k).

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the College's share of fees waived amounted to £37k (2014: £27.5k). These are not included in the fee income reported above.

2 TRADING INCOME

	31/7/15 £'000	31/7/14 £'000
Non-charitable trading income	546	505
Other trading income	3	3
	549	508

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	31/7/15 Total £'000	31/7/14 Total £'000
Agricultural rent	514	-	-	514	528
Commercial rent	3,366	-	-	3,366	3,343
Other property income	58	-	-	58	54
Equity dividends	985	497	-	1,482	1,359
Income from fixed interest stocks	49	25	-	74	78
Interest on fixed term deposits and cash	40	21	-	61	42
	5,012	543	-	5,555	5,404

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	31/7/15 Total £'000	31/7/14 Total £'000
Bank interest	1	-	-	1	1
	1	-	-	1	1

5 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	31/7/15 Total £'000	31/7/14 Total £'000
Costs of generating funds					
Fundraising	303	225	64	592	530
Trading expenditure	198	210	71	479	431
Investment management costs	106	414	22	542	651
Loan interest payable	-	-	1,048	1,048	1,089
Total costs of generating funds	607	849	1,205	2,661	2,701
Charitable expenditure					
Teaching and research	3,366	3,812	1,987	9,165	8,264
Public worship	36	15	-	51	44
Total charitable expenditure	3,402	3,827	1,987	9,216	8,308
Governance costs	-	15	-	15	20
Total resources expended	4,009	4,691	3,192	11,892	11,029

The College is liable to be assessed for Contribution under provisions of Statute XV of the University of Oxford. The Contribution Fund is calculated annually in accordance with regulations made by the Council and is used to make grants and loans to colleges on the basis of need. The teaching and research costs include College Contribution payable of £157k (2014: £160k).

6 SUPPORT COSTS

	Generating Funds £'000	Teaching & Research £'000	Public Worship £'000	31/7/15 Total £'000	31/7/14 Total £'000
Financial and domestic admin	123	548	-	671	584
Human resources	17	148	-	165	164
IT	15	227	-	242	307
Depreciation	-	1,053	-	1,053	1,023
Profit on sale of fixed assets	-	-	-	-	(348)
Loan interest payable	1,048	-	-	1,048	1,089
Other finance charges	2	11	-	13	29
	1,205	1,987	-	3,192	2,848

Finance, 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 activity. Interest and other finance charges are attributed according to the purpose of the related financing. The loan interest of £1,048k relates to a long term loan that part-funds Northgate House, one of our investment properties.

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	31/7/15 Total £'000	31/7/14 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		240	289	529
Bursaries and hardship awards		82	30	112
		322	319	641
				542

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

8 GOVERNANCE COSTS

	31/7/15	31/7/14
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration - audit services	15	20
Auditor's remuneration - other services	-	-
	<u>15</u>	<u>20</u>

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

9 STAFF COSTS

	31/7/15	31/7/14
	£'000	£'000
The aggregate payroll costs for the year were as follows:		
Salaries and wages	3,870	3,698
Social security costs	259	255
Pension costs	586	583
	<u>4,715</u>	<u>4,536</u>

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

	31/7/15	31/7/14
Tuition and research	6	7
College residential	55	55
Public worship	1	1
Fundraising	5	5
Support	15	14
Total	<u>82</u>	<u>82</u>

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

University Lecturers	20	21
CUF Lecturers	10	10
Other teaching and research	7	8
Other	7	7
Total	<u>44</u>	<u>46</u>

The aggregate payroll costs for the year were £4.7m, £4m relating to income-generating functions and £0.7m for support functions. The College also benefits from temporary staff, agency workers and part-time external tutors who are not on the College payroll. The related costs were £435k in 2014/15 (2014: £402k). The increase mainly supported growth in conference and function activity. Details of remuneration and reimbursed expenses of the College Trustees is included as a separate note in these financial statements.

