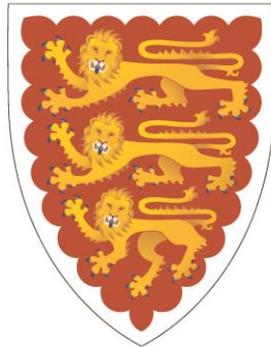


Oriel College



Trustees' Annual Report & Financial Statements

Year ended 31 July 2015



Registered charity number: 1141976

Contents

Objects and Activities	
• Charitable objects	page 2
• Public Benefit statement	page 2
Achievements and Performance 2014/15	
• Academic performance	page 2
• Outreach and admissions	page 4
• Extra Curricular Activities	page 4
• Development	page 5
• Buildings	page 5
• Domestic Bursar's report	page 6
Financial Review	
• Treasurer's report	page 7
• Investment Policy, Objectives and performance	page 7
• Risk management	page 9
• Reserves Policy	page 9
Legal and administrative Details	
• Corporate Status	page 9
• Governing Body	page 10
• Recruitment and training of trustees	page 10
• Organisational Management	page 11
• Officers and Advisers	page 13
Statement of Accounting and Reporting Responsibilities	page 15
Auditor's Report	page 16
Accounting Policies	page 17
Consolidated Statement of Financial Activities	page 20
Consolidated and College Balance Sheets	page 21
Consolidated Cashflow Statement	page 22
Notes to the Financial Statements	page 23

ORIEL COLLEGE

Report of the Governing Body

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.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

Today the College exists to promote undergraduate education within the University of Oxford and also to promote research and advanced study. The College also provides accommodation, advice and resources to graduate students of the University. The principal objects agreed by the Governing Body are:

- Providing a University education in a college conducted in accordance with the traditions of its foundation
- The advancement of education and learning and the promotion of research
- The advancement of public education, heritage and culture, in particular by the maintenance of articles of historic or aesthetic interest, and the conservation of the College and its grounds
- Other charitable purposes for the benefit of the public

The College's objects as approved by the Charity Commission are those in the Founding Charter of 1326 and summarized as:

'A college of scholars studying sacred theology, civil and canon law and useful knowledge'

The College has various permanently endowed trust funds held for special purposes in connection with the maintenance and development of College facilities and for scholarships, bursaries, prizes and other educational purposes.

Public Benefit

The College provides public benefit in accordance with its founding principles and in 2014/15 spent over £8m providing teaching and research.

The Charities Act 2011 states that there must be an identifiable benefit or benefits arising from the work of all charities and such benefits must be to the public or a section of the public. The Governing Body confirms that it has taken note of the Charity Commission's guidance on public benefit and the advancement of education when reviewing the College's aims and objectives and in planning future activities.

The students and academic staff of the College are the primary beneficiaries being directly engaged in education and research. The College provides higher education to graduates and undergraduate students in conjunction with Departments and Faculties of the University of Oxford. The tutorial system underpins the teaching at Oriel. Tutorials are held at least once a week with groups of two to three students discussing a topic in depth with a Fellow of the College or a college lecturer. As well as the members of the College (students and academics) there are many other beneficiaries of the Oriel's educational resources. These include visiting students, visiting academics and researchers from worldwide educational institutions and members of the public.

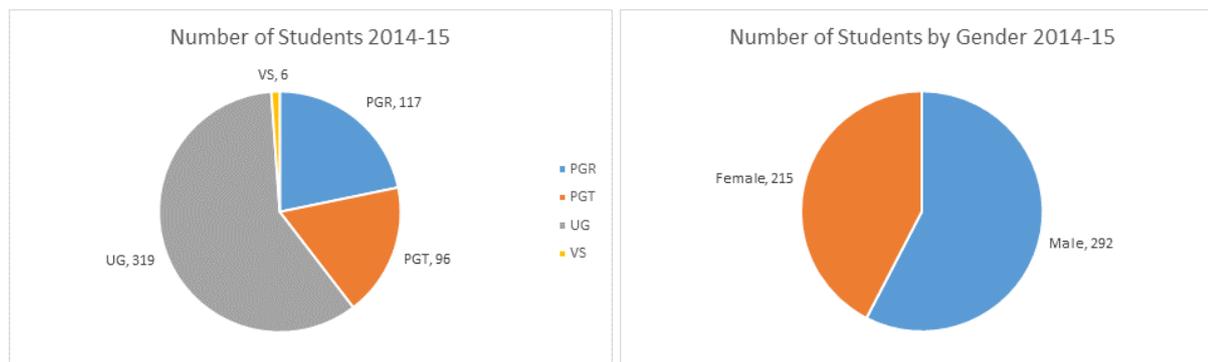
Review of Achievements and Performance against Principal Objects

Advancement of Education and Learning and the Promotion of Research

319 undergraduate (2014; 305) and 186 graduate (2014; 176) students were in residence during the year. Of the graduate population 69 were taking taught courses and 117 undertaking research. In addition the College accommodated 6 visiting students (2014: 5) from Columbia, Notre Dame, Montpellier and Princeton Universities. Graduates represent a significant part of the College's contribution to the educational activities of the collegiate university and to the intellectual and social life of the College. We continue to improve facilities made available for graduate students and this year created a permanent study centre adjacent to the Middle Common Room.

ORIEL COLLEGE

Report of the Governing Body



Undergraduate results were the best for several years. 32% of students achieved a First during final examinations. Outstanding results were achieved in Engineering, Computer Science, English, and Classics & Modern Languages. In the First Public Examinations undertaken 26% achieved Distinctions. Strong performances were achieved in Chemistry and Classical Archaeology and Ancient History. Seven undergraduates received University Prizes for their achievement. So far this academic year, 24 DPhil students have successfully completed their doctorates.

Advanced Academic Activity

- Professor Annette Volging was elected as a Fellow of the British Academy in July 2015 in recognition of outstanding research in the humanities and social sciences
- Junior Research Fellow Dr. Aarti Jagannath was awarded a prestigious L'Oréal-UNESCO UK & Ireland For Women In Science Fellowship in June 2015
- Professorships were awarded to Dr. Richard Scholar and Dr. Bernardo Cuenca Grau
- Dr. Felix Leach, College Lecturer in Engineering, was awarded the Richard Way Memorial Prize for best PhD Thesis in Engine Research submitted in 2014.
- Professor Richard Scholar co-edited a new book, *Caribbean Globalizations, 1492 to the Present Day*, with former Oriel Fellow Dr Eva Sansavior, published by Liverpool University Press in March 2015.
- Professor Gonzalo Rodriguez-Pereyra's book, *Leibniz's Principle of Identity of Indiscernibles*, was published by Oxford University Press in August 2014.
- Professor Teresa Morgan's monograph, *Roman Faith and Christian Faith*, was published by Oxford University Press in May 2015.
- Junior Research Fellow Dr. Adrastos Omissi was awarded a British Academy Postdoctoral Fellowship in the autumn of 2014.
- Mathematics Fellow Dr Kobi Kremnitzer and his research group has received a major grant from the Engineering and Physical Sciences Research Council to fund their project on 'Symmetries and Correspondences'.