The following information relates to the employees of the College excluding the College Trustees.

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

£60,001-£70,000	-	1
	<u>-</u>	<u>1</u>

The number of the above employees with retirement benefits accruing was as follows:

In defined benefits schemes	-	1
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The College contributions to defined contribution pension schemes totalled	£0	£0
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10 TANGIBLE FIXED ASSETS

Group and College	Freehold land and buildings £'000	Leasehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	14,732	6,579	2,131	542	23,984
Additions	38	-	59	-	97
Disposals	-	-	-	-	-
At end of year	14,770	6,579	2,190	542	24,081
Depreciation					
At start of year	8,008	1,513	590	241	10,352
Charge for the year	675	179	143	56	1,053
On disposals	-	-	-	-	-
At end of year	8,683	1,692	733	297	11,405
Net book value					
At end of year	6,087	4,887	1,457	245	12,676
At start of year	6,724	5,066	1,541	301	13,632

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

11 PROPERTY INVESTMENTS

Group and College	Agricultural £'000	Commercial £'000	Other £'000	31/7/15 Total £'000	31/7/14 Total £'000
Valuation at start of year	28,304	64,485	1,169	93,958	96,404
Additions and improvements at cost	-	-	-	-	145
Disposals at carrying value	(5)	-	-	(5)	(7,392)
Revaluation gains/(losses) in the year	1,181	(4,320)	116	(3,023)	4,801
Valuation at end of year	29,480	60,165	1,285	90,930	93,958

A formal valuation of the agricultural properties was prepared by Gerald FitzGerald FRICS of Smiths Gore as at 31 July 2015. A formal valuation of the commercial and other properties was prepared by Philip Parnell FRICS of Drivers Jonas Deloitte as at 31 July 2015. In September 2015, the College sold Bury St Edmunds, part of Blenheim Industrial Estate, for £1.35m. Also, in August 2015, the College sold its share of 17 Argyle Street held in joint equity with Dr A Gajda at book value of £175k. These disposals realised a small surplus over their carrying value at year end.

12 SECURITIES AND OTHER INVESTMENTS

	31/7/15 £'000	31/7/14 £'000
Group investments		
Valuation at start of year	83,490	71,049
New money invested *	3,461	9,850
Amounts withdrawn *	(762)	(705)
(Decrease)/increase in value of investments	5,232	3,296
Group investments at end of year	91,421	83,490
Investment in subsidiaries	-	-
College investments at end of year	91,421	83,490

* 2014 figures were restated to now exclude recirculated investments that were already part of the College's investment portfolio with our fund managers.

Group investments comprise:	Held outside	Held in	31/7/15	31/7/14
	the UK	the UK	Total	Total
	£'000	£'000	£'000	£'000
Equity investments	28,958	5,207	34,165	29,798
Global multi-asset funds	5,225	46,525	51,750	48,630
Property funds	-	1,159	1,159	1,052
Alternative and other investments	3,230	340	3,570	3,738
Fixed term deposits and cash	-	777	777	272
Total group investments	37,413	54,008	91,421	83,490

At year end, the uncalled commitments to the above Alternative and Other Investments were approximately £1.4m.

13 SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in Jesus Accommodation Limited, a dormant company as at 31 July 2015. With effect from 1 August 2015 the subsidiary commenced trading, running the conference and function activity of the College.