Student Financial Support

The College contributed £106k towards Oxford Opportunity Bursaries for undergraduate students. The College continued its support of an undergraduate from the developing world by participating in the Reach Oxford scheme under which it pays college and university fees. Junior members contribute to a fund to cover living costs so the student is fully funded for his or her course in Oxford. Generous prizes (funded by the Oriel

ORIEL COLLEGE

Report of the Governing Body

Society) were awarded for the best performances by undergraduates in First Public Examinations in addition to the College prizes awarded for first class results in all public examinations.

Financial assistance grants totalling £36,000 were awarded to students. Additional grants were made to students with exceptional needs and also to enable students to avoid taking paid work during vacations to concentrate on their studies.

The grants given by the College to students to enable travel abroad totalled £23,000 in the year. These bursaries were awarded to students to assist with the costs of travel related to the pursuit of their academic objectives. Around 50 students benefited from applying and then receiving grants in the year (the average amount awarded was £450).

Outreach and Admissions

The College's outreach programme supports potential applicants from schools and areas that are currently under-represented at the University. Oriel organised over one hundred outreach events throughout the past academic year, including a Year 12 residential programme, Exploring Oxford Days, Teachers' Conference, school visits, applying to Oxford workshops and school-organised parent evenings. A similar programme of events will take place over the 2015-16 academic year. The College is proud to support the Pathways programme, a collaborative project run across almost all colleges with support from the Sutton Trust. The College's Outreach Officer organises the Year 10 events and is one of the Pathways coordinators.

Extra Curricular Activities

The College supports its students in cultural and sporting activities which form an essential part of the educational experience in Oxford. A number of Blues awards were obtained during the year, the college's first eight retained its position as Head of the River in the Summer Eights and the Torpid VIII gained four places to reach second position. Students of the College continue to shine in dramatic and theatrical productions as part of the Oxford University Dramatic Society (OUDS). The Music Society continued to thrive holding concerts during the year in the Senior Library and the Holywell Music Rooms.

Strategic Objectives

The College's overarching strategic aim is to maintain and enhance its standing within the University of Oxford as a world-class college in the context of a world-class university. By 2026, the 700th anniversary of the foundation, the twofold aim is to have secured the financial resources and significantly improved the facilities in support of teaching, scholarships and research; and to maintain and develop the historic buildings to provide appropriate residential accommodation, teaching, research and social facilities for the twenty first century.

Starting in January 2014 the Provost commenced a strategic review of the College. The aims of this are to agree a future strategy, setting out medium-term goals and priorities, and how the College will respond to changing events and opportunities.

Ultimately the agreed strategy will:

- underpin budget, staffing and investment decisions;
- guide any decisions about future size and shape;
- refresh the College's academic strategy;
- inform external communications and outreach work;
- support the engagement of potential donors;
- prioritise future building projects into a coherent plan;

And assist in:

- identifying and managing risks to the College;
- our response to external events

ORIEL COLLEGE

Report of the Governing Body

Development

In August 2012 the College launched a new fundraising campaign, Phase Two of the 2026 Campaign, seeking to raise £25 million in new gifts and pledges by 31st July 2017, and overseen by the Development Director, Mr Sean Power. Since Phase Two of the 2026 Campaign was launched over £18.5 million has been raised in new gifts, pledges and legacy income, towards the £25 million target.

This year has been another successful year for Oriel in terms of fundraising. Over £2.4 million has been raised in non-legacy new gifts and pledges.

Major Donations

Major donations have proved essential to the success of fundraising efforts this year. A total of 24 organisations or individuals have made gifts of £10,000 or more between 1st August 2014 and 31st July 2015, compared to 23 last year. This included a pledge of £1.2 million to support the tutorial fellowship in Physics. Those who donate £20,000 or more to the College over their lifetime are admitted to the membership of the Raleigh Society; those who give over £100,000 are admitted to the Provost's Court. There are currently 173 members of the Raleigh Society.

Gifts made in Wills

Legacies continue to provide an important source of funds for Oriel. All those who formally pledge a legacy to the College are invited to join the Adam de Brome Society. There were 21 new legacy pledges made this year, bringing the total of known pledges to 286. This year almost £300,000 has been received by the College in legacy gifts.

Encouraging Wider Support

In March this year we ran our tenth telephone campaign, calling 535 former students of the College which raised £176,000 over five years. This year 17% of Orielenses made a donation to the College.

In 2012 the 1326 Society was established to encourage regular giving to the College. Full Members give £1,326 a year, Young Members give £132.60 a year. Since its launch in October 2012, 196 people have joined (66 of which are Young Members).

The results reflect both the fundraising strategy implemented by the Development Office, and the long term investment in the legacy programme and donor engagement. The Campaign Board met twice during the year and gives overall support and strategic direction. The Development Committee of fellows and alumni continues to oversee the fundraising effort on behalf of the Governing Body and provides advice and other direct assistance to the Development Director and his team.

Specific aims remain the further development of the College site and facilities; increased funding to enable Oriel to continue to attract the best fellows and lecturers; further endowment of bursaries; and other support for undergraduate and graduate students so they can be admitted purely on merit irrespective of their own financial resources.

Buildings and Facilities

The College has acquired a property in Rectory Road Oxford which is being developed to provide couples accommodation for graduate students and/or junior academic staff.

The refurbishment of 40 student rooms and installation of 12 new rooms in the Rhodes Building was completed at the start of the academic year. In Hilary Term a new teaching centre came into use comprising two large seminar rooms and two smaller teaching rooms. Most of this new accommodation is fully accessible following access works to the main entrance and installation of a lift. The accommodation now includes 2 rooms that are equipped for disabled living.

Allies and Morrison, Architects, were appointed following a design competition to work with the College on a major project to replace the kitchen, provide a new servery, access to the major social spaces of the College and a new flexible social area adjacent to the Hall and current College bar. It is intended to make a planning application in 2016.

ORIEL COLLEGE

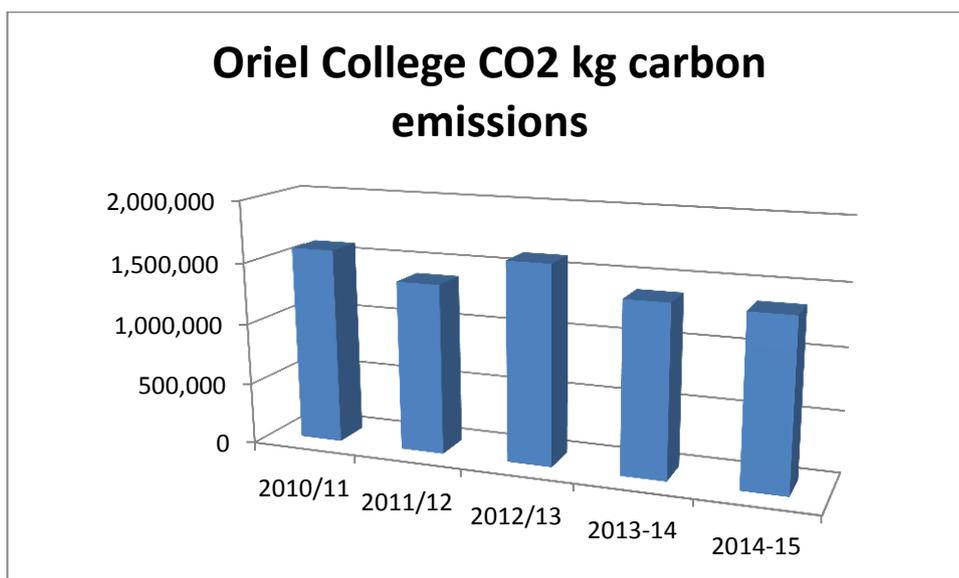
Report of the Governing Body

Carbon Reporting and Energy Usage

The College takes its carbon footprint very seriously. A number of measures have been implemented in recent years to save energy and reduce the carbon footprint. This has included energy saving measures such as installation of:

- New boilers
- Secondary glazing
- Energy efficient lighting
- Energy efficient showers

Much work on our historic buildings is still to be done. However, the graph below indicates the CO2 kg usage of the College declining on average over the last five years (from 1.531m kg 2010-12 to 1.456m kg (2013-15))



In addition much work has been undertaken over the last five years to monitor water usage and reduce water wastage. Total water usage in to March 2014 was 16,706 cubic metres compared to 17,124 the previous year, a reduction of 2.5%. The work has involved discussions with suppliers to ensure accurate reporting, reviews of spikes of usage to ensure that leaks are investigated.