14 DEBTORS

	31/7/15 Group £'000	31/7/14 Group £'000	31/7/15 College £'000	31/7/14 College £'000
Amounts falling due within one year:				
Trade debtors	611	510	611	510
Amounts owed by College members	238	135	238	135
Amounts owed by Group undertakings	-	-	2	2
Prepayments and accrued income	672	859	672	859
Other Debtors	311	26	311	26
	1,832	1,530	1,834	1,532

Jesus College
Notes to the financial statements
For the year ended 31 July 2015

15 CREDITORS: falling due within one year

	31/7/15	31/7/14	31/7/15	31/7/14
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	760	719	760	719
Trade creditors	738	685	738	684
Amounts owed to College Members	154	101	154	101
Taxation and social security	447	258	447	258
College contribution	157	155	157	155
Accruals and deferred income	934	563	934	563
Other creditors	211	320	211	320
	3,401	2,801	3,401	2,800

16 CREDITORS: falling due after more than one year

	31/7/15	31/7/14	31/7/15	31/7/14
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	17,162	17,922	17,162	17,922
	17,162	17,922	17,162	17,922

	31/7/15	31/7/14	31/7/15	31/7/14
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Total borrowings are repayable as follows:				
In one year or less	760	719	760	719
In two to five years	3,532	3,332	3,532	3,332
After five years	13,630	14,590	13,630	14,590
	17,922	18,641	17,922	18,641

At 31 July 2015, there were borrowings totalling £17,922k relating to 13-21 Cornmarket St., Oxford (2014: £18,641k). Interest on the bank loan is payable at a fixed rate of 5.369%. The loan is repayable over 20 years and matures in April 2028.

Jesus College
Notes to the financial statements
For the year ended 31 July 2015

17 COLLEGE FUNDS' MOVEMENTS

	At 1 August 2014 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Reval Gains / (losses) £'000	At 31 July 2015 £'000
ENDOWMENT FUNDS - PERMANENT						
Bursary and Hardship Funds	1,254	2	-	-	57	1,313
Cultural sporting and Travel Funds						
P.W. Dodd Fund	699	-	-	-	32	731
Other cultural sporting and travel	668	-	-	-	30	698
General Purposes						
Old Estate inc Leoline Jenkins	89,629	-	(260)	-	4,345	93,714
Meyricke Endowment	14,635	-	-	-	668	15,303
Other general purposes	2,049	-	-	-	94	2,143
Building & Infrastructure (A E Stevens)	3,358	-	-	-	153	3,511
Other Specific Endowments	130	-	-	-	6	136
Scholarships, Prizes & Awards Funds	2,853	35	-	-	132	3,020
Teaching & Research Funds						
Zeitlyn	4,507	-	-	-	206	4,713
Other Teaching & Research Funds	3,782	102	-	-	173	4,057
ENDOWMENT FUNDS - EXPENDABLE						
Northgate House	21,322	-	(10)	719	(4,225)	17,806
College Pension Fund	1,429	-	-	-	65	1,494
John Walsh History Fellowship	1,342	7	-	-	61	1,410
Wm & M Elton Davies Fund	1,291	(7)	-	-	59	1,343
H Morag English Fellowship	-	1,200	-	-	-	1,200
Other Teaching & Research Funds	2,805	2,444	1	-	126	5,376
Total Endowment Funds	151,753	3,784	(269)	719	1,982	157,968
RESTRICTED FUNDS						
Bursary and Hardship Funds	564	126	(82)	1	-	609
Cultural, Sporting and Travel Funds	51	32	(40)	-	-	43
Building & Infrastructure	10	126	(99)	(28)	-	9
Other Specific Funds	85	9	(32)	-	-	62
Scholarships, Prizes & Awards Funds	552	109	(92)	2	-	571
Teaching & Research Funds	758	389	(388)	-	-	759
College Pension Fund	-	20	(20)	-	-	-
Total Restricted Funds	2,020	811	(753)	(25)	-	2,053
UNRESTRICTED FUNDS						
General	11,755	10,983	(10,002)	262	227	13,225
Fixed asset	13,632	-	-	(956)	-	12,676
Fabric Fund	237	-	(237)	-	-	0
Annual Fund	234	207	(234)	-	-	207
Other (incl. Chapel)	12	-	-	-	-	12
General Purposes						
Meyricke Endowment	-	347	(347)	-	-	-
Other General Purposes	-	49	(49)	-	-	-
Total Unrestricted Funds	25,870	11,586	(10,869)	(694)	227	26,120
TOTAL FUNDS	179,645	16,181	(11,891)	-	2,209	186,141

18 COLLEGE FUNDS' DETAILS

The following is a summary of the origins and purposes of each of the Funds. Only funds which have a capital value in excess of £675,000 are separately identified.