Domestic Bursar's Report

The conference turnover for 2014/15 amounted to £1,360k which is another positive yearly result. The Rhodes building accommodation was ready for the beginning of the 2014/15 academic year with the teaching rooms becoming available in the first quarter of 2015. The bedrooms and the teaching rooms have been a great success with a great deal of positive feedback. These facilities will help the conference business grow over the next few years and will enhance our commercial position in the open market.

The College continues with the soft refurbishment of student staircases to improve the student living experience. In 2014/15 one staircase was refurbished consisting of eight bedrooms and four living rooms. In 2015/16 a further two staircase refurbishments are planned to be undertaken.

An in-depth food survey was completed with Senior Common Room, Junior Common Room (Undergraduate) and Middle Common Room (Graduate) input. This has led to a review of the student food provision which has been implemented with positive feedback. The food survey emphasised some of the limitations with the current servery and this has helped in the planning for the kitchen refurbishment project (The Brewhouse Yard project). In addition the student and SCR meal booking system was replaced in Michaelmas term 2014. The new system has proved popular, is user friendly and allows new legislation guidance on allergens to be notified to kitchen staff ahead of meals being eaten.

ORIEL COLLEGE

Report of the Governing Body

Other Charitable Activity

The College is open to guided tours and individual visitors at specified times. A number of film crews were hosted during the year. Most were making documentary programmes featuring research of fellows although the College has been used as a filming location for both the Lewis and Endeavour ITV television series during the year.

The College has been pleased to continue its association with St Clements School in which it provides facilities for the operation of a Forest School at Bartlemas.

The choir continued to flourish under the direction of Dr David Maw, Director of Music, and toured Malta in the spring of 2015.

The College was pleased to participate in the Oxford Open Doors weekend in September 2014, receiving over 1,500 visitors on the Sunday of the event with visitors viewing the normally closed areas of the Champneys Room and the Box room. Feedback has been extremely positive.

FINANCIAL REVIEW

Treasurer's Report

The income and expenditure account on page 20 indicates total income for the year at £12.02m (2014: £13.44m) and total expenditure £10.3m (2014: £9.23m) giving an operating surplus of £1.72m (2014: £4.2m). After a gain on investments of £3.6m (2014: £2.81m) the net movement in funds is £5.3m (2014: £7.01m).

Investment income of £4.02m (2014: £4.82m) on a gross asset base of £84.47m (2014: £78.31m) gave a gross yield of 4.8% (2014: 6.2%).

The College kept the draw on the endowment to the long term maximum of 3.5%, measured over a rolling five year period. Endowment funds have increased by just over 7% from £59.7m to £63.9m.

Desktop valuations based on market data and the advice of the College's property agents of the properties have been undertaken in 2015 following the external valuations of the prior year.

Both Oxford and South London property markets continue to perform strongly. The lease negotiations with the occupier of the property owned by the subsidiary, Tean Limited, have been greatly protracted with the 2014/15 valuation retained in the accounts although it is anticipated an uplift will be achieved once a new lease is signed (with a reduced income yield).

In a challenging external environment a balanced budget has been set for 2015/16. This assumes a continued draw of 3.5% from endowment funds. The draw £1.9m is reviewed annually by the College's Investment Advisory Committee and ratified by the Finance & Estates Committee as prudent and an appropriate balance between current needs and protection of future value.

Investment Policy, Objectives and Performance

Endowment assets are invested in land and property, equities, fixed income securities and cash deposits. Land and property investments increased in value to £40.15m from £37.5m following the desktop valuations undertaken in July 2015.

Investment in securities were valued at £44.32k (2014: £40.81m). The cash balances at year end amounted to £1.18m (2014: £3.42m) as shown in the consolidated balance sheet.

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

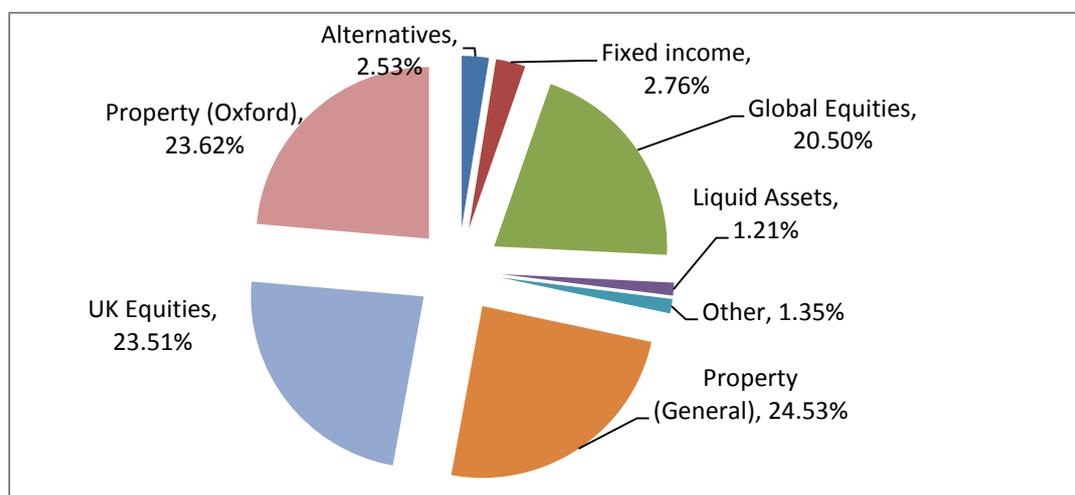
ORIEL COLLEGE

Report of the Governing Body

- producing consistent and sustainable funds to support expenditure
- delivering these objectives within acceptable levels of risk

The medium term strategy is to reduce exposure to property and increase investment in global equities. Baillie Gifford was appointed as a fund manager alongside Sarasin Partners in July 2013 with a global equities mandate. The asset allocation is reported and reviewed at each meeting by the Investment Advisory Committee.

The current asset allocation is represented below:



Note: Oxford property includes strategic assets adjacent to the College which are being held for the long term.

Returns from most of the property portfolio continue to be strong and rent reviews have been favourable (particularly within the South London holdings).

The College employs Cambridge Associates LLP to undertake quarterly investment performance reviews as an independent consultant. The reports are discussed by the Investment Advisory Committee and each fund manager present to the Committee at least annually. The fund managers are benchmarked against the recognised indices. The performance of the main investment funds and the relevant benchmark is detailed in the table below:

The table above includes the allocation with Sarasin LLP of shorter term funds to support building projects.

The gross figures for endowment performance are as follows:

	Value at start of year A	Value at end of year B	New investments disposals etc. C	Income D	Income Yield	Capital return	Total return
	£'000	£'000	£'000	£'000	%	%	%
Property	37,497	40,149	1,455	2,670	6.65%	3.19%	9.84%
Equities bonds and cash	40,809	44,318	1,083	1,351	3.05%	5.94%	8.99%
Total	78,306	84,467	2,538	4,021	4.76%	4.63%	9.39%

This compares to a total return recorded in the 2013/14 financial statements of 9.96%.

ORIEL COLLEGE

Report of the Governing Body

RISK MANAGEMENT

The major risks to which the College is exposed, as identified by the Governing Body, have been reviewed and systems established to mitigate them. 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.

The risk register was comprehensively updated in 2014 to include an assessment of gross and net risks the College faces. Following the review all risks have been allocated to risk managers and are assessed by the relevant committee. An annual review is undertaken by the Audit Committee in the spring of each year.

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.

RESERVES POLICY

The Governing Body has sufficient reserves for the College to be managed efficiently and to ensure uninterrupted services.

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.

The reserves the College holds are assessed as part of the ongoing financial risk review. A monthly cashflow forecast is also produced and assessed for risks to income over the following 12 month period.

The College's free reserves at the year-end amounted to £5,115m (2014: £4,246.25m).

The free reserves described above do not include designated reserves at the year-end. These are detailed at the foot of note 18 of the accounts with a description of each area in note 19. This is due to these funds being earmarked for very specific projects to which the College is committed over the short term (such as the maintenance of the College's property and major building projects).

LEGAL AND ADMINISTRATIVE INFORMATION

CORPORATE STATUS

Oriel College in the University of Oxford ("the College"), is an eleemosynary chartered charitable corporation aggregate. Having been first established as Tackley's Inn in 1324; it was founded by Edward the Second by a Royal Charter, dated 1326, issued to Adam de Brome. Its full corporate designation and title to its property and other assets were confirmed by Letters Patent granted by James the First in 1603. The College consists of the Provost and Fellows ('Scholars') and is governed by its statutes dated 21 January 1326 as amended up to 10 July 2008.

The College registered with the Charity Commission on 31 March 2011 (registered number 1141976).

ORIEL COLLEGE

Report of the Governing Body

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, Her Majesty the Queen. It determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Provost.

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

Ms Moira Wallace, OBE, Provost	Professor Gonzalo Rodriguez Pereyra
Professor Andrew Boothroyd	Professor Ian Horrocks
Dr Michael Spivey	Professor Lars Fugger
Professor Annette Volging	Dr Nicholas Eyre
Professor David Hodgson	Ms Sandra Robertson
Dr Lynne Cox	Dr Kevin Maloy
Dr Douglas Hamilton (retired 30 Sept' 2015)	Dr William Wood
Professor Pedro Ferreira	Dr Max Crispin
Professor Teresa Morgan	Dr Yakov Kremnitzer
Professor Brian Leftow	Dr Colin MacDonald
Dr Oliver Pooley	Dr Mungo Wilson
Dr Bruno Currie	Dr Kathryn Murphy
Dr John Huber	Professor James Sparks
Dr Richard Scholar	Mr Sean Power
Mr Wilf Stephenson	Professor Lyndal Roper
Dr Yadvinder Malhi	Dr Paul Yowell
Dr Kristine Krug	Dr Justin Coon
Dr Ian Forrest	Dr Francesco Manzini
Dr Christopher Bowdler	
Ms Juliane Kerkhecker	
Professor Michael Devereux	
Dr Christopher Conlon	
Ms Lucinda Ferguson	
Professor Philip Stier	
Dr Julia Mannherz	
Professor John Armour	

Fellows Elect:

There were four fellows elected at the year end: Dr Teresa Bejan, Dr Maike Bublitz, Dr Luca Castagnoli, and Prof Hindy Najman

Recruitment and Training of Members of the Governing Body

Members of the Governing Body are elected on the recommendation of appointment committees, which normally include external members. Most are selected for their outstanding academic achievements and teaching abilities. Others are selected for specific management roles. Extensive references are taken prior to appointment.

All new fellows receive a comprehensive briefing on the governance of the College and their duties as trustees and further training has been arranged to ensure that all fellows are fully aware of their responsibilities in the light of registration with the Charity Commission.

ORIEL COLLEGE

Report of the Governing Body

ORGANISATIONAL MANAGEMENT

The members of the Governing Body meet 10 times a year. The work of developing their policies and monitoring the implementation of these is carried out by five principal standing or governance committees (and a number of other committees covering specific areas of the College's activities).

The principal management committees are the Finance and Estates Committee and the General Purposes Committee. Both are chaired by the Provost.

The principal governance committees are the Audit Committee, the Remuneration Committee and the Investment Advisory Committee. The Development Committee covers the responsibilities previously held by the Trustees of the Oriel College Development Trust, which was merged with the College in 2011. All have an external chairman and a majority of external members or, in the case of the Remuneration Committee, a majority of members not remunerated by the College.

The current members of committees are detailed below:

Finance and Estates Committee

The Finance and Estates Committee is the standing committee of the Governing Body with responsibility for considering, acting and reporting on any matter pertaining to the financial affairs and estates of the College.

The Committee is chaired by the Provost with the Vice Provost, Treasurer and Development Director as permanent members. There are an additional five fellows who sit on the Committee; currently:

Dr Coon, Dr Bowdler, Dr Krug, Prof Ferreira and Dr Pooley.

The external member is:

Mr. John Shannon (Former Treasurer, Oriel College Development Trust)

Education Committee

The Education Committee is a standing committee which considers academic vacancies or impending vacancies and all matters of education policy and strategy which may be referred to it by the Governing Body or any Trustee.

The Committee is chaired by the Provost with the Vice Provost, Senior Tutor, Senior Dean, Tutor for Admissions and the Tutor for Graduates as permanent members.

There are an additional five fellows who sit on the Committee; currently:

Dr Spivey, Prof Hodgson, Prof Ferreira, Dr Currie and Prof Cox.

In addition the Treasurer and Academic Administrator attend all meetings.

Audit Committee

The Audit Committee exists to review, on behalf of the College, the effectiveness of the external audit, the financial statements, internal controls and overall financial governance. The Chairman has access to the Provost at all times and may address the Governing Body on any matters of concern as the Committee requires. The Committee reports annually to the Governing Body on the financial statements and its work during the year.

Its external members are:

Mr. Strone Macpherson (Chairman, Close Brothers plc.), Chairman

Mr. John Shannon (former Treasurer, Oriel College Development Trust)

Mr. Tim Budden (Finance Director, Grosvenor Indirect Investments; Grosvenor Group)

Mr. Ian Thompson (Bursar, Wadham College)

The Governing Body member is Prof Armour

ORIEL COLLEGE

Report of the Governing Body

In addition the Provost, Treasurer and Financial Controller attend all meetings.

Investment Advisory Committee

The Investment Advisory Committee consists of fellows and members of the College with relevant expertise. The Committee meets at least twice a year to review investment performance and advise on investment strategy and reports annually to the Governing Body. It is also consulted by the Treasurer on matters that arise during the year.