Endowment Funds - Permanent:

Bursary and Hardship Funds	A consolidation of gifts, donations and bequests where income, but not capital, can be used for student support, hardship or bursaries.
P.W. Dodd Fund	Capital balance consisting of the residue of the estate of P.W. Dodd (decd. 20th May 1931), where related income, but not the original capital, can be used to assist Undergraduates to travel abroad for "general broadening of the mind" rather than formal study.
Other Cultural sporting and travel	A consolidation of gifts, donations and bequests where income, but not capital, can be used for cultural, sporting and travel purposes.
Old Estate inc Leoline Jenkins	A consolidation of donations, gifts and bequests forming the original endowment together with monies left in the will of Sir Leoline Jenkins dated 12 June 1685, former Principal, which brought together his estate and monies given or bequeathed to him by Francis Mansell, former Principal, and Doctor William Basset, which together are collectively referred to as the Old Estate. The income only can be used for the General Purposes of the College.
Meyricke Endowment	A bequest made by Edmund Meyricke, a former Fellow, in 1713 under which the income, but not the capital, can be used for the General Purposes of the College.
Other General Purposes	A consolidation of gifts, donations and bequests where income, but not capital, can be used for the General Purposes of the College.
A E Stevens	A gift to the College under a Deed of Appointment dated 25 June 1975 under which the income, but not the capital, shall be applied to improvement and extension of the functional buildings of the College.
Other Specific Endowments	A consolidation of gifts, donations and bequests where income, but not capital, can be used for the Various Specific purposes of the College.
Scholarships, Prizes & Award Funds	A consolidation of gifts, donations and bequests where income, but not capital, can be used for the provision of scholarships, prizes and awards.
Zeitlyn	Under the will of Myrtle Henriette Zeitlyn made on 24 July 1997, the College was the residuary beneficiary of her Estate. The income but not the capital can be used to support three Fellowships in perpetuity: in Law, in French and in Medicine. On 16 April 2010 it was agreed that one of the Fellowships endowed be changed from Law to Modern History.
Other Teaching & Research Funds	A consolidation of gifts, donations and bequests where income, but not capital, can be used for teaching and research purposes.

Endowment Funds - Expendable:

Northgate House	The College had the opportunity to purchase 13-21 Cornmarket in December 2001. It was determined that the property was to be funded in part by the proceeds arising from a compulsory purchase and in part by a mortgage to be funded out of income from the property and endowment. The capital repayments are added to the endowment to increase the overall value. Income and capital arising from the property is to be used for the General Purposes of the College.
College Pension Fund	Statute XVIII establishes the requirement to make provision for pension costs. In response to this the College Pension Fund was established whereby income contributes to the cost to the College of pension contributions to the Universities Superannuation Scheme, USS, and the Oxford Staff Pension Scheme OSPS.
Wm & M Elton Davies Fund	A bequest made by WM & M Elton Davies for the establishment of a fund to support bursaries for undergraduates.
John Walsh History Fellowship	A consolidation of gifts, donations and bequests where income can be used for teaching and research purposes.
H Morag English Fellowship	English Fellowship supported by Victor Wood, named in memory of his wife.
Other Specific Funds	A consolidation of gifts, donations and a bequest under which income can be used for teaching and research or in the case of one Fund the General Purposes of the College.