Its external members are:

Mr. John Cook, Chairman
Mr. John Shannon (former Treasurer, Oriel College Development Trust)
Mr. Charles Skinner (Chief Executive, Restore plc.)
Mr. Mark Tyndall (Chief Executive, Artemis Investment Management LLP)
Mr. Jonathan Lane (Chairman, Shaftsbury plc.)

The Governing Body members are the Provost, Treasurer, Development Director and Dr Bowdler.

In addition to the Investment Advisory Committee, a Property Panel (P) provides expert advice on strategy and management of the College's property portfolio.

Its external members are:

Mr. Robin Goodchild, (International Director and Head of European Strategy, La Salle Investment Management)
Mr. Jonathan Lane, (Chairman, Shaftsbury plc.)

The Governing Body member is the Treasurer, and the Master of Works attends all meetings.

Development Committee

The Development Committee consists of fellows and members of the College. The Committee meets at least once a term to review progress with development objectives and the performance of the Development Office. It also gives advice and support to the Development Director and his team.

Its external members are:

Mr. Geoffrey Austin
Ms. Caroline Knight
Mr. Michael Johnson

The Governing Body members are the Provost, Development Director, Dr Crispin and Ms Kerkhecker.

Remuneration Committee

The Remuneration Committee consists of an external chairman, one other external member, two professorial fellows and one other fellow. The Committee meets twice a year to review matters of remuneration policy and any significant remuneration issues raised by members or by the Governing Body.

During the year its external member was:

Mr. John Church (Bursar, Pembroke College)

The Governing Body members are the Provost, Treasurer, Prof Devereux (Chair), Dr Hodgson and Prof Leftow. Meetings are attended by the HR Manager and the Financial Controller.

General Purposes Committee

ORIEL COLLEGE

Report of the Governing Body

The General Purposes Committee is the standing committee of Governing Body with responsibility for reviewing and making recommendations on all business of the College not specifically the responsibility of other standing or ad hoc committees.

GROUP STRUCTURE AND RELATIONSHIPS

The College administers a number of charitable trusts, as detailed in Note 19 of the financial statements. The College currently has three wholly owned non-charitable subsidiaries: Land, Estates and Property Limited, Tean Limited and Oriel College Conferences Limited, whose annual profits are donated to the College under the Gift Aid Scheme.

The objective of the College's subsidiaries is to help finance the achievement of the College's aims and objectives set out above.

The subsidiaries activities are as follows:

Oriel College Conferences Limited:	Runs the commercial conference activity of the College
Land, Estates and Property Limited:	Owns a number of investment properties in South London and provides design and construction services
Tean Limited	Owns an investment property in Cheltenham, Gloucestershire.

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.

OFFICERS AND SENIOR STAFF

The officers and senior staff of the College to whom day to day management is delegated are as follows:

Moira Wallace OBE – Provost
Prof A Volfing – Vice Provost
Mr W Stephenson – Treasurer
Dr F Manzini– Senior Dean
Dr R Scholar – Senior Tutor
Mr S Power – Development Director
Mr K Melbourne – Domestic Bursar
Mrs R Breward – Academic Administrator
Mr R Noonan – Master of Works
Mr O Sladen – Financial Controller

ORIEL COLLEGE

Report of the Governing Body

PRINCIPAL ADVISERS AND BANKERS

Auditors

Grant Thornton UK LLP
3140 Rowan Place, John Smith Drive
Oxford Business Park South
Oxford OX4 2WB

Bankers

Childs and Co
49 Charing Cross, Admiralty Arch
London SW1A 2DX

Investment Managers

Sarasin & Partners LLP, Juxon House
100 St Pauls Churchyard
London EC4M 8BU

Baillie Gifford & Co Limited
Calton Square, 1 Greenside Row
Edinburgh EH1 3AN

Investment Property Managers (South London)

Bells Commercial Ltd
Golding House, 130-138 Plough Road
Clapham Junction
London SW11 2AA

Investment Property Advisors

Marriotts (Oxford)
29 Beaumont Street
Oxford OX1 2NP

Alder King
Brunswick House
Gloucester Business Park
Gloucester GL3 4AA

Savills
Wytham Court
11 West Way
Oxford OX2 0QL

Legal Advisers

Darbys
New Inn Hall Street
Oxford OX1 2DN

Blake Morgan (Employment Law)
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Oriel College
Oriel Square
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ORIEL COLLEGE

Report of the Governing Body

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

Trustees' Responsibilities Statement

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees 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 charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and group's transactions, and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 11 November 2015 and signed on its behalf by:

Moira Wallace OBE
Provost

ORIEL COLLEGE

Report of the Auditor to the Members of the Governing Body

We have audited the financial statements of Oriel College for the year ended 31 July 2015 which comprise the Statement of Financial Activities, the Group and Charity balance sheets, the Group Cash Flow Statement and the related notes. 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 Charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees 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 Charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

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 parent Charity's affairs as at 31 July 2015 and of the group's incoming resources and application of resources, including its income and expenditure, 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; 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.

Mark Bishop (Senior statutory auditor)
Grant Thornton UK LLP
Statutory Auditor,
Chartered Accountants
OXFORD

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.
Date: 11 November 2015

ORIEL 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 subsidiaries Land Estates and Property Ltd, Tean Ltd and Oriel College Conferences Limited. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiaries as included in the consolidated income, expenditure and results of the College are disclosed in note 14.

2. Basis of accounting

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

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

Fees receivable, HEFCE support and charges for services and use of the premises, 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 donation and legacies

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

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

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

5. Investment income

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

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

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

6. Expenditure

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

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

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

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

8. Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing 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. Intangible assets

Positive goodwill arising on consolidation is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life of 13 years. This length of time is presumed to be the maximum useful life of goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

10. 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 land and buildings	50 years
Leasehold properties	50 years or period of lease if shorter
Major refurbishments	30 years
Capital Building Items	5 years
IT Equipment	3 years
Vehicles	3 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.

11. 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 completion.

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.

12. 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.

13. 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.

14. Fund accounting

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

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

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

Permanent endowment funds arise where donors specify that the funds should be retained as capital for the permanent benefit of the College. Any income arising from the capital will be accounted for as unrestricted funds unless the donor has placed 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.