Restricted Funds:

Ship St Centre Fund	Gifts and donations given to fund the conversion of the Ship St Centre and to replace any monies borrowed from the endowment.
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Designated Funds:

Fixed asset designated	Unrestricted Funds, which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes.
Fabric Fund	Unrestricted Funds allocated for the upkeep and maintenance of College properties.
Annual Fund	Unrestricted Donations to the College Development Fund allocated by the Fellows the Annual Fund for disbursement in the year following donation for both new projects and existing areas of expenditure.

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	Restricted Funds £'000	Endowment Funds £'000	2014/15 Total £'000
Tangible fixed assets	12,676	-	-	12,676
Property investments	-	-	90,930	90,930
Securities and other investments	8,130	-	83,292	91,422
Net current assets	5,314	2,053	909	8,276
Creditors falling due after one year	-	-	(17,162)	(17,162)
	<u>26,120</u>	<u>2,053</u>	<u>157,968</u>	<u>186,141</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 possible, these salaries are paid on external scales and often are joint arrangements with the University of Oxford.

In order to avoid conflicts of interest, recommendations concerning remuneration, both of individual Fellows and in general, are made by an independent Remuneration Committee, the membership of which agreed by the Governing Body, includes a non-remunerated Fellow, an Old Member and a retired Estates Bursar from another College.

Trustees of the College fall into the following categories:

- Professorial Fellows
- Tutorial fellows both CUF and UL

Up to end of July 2015, there were six trustees including the Principal, Academic Director, Development Director, Director of Accommodation Catering and Conferences, Human Resources Director and Property Director who worked full time on management and fundraising.

Some trustees, particularly Tutorial Fellows are eligible to participate in the College joint equity scheme. Three trustees live in accommodation owned by the College and pay 'rent' or forego the housing allowance. Others may be eligible for a housing allowance, which is disclosed within the salary figures below. Eight trustees live in houses owned jointly with the College.

Some trustees (e.g. the Vice Principal, Estates Bursar and Academic Dean) receive additional allowances for additional work carried out as part-time college officers. These amounts are included within the remuneration figures below. The total remuneration and taxable benefits as shown below is £1,517k (2014: £1,527k). The total pension contributions element is £204k (2014: £248.5k).

Jesus College
Notes to the financial statements
For the year ended 31 July 2015

Remuneration paid to trustees: Range	2014/15		2013/14	
	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £	Number of trustees/fellows	Gross remuneration, taxable benefits and pension contributions £
£0	2	-	3	-
£1 - £999	5	4,660	6	4,392
£2000 - £2999	-	-	1	2,256
£3000 - £3999	1	3,415	-	-
£12000 - £12999	1	12,279	-	-
£14000 - £14999	-	-	1	14,150
£18000 - £18999	-	-	1	18,959
£19000 - £19999	-	-	1	19,664
£20000 - £20999	-	-	1	20,127
£21000 - £21999	1	21,960	2	42,164
£22000 - £22999	1	22,742	2	45,420
£23000 - £23999	4	94,027	2	47,152
£24000 - £24999	5	122,982	7	172,409
£25000 - £25999	8	203,657	1	25,592
£28000 - £28999	-	-	1	28,636
£29000 - £29999	-	-	1	29,950
£37000 - £37999	-	-	1	37,867
£38000 - £38999	1	38,929	-	-
£48000 - £48999	-	-	1	48,305
£49000 - £49999	1	49,328	1	49,604
£50000 - £50999	-	-	1	50,316
£51000 - £51999	-	-	1	51,581
£52000 - £52999	2	105,255	-	-
£53000 - £53999	1	53,118	-	-
£54000 - £54999	-	-	1	54,326
£55000 - £55999	1	55,547	2	110,117
£56000 - £56999	2	112,655	-	-
£57000 - £57999	1	57,673	-	-
£61000 - £61999	-	-	1	61,964
£64000 - £64999	1	64,309	-	-
£65000 - £65999	-	-	1	65,493
£66000 - £66999	1	66,048	-	-
£72000 - £72999	1	72,687	-	-
£73000 - £73999	-	-	2	146,329
£78000 - £78999	1	78,511	-	-
£79000 - £79999	-	-	1	79,934
£80000 - £80999	1	80,529	-	-
£82000 - £82999	1	82,213	-	-
£84000 - £84999	-	-	1	84,763
£103000 - £103999	-	-	1	103,318
£112000 - £112999	-	-	1	112,219
£114000 - £114999	1	114,498	-	-
Total	44	1,517,023	46	1,527,008

All trustees, together with other senior employees, are eligible for private health insurance as part of their package of remuneration.

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

Trustee expenses

Two Fellows were paid travel expenses in relation to College investments. The total cost was £4.3k (2014: £2.7k).

21 PENSION SCHEMES

1. The pension schemes

The College participates in two principal pension schemes for its staff - the Universities Superannuation Scheme ("the USS") and the University of Oxford Pension Scheme ("the OSPS"). Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and final pensionable salary) and are contracted out from the State Second Pension Scheme. The assets of USS and OSPS are each held in separate trustee-administered funds.

Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, in accordance with the accounting standard FRS17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the 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.

However, in OSPS, the amount of any pension funding shortfall in respect of any withdrawing employer will be charged to that employer. The College has also made available NEST for individual employees not eligible for OSPS or USS.

2. Actuarial valuations

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

	USS	OSPS
Date of valuation:	31/03/2014	31/03/2013
Date valuation results published:	24/07/2015	23/06/2014
Value of liabilities:	£46.9bn	£597m
Value of assets:	£41.6bn	£424m
Funding surplus / (deficit):	(£5.3bn) ^a	(£173m) ^b
Principal assumptions:		
Investment return	5.2% ^c pa	-
Rate of interest (periods up to retirement)	-	4.4% pa
Rate of interest (periods after retirement)	-	4.4% pa
Rate of increase in salaries	RPI + 1%pa ^d	4.5% pa
Rate of increase in pensions	CPI pa ^d	4.4% pa
Mortality assumptions:		
Assumed life expectancy at age 65 (males)	24.2 yrs	22.5 yrs
Assumed life expectancy at age 65 (females)	26.3 yrs	25.2 yrs
Funding Ratios:		
Technical provisions basis	89%	71%
Statutory Pension Protection Fund basis	82%	69%
Buy-out ^e basis	54% ^e	44%
Estimated FRS17 basis	72% ^e	75%
Recommended employer's contribution rate (as % of pensionable salaries):	18% ^e	21.5%, increasing to 23.5% ^f
Effective date of next valuation:	31/03/2017	31/03/2016

Notes:

- a. USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 will be calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members will accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a.; member contributions will be 8% of salary; a defined contribution benefit for salary in excess of the salary threshold at the total level of 20% of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section of which the first 1% of salary is to be matched by the employer. Further details about the changes may be reviewed on USS' website, www.uss.co.uk. For the period up to 1 April 2016 the employer deficit contribution will be 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% pa of Salaries for the period from 1 April 2016 to 31 March 2031. On the assumptions made and once the salary threshold and defined contribution section are introduced this gives rise to deficit contributions of at least 2.1% pa of salaries.
- b. OSPS' actuarial valuation as at 31 March 2013 identified a required long-term employer contribution rate of 20.1% of total pensionable salaries, but also a funding deficit of £173m. The University of Oxford, 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 this increase being implemented over the three years to 1 August 2017. The actuary has certified that the additional contribution should eliminate the deficit by 30 June 2026.
- c. USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years.
- d. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% pa less an inflation risk premium) less RPI/CPI gap of 0.8% pa.
- e. As noted above (note a) the USS employer contribution rate is 18% of salaries from 1 April 2016. Prior to that date it is 16% of salaries. The total employer contributions include provisions for the cost of future accrual of defined benefits (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards DC benefits including employer matching contributions and certain investment management costs relating to the DC section.
- f. As noted above (note b), the OSPS employer contribution rate required for future service benefits alone at the date of the valuation was 20.1% of total pensionable salaries. It was agreed that employers increase their contribution rate by 0.5% each year to 1 August 2017 to 23.5%.