15. Pension costs

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

Oriel College
Consolidated SOFA
For the year ended 31 July 2015

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000	College 2014 Total £'000
INCOMING RESOURCES						
Resources from charitable activities	1					
Teaching, research and residential		5,310	0	0	5,310	4,711
		<u>5,310</u>	<u>0</u>	<u>0</u>	<u>5,310</u>	<u>4,711</u>
Resources from generated funds						
Legacies and donations		549	333	1,167	2,049	3,382
Trading income	2	435	0	0	435	363
Investment income	3	1,884	2,137	0	4,021	4,818
Bank and other interest	4	32	0	0	32	18
		<u>2,900</u>	<u>2,470</u>	<u>1,167</u>	<u>6,537</u>	<u>8,581</u>
Other incoming resources		176	0	0	176	143
Total Incoming Resources		<u>8,386</u>	<u>2,470</u>	<u>1,167</u>	<u>12,023</u>	<u>13,435</u>
RESOURCES EXPENDED						
Cost of generating funds	5					
Fundraising		419	9	0	428	416
Trading expenditure		37	0	0	37	29
Investment expenditure		911	551	59	1,521	1,607
		<u>1,367</u>	<u>560</u>	<u>59</u>	<u>1,986</u>	<u>2,052</u>
Charitable activities	5					
Teaching and research		6,135	2,152	0	8,287	7,144
		<u>6,135</u>	<u>2,152</u>	<u>0</u>	<u>8,287</u>	<u>7,144</u>
Governance costs	8	31	0	0	31	37
Total Resources Expended		<u>7,533</u>	<u>2,712</u>	<u>59</u>	<u>10,304</u>	<u>9,233</u>
Net incoming/(outgoing) resources before transfers		853	(242)	1,108	1,719	4,202
Transfers between funds	18	0	0	0	0	0
Net incoming/(outgoing) resources before other gains and losses		<u>853</u>	<u>(242)</u>	<u>1,108</u>	<u>1,719</u>	<u>4,202</u>
Investment gains/(losses)		475	34	3,114	3,623	2,806
Net movement in funds for the year		<u>1,328</u>	<u>(208)</u>	<u>4,222</u>	<u>5,342</u>	<u>7,008</u>
Fund balances brought forward	18	10,026	3,047	59,667	72,740	65,732
Funds carried forward at 31 July	18	<u>11,354</u>	<u>2,839</u>	<u>63,889</u>	<u>78,082</u>	<u>72,740</u>

Oriel College
Consolidated Balance Sheet
As at 31 July 2015

	Notes	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
FIXED ASSETS					
Intangible assets	11	37	75	0	0
Tangible assets	10	9,133	8,561	9,983	9,286
Property investments	12	40,149	37,497	31,995	29,274
Securities and other investments	13	44,318	40,809	49,100	42,191
		93,637	86,942	91,078	80,751
CURRENT ASSETS					
Stocks		310	294	311	295
Debtors	15	824	1,255	784	4,722
Cash at bank and in hand		1,178	3,424	957	1,930
		2,312	4,973	2,052	6,947
CREDITORS: falling due within one year	16	(2,690)	(3,145)	(1,328)	(1,483)
NET CURRENT ASSETS/(LIABILITIES)		(378)	1,828	724	5,464
TOTAL ASSETS LESS CURRENT LIABILITIES		93,259	88,770	91,802	86,215
CREDITORS: falling due after more than one year	17	(15,177)	(16,030)	(12,500)	(12,500)
NET ASSETS		78,082	72,740	79,302	73,715
FUNDS OF THE COLLEGE					
Endowment funds		63,889	59,667	65,073	60,819
Restricted funds		2,839	3,047	2,182	2,259
Unrestricted funds					
Designated funds		6,239	5,780	6,296	5,839
General funds		5,115	4,246	5,751	4,798
		78,082	72,740	79,302	73,715

The financial statements were approved and authorised for issue by the Governing Body of Oriel College on: 11 November 2015

Trustee:

Trustee:

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

	Notes	2015 Group £'000	2014 Group £'000
Net cash (outflow) from operations	24	(2,139)	(1,119)
Returns on investments and servicing of finance			
Income from investments		4,053	4,835
Finance costs paid		(917)	(931)
		3,136	3,904
Capital expenditure and financial investment			
New endowment capital received		1,167	1,887
Payments for tangible fixed assets		(1,064)	(3,331)
Proceeds from sales of tangible fixed assets		0	0
Payments for investments		(8,608)	(7,430)
Proceeds from sales of investments		6,071	5,546
		(2,434)	(3,328)
Financing			
Bank loans repaid		(810)	(766)
		(810)	(766)
(Decrease) in cash in the year		(2,247)	(1,309)
Reconciliation of net cash flow to movement in net funds			
(Decrease) in cash in the year		(2,247)	(1,309)
Decrease in loan and lease finance		810	766
Change in net funds		(1,437)	(543)
Net funds at 1 August		(13,418)	(12,875)
Net funds at 31 July		(14,855)	(13,418)

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

1 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Teaching, research and residential					
Tuition fees - UK and EU students	1,914	0	0	1,914	1,634
Tuition fees - Overseas students	241	0	0	241	362
Other fees	71	0	0	71	39
Other academic income	114	0	0	114	120
College residential income	2,970	0	0	2,970	2,556
	5,310	0	0	5,310	4,711

The above analysis includes grants totalling £1,509k received from Oxford University, net of College fees received directly (2014 - £1,431k)

College residential income includes £959k of charitable conference income (2014; £818).

2 TRADING INCOME

	2015 £'000	2014 £'000
Conference trading income	410	338
Other trading income	25	25
	435	363

3 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Commercial rent	1,153	1,469	0	2,622	2,544
Other property income	0	22	0	22	34
Equity dividends	717	634	0	1,351	1,434
Other investment income	14	12	0	26	806
	1,884	2,137	0	4,021	4,818

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Bank interest	32	0	0	32	18
	32	0	0	32	18

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

5 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	2015 Total £'000	2014 Total £'000
Costs of generating funds					
Fundraising	314	102	12	428	416
Trading expenditure	15	0	22	37	29
Investment expenditure	67	617	837	1,521	1,607
Total costs of generating funds	396	719	871	1,986	2,052
Charitable expenditure					
Teaching, reserach and residential	3,588	3,295	1,404	8,287	7,144
Total charitable expenditure	3,588	3,295	1,404	8,287	7,144
Governance costs	6	25	0	31	37
Total resources expended	3,990	4,039	2,275	10,304	9,233

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 £57k (2014 - 41k)

Investment related expenditure includes £668k of interest payments relating to College and Subsidiary Company loans (2014 - £638k)

6 SUPPORT COSTS

	Generating Funds £'000	Teaching Research Residential £'000	2015 Total £'000	2014 Total £'000
Financial and domestic admin	17	398	415	393
Human resources	0	126	126	71
IT	7	328	335	223
Depreciation	64	419	483	346
Bank interest payable	755	134	889	936
Other finance charges	28	0	28	109
	870	1,405	2,275	2,078

Finance and administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity by each member of staff

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

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

7 GRANTS AND AWARDS

	Unrestricted Funds £'000	Restricted Funds £'000	2015 Total £'000	2014 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	135	9	144	126
Bursaries and hardship awards	91	140	231	129
	226	149	375	255

The figures above include the College contribution to the Oxford Bursaries scheme.

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

8 GOVERNANCE COSTS

	2015	2014
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration - audit services	24	30
Auditor's remuneration - other services	1	2
Other governance costs	6	5
	<u>31</u>	<u>37</u>

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

9 STAFF COSTS

	2015	2014
	£'000	£'000
The aggregate payroll costs for the year were as follows.		
Salaries and wages	3,730	3,463
Social security costs	272	264
Pension costs	465	428
	<u>4,467</u>	<u>4,155</u>

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

	2015	2014
Tuition and research	24	18
College residential	74	69
Fundraising	6	5
Support	19	19
Total	<u>123</u>	<u>111</u>

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

University Lecturers	21	21
CUF Lecturers	10	9
Other teaching and research	13	15
Other	3	2
Total	<u>47</u>	<u>47</u>

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

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

One employee (excluding the College Trustees) had gross pay and benefits (excluding employer NI and pension contributions) of more than £60,000 during the year

£60,001-£70,000	2015	2014
	1	0

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

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	0	11,041	19	778	11,838
Additions	0	990	0	74	1,064
Disposals	0	0	0	0	0
At end of year	0	12,031	19	852	12,902
Depreciation					
At start of year	0	2,595	19	663	3,277
Charge for the year	0	404	0	88	492
On disposals	0	0	0	0	0
At end of year	0	2,999	19	751	3,769
Net book value					
At end of year	0	9,032	0	101	9,133
At start of year	0	8,446	0	115	8,561

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. All of these items are for use in the day to day fulfillment of the College's charitable objectives. 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 INTANGIBLE ASSETS

Group	2015 £'000	2014 £'000
Cost		
At start of year	482	482
At end of year	482	482
Depreciation		
At start of year	407	370
Charge for the year	38	37
At end of year	445	407
Net book value		
At end of year	37	75
At start of year	75	112

This represents consolidated goodwill

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

12 PROPERTY INVESTMENTS

Group	Agricultural	Commercial	Other	2015	2014
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	256	20,199	17,042	37,497	36,737
Additions and improvements at cost	0	0	1,744	1,744	0
Disposals net proceeds	0	(290)	0	(290)	(1,742)
Revaluation gains/(losses) in the year	0	847	351	1,198	2,502
Valuation at end of year	256	20,756	19,137	40,149	37,497

Desktop valuations were completed at year end.