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 USS liabilities
Initial discount rate	increase / decrease by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	increase / decrease by 0.25%	decrease / increase by £1.1bn
RPI inflation	increase / decrease by 0.1%	increase / decrease by £0.8bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn

Assumption	Change in assumption	Impact on OSPS liabilities
Valuation rate of interest	increase / decrease by 0.5%	decrease / increase by £63m
Rate of pension increases	increase / decrease by 0.5%	increase / decrease by £41m
Rate of salary growth	increase / decrease by 0.5%	increase / decrease by £13m
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £20m

4. Pension charge for the year

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

Scheme	2014/15 £'000	2013/14 £'000
Universities Superannuation Scheme	274	323
University of Oxford Staff Pension Scheme	303	251
Other Schemes - contributions	10	9
Supplementation payments	-	-
Total:	586	583

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 exclusively to charitable purposes. No liability to corporation tax arises in the College's subsidiary company as it is dormant.

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

	31/7/15 £'000	31/7/14 £'000
Net incoming resources for the year	4,290	4,212
Elimination of non-operating cash flows:		
- Investment income	(5,555)	(5,405)
- Endowment donations	(3,784)	(3,102)
- Financing costs	1,060	1,118
Depreciation	1,053	1,023
(Surplus)/loss on sale of fixed assets	-	(348)
Decrease/(Increase) in stock	15	10
Decrease/(Increase) in debtors	(302)	(42)
(Decrease)/Increase in creditors	559	(332)
Net cash outflow from operations	(2,664)	(2,866)

24 ANALYSIS OF CHANGES IN NET FUNDS

	31/7/15 £'000	Cash flow £'000	31/7/14 £'000
Cash at bank and in hand	1,768	1,031	737
	<u>1,768</u>	1,031	737
Deposits and other short term investments	7,945	1,074	6,871
Bank loans due within one year	(760)	(41)	(719)
Bank loans due after one year	(17,162)	760	(17,922)
	<u>(8,209)</u>	<u>2,824</u>	<u>(11,033)</u>

Deposits and short-term investments of £7.9m represents a mixture of cash relating to unspent accumulated income on restricted funds, endowment donations pending longer term investment and excess general reserves which is invested in high interest deposit accounts with well established UK banks.

25 FINANCIAL COMMITMENTS

	31/7/15 £'000	31/7/14 £'000
At 31 July the College had annual commitments under non-cancellable operating leases as follows:		
Land and buildings		
- expiring in over five years	150	144
	<u>150</u>	<u>144</u>

Following rent reviews with Oxford City Council, annual rates increased from £52k to £73k in one of the buildings.

26 CAPITAL COMMITMENTS

The College had no contracted commitments at 31 July 2015 for future capital projects (2014: £nil)

27 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 of trustees are disclosed separately in these financial statements.

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

	31/7/15 £'000	31/7/14 £'000
Dr S Aspden	143	129
Dr S Douglas	207	188
Dr A Gajda	175	163
Dr P Kewes	134	122
Dr S Srinivas	106	96
Dr G Taylor	143	129
Dr M Turner	175	159
Dr J Oliver	<u>202</u>	<u>183</u>
	1,285	1,169

All joint equity properties are subject to sale on the departure of the trustee from the College.

28 CONTINGENT LIABILITIES

There are no material contingent liabilities at the balance sheet date (2014: £nil)

29 POST BALANCE SHEET EVENTS

In September 2015, the College sold Bury St Edmunds, part of Blenheim Industrial Estate, for £1.35m. Also, in August 2015, the College sold its share of 17 Argyle Street held in joint equity with Dr A Gajda at book value of £175k. These disposals realised a small surplus over their carrying value at year end.