A formal valuation is undertaken every four years with the next formal valuations due in 2017/18.

13 SECURITIES AND OTHER INVESTMENTS

	2015	2014
	£'000	£'000
Group investments		
Valuation at start of year	40,810	36,879
New money invested	6,864	7,430
Amounts withdrawn	(5,781)	(3,804)
(Decrease)/increase in value of investments	2,425	304
Group investments at end of year	44,318	40,809
Investment in subsidiaries	4,782	1,382
College investments at end of year	49,100	42,191

Securities and other investments include the short term building projects fund held with Sarasin & Partners LLP. The value at year end of this fund was £1.9m (2014: £1.8m)

14 SUBSIDIARY UNDERTAKINGS

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

	Oriel College Conferences Limited £'000	Land, Estates and Property Ltd £'000	Tean Limited £'000
Turnover	410	1,089	1,115
Expenditure	(63)	(994)	(272)
Gains/(losses) on property revaluation	0	(71)	20
Donation to College under gift aid	(347)	(24)	(863)
Result for the year	0	0	0
Total assets	96	1,836	6,601
Total liabilities	(96)	(516)	(6,925)
Net funds at the end of year	0	1,320	(324)

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

15 DEBTORS

	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Amounts falling due within one year:				
Trade debtors	301	197	270	183
Amounts owed by College members	39	38	39	38
Amounts owed by Group undertakings	0	0	(9)	3,664
Loans repayable within one year	15	10	15	10
Prepayments and accrued income	464	825	464	825
Other Debtors	5	185	5	2
	824	1,255	784	4,722

16 CREDITORS: falling due within one year

	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Bank loans	855	810	0	0
Trade creditors	225	959	203	350
Amounts owed to College Members	53	76	53	76
Amounts owed to Group undertakings	0	0	83	0
Taxation and social security	104	83	92	83
Accruals and deferred income	1,228	822	697	604
Other creditors	225	395	200	370
	2,690	3,145	1,328	1,483

17 CREDITORS: falling due after more than one year

	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Bank loans	15,177	16,030	12,500	12,500
	15,177	16,030	12,500	12,500

The College has a £12.5m bullet loan at a fixed rate of 5.13% maturing in 2038. The subsidiary, Tean Limited, has an amortising loan with £3.7m outstanding at a fixed rate of 5.64%.

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

18 FUNDS MOVEMENT CONSOLIDATED	At 1 August 2014	Incoming resources	Resources expended	Transfers	Gains/ (losses)	At 31 July 2015
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment Funds - Permanent						
Fellowship endowments						
Modern History (De Beers)	1,127				58	1,185
General Teaching	1,007	14			52	1,073
Maths (Harris)	531				28	559
Humanities	447				23	470
Computation (Missys and Accenture)	479				25	504
Environmental Science (Jackson)	1,180	3			60	1,243
Medicine (Laing)	572	293			31	896
Economics (MacPherson)	563	1			29	593
Modern History (Rothmans/Cowen)	769				40	809
Classics (Monro)	600				31	631
Biochemistry (Moody)	819				42	861
Ancient History (Nancy Turpin)	538				28	566
Philosophy (Orienses)	1,029	10			54	1,093
Physics (Rhodes)	1,094				56	1,150
Engineering (T.I. Group)	545				28	573
Chemistry (Todd)	550	3			28	581
Law (Benn)	416	2			21	439
History (Catto/Larsen)	1,529				79	1,608
French (Oriensis)	420	10			22	452
Biochemistry (Ron Bancroft Teaching Fund)	489	146			48	683
English Fellowship	347				18	365
Early Modern History (Elliot)	1,058				54	1,112
Turpin JRF	561				29	590
Humanities (Turpin)	393				20	413
£350,000)	1,444	15			74	1,533
Scholarship endowments	518	5			26	549
Prize fund endowments	69				3	72
Hardship endowments	514				26	540
Hargreaves Library	425				22	447
Lee Seng Tee building fund	904				47	951
Other buildings and residences endowments < £350,000	819	37			42	898
Bursary endowments (capital funds)	2,613	53		5	134	2,805
Endowment Funds - Expendable						
College fund	32,460	388	(37)	(15)	1,689	34,485
Turpin JRF Fund	1,068				55	1,123
Expendible Fellowship funds	5	4			0	9
Expendable hardship funds	87				4	91
Expendible building funds	6	2			0	8
Expendible bursary funds	8			10	1	19
Fellowship - Philosophy of Religion	1,057				55	1,112
Fellowship - Classics Mason	534	159			27	720
Other Expendable Endowment	66	22	(22)		4	70
Trust funds held by College	7				1	8
Total Endowment Funds	59,667	1,167	(59)	0	3,114	63,889
Restricted Funds						
Bursary income funds	456	111	(150)	(20)	24	421
Fellowships	22	780	(778)		2	26
Scholarships	2	19	(19)			2
Prize funds	1	3	(3)			1
Student Financial Assistance	14	19	(17)		1	17
College fund	0	1,121	(1,121)			0
(Rhodes) Building (restricted funds)	2,013	129	(313)			1,829
Buildings	1	79	(78)			2
Pantin Library project	397		(17)			380
Outreach	76	2	(4)		3	77

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

Other restricted funds received during the year	65	207	(212)	20	4	84
Total Restricted Funds	3,047	2,470	(2,712)	0	34	2,839
Unrestricted Funds						
General unrestricted	4,246	7,939	(7,308)	(99)	337	5,115
Barclays loan repayment fund	206	77			11	294
Annual Fund designated fund	110	22	(19)		6	119
Residential Room Refurbishment Fund	144	4	(153)	50	6	51
Building Refurbishment Fund	3,160	87		(3,291)	110	66
Chapel Refurbishment Fund				40		40
Brewhouse Yard Project		250		2,291		2,541
Website development fund				31		31
(Rhodes) building designated fund	2,051	7		1,000		3,058
College sports activities	19		(11)	9	1	18
IT projects	90		(42)	(31)	4	21
Total Unrestricted Funds	10,026	8,386	(7,533)	0	475	11,354
Total Funds	72,740	12,023	(10,304)	0	3,623	78,082

Income generated via property and investments from the permanent endowment funds listed above is transferred to restricted funds and is spent on the related activity. Any unutilised income within restricted funds is carried forward to the next financial year.

19 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Fellowship endowments	Capital funds allocated towards the teaching costs of the College. Income is used to support academic activities in the related areas
Scholarship endowments	Capital funds allocated towards helping students with their living costs. Income is used from the funds to support the activities in the related subject areas
Prize fund endowments	Capital funds allocated towards student prizes. Income is used from the funds on an annual basis
Hardship endowments	Capital funds allocated to help with students on low incomes. Income is used from the funds on an annual basis
Buildings and residences endowments	Capital funds given towards maintaining the buildings and facilities. Income is used from the funds on an annual basis
Bursary endowments (capital funds)	Capital funds providing support to students. Income is transferred to restricted bursary funds and either spent or earmarked for use in future years

Endowment Funds - Expendable:

College capital	A consolidation of gifts, legacies and donations where either income, or income and capital can be used for the general purposes of the charity
Expendable student financial assistance funds	Capital balance of past donations where related income, or income and capital, can be used to aid students through financial assistance
Trust funds held by College	Charitable trust funds administered by the college.

Restricted Funds:

Bursary income funds	Income generated from the permanent fund is used to fund bursaries to students. Unspent money is carried forward
Fellowships	Income generated from the permanent fund is used to fund academic subject activity
Scholarships	Income generated from the permanent fund is used to fund scholarships in the year
Prize funds	Income generated from the permanent fund is used to fund prizes in the year
Student Financial Assistance	Income generated from permanent fund is used for financial assistance to students
College fund	Income generated from the permanent fund is used to fund college activity
Rhodes Building (restricted funds)	Restricted donations towards the refurbishment of the Rhodes Building
Pantin Library	During 2011-13 the College library has been fully refurbished. The building works have been capitalised leading to a reducing restricted funds in the accounts
Buildings	Restricted donations towards maintaining the fabric of the college buildings

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

the year Sundry restricted gifts in the year funding various one off items of revenue activity

Designated Funds

Rhodes building fund	Unrestricted Funds allocated by the Fellows to part pay for the refurbishment of the Rhodes Building completed in the Autumn of 2014 and now being depreciated
Barclays loan repayment fund	The College has a £12.5m 30 year bullet loan from Barclays. This fund is designed to build an amount to repay the capital due at the end of the loan period.
Annual Fund	Unrestricted funds allocated by the Fellows towards unfunded academic activity (for example student residential revision weekends)
Residential Room Refurbishment Fund	Unrestricted funds which have been allocated towards the refurbishment of college accommodation to ensure that students and conference guest rooms are furnished to an appropriate high standard
Chapel Fund	A fund set up to ensure that funds are available to finish the refurbishment project started in 2014. The balance will fund the lighting in the chapel.
Building Maintenance Funds	Designation of various unrestricted legacies towards future capital building projects
Brewhouse Yard Designated Fund	Designation of various unrestricted donations received towards the proposed refurbishment of two staircases, the College catering facilities and the hall.
Website Development Fund	A fund set up to ensure fund as available for the new website in 2015/16
Sportsfund	Designation of unspent funds from 14/15 supporting student sports activities. This will allow for additional resources to be spent on sports in 15/16.
IT Development	Designation of unspent 14/15 allocations due to some projects and upgrades being delayed until 2015/16

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

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Intangible assets	37	0	0	37
Tangible fixed assets	9,133	0	0	9,133
Property investments	0	0	40,149	40,149
Securities and other investments	1,796	110	42,412	44,318
Net current assets	388	2,729	(18,672)	(15,555)
	<u>11,354</u>	<u>2,839</u>	<u>63,889</u>	<u>78,082</u>

21 TRUSTEES' REMUNERATION

The Fellows who are the Trustees of the College for the purposes of charity law receive no remuneration for acting as charity trustees but are paid by either or both of the University and the College for the academic services they provide to the College.

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").

The trustees of the college comprise the governing body, primarily fellows who are teaching and research employees of the college and who sit on governing body by virtue of their employment. No trustee receives any remuneration for acting as a trustee. However those trustees who are also employees of the college receive salaries for their work as employees. Where possible, these salaries are paid on external scales and often are joint arrangements with the University of Oxford

Trustees of the college fall into the following categories

Tutorial Fellow
 Other Teaching Fellow
 Non Tutorial Fellow

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

Range	Number of trustees/fellows	
	2015	2014
£0- £999	12	12
£1,000-£1,999	1	1
£3,000-£3,999		
£8,000-£8,999	2	2
£10,000-£10,999	1	1
£12,000-£12,999	2	2
£13,000-£13,999		
£14,000-£14,999	2	2
£15,000-£15,999	1	1
£16,000-£16,999	1	1
£17,000-£17,999		
£19,000-£19,999	9	9
£20,000-£20,999		
£22,000-£22,999	1	1
£23,000-£23,999	2	2
£24,000-£24,999	1	1
£26,000-£26,999	1	1
£27,000-£27,999		
£29,000-£29,999		
£33,000-£33,999	1	1
£34,000-£34,999		
£35,000-£35,999	1	1
£36,000-£36,999		
£37,000-£37,999	1	1
£38,000-£38,999		
£39,000-£39,999		
£40,000-£40,999		
£41,000-£41,999	2	2
£42,000-£42,999		
£43,000-£43,999		
£44,000-£44,999		
£45,000-£45,999	1	1
£46,000-£46,999		
£47,000-£47,999		
£48,000-£48,999		
£49,000-£49,999	2	2
£50,000-£50,999		
£51,000-£51,999		
£55,000-£55,999		
£56,000-£56,999		
£57,000-£57,999		
£60,000-£60,999		
£67,000-£67,999		
£68,000-£68,999	1	1
£76,000-£76,999	1	1
£79,000-£79,999		
£81,000-£81,999		
£84,000-£84,999		
£85,000-£85,999		
£92,000-£92,999		
£93,000-£93,999	1	1
£102,000-£103,999	1	1

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

22 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("USS") and the Oriel College Group Personal Pension Scheme (GPP). USS is a contributory defined benefit scheme (i.e. they provide benefits based on length of service and final pensionable salary) and is contracted out from the State Second Pension Scheme. GPP, which is not contracted out of the State Second Pension Scheme, provides benefits on a money purchase basis. The assets of USS and GPP are each held in separate trustee-administered funds.

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.

Actuarial valuations

Qualified actuaries periodically value the USS scheme. USS was 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:	31/03/2014
Date valuation results published:	24/07/2015
Value of liabilities:	£46.9bn
Value of assets:	£41.6bn
Funding Surplus/(Deficit):	(£5.3bn) ^a
Principal assumptions:	
Rate of interest (past service liabilities)	5.2% ^c pa
Rate of interest (future service liabilities)	-
Rate of interest (periods up to retirement)	-
Rate of interest (periods after retirement)	-
Rate of increase in salaries	RPI + 1%pa ^d
Rate of increase in pensions	CPI pa ^d
Mortality assumptions:	
Assumed life expectancy at age 65 (males)	24.2 yrs
Assumed life expectancy at age 65 (females)	26.3 yrs
Funding Ratios:	
Technical Provisions basis:	89%
Statutory Pension Protection Fund basis:	82%
"Buy-out" basis:	54% ^e
Estimated FRS17 basis	72% ^e
Recommended Employer's contribution rate (as % of pensionable salaries):	18%
Effective date of next valuation:	31/03/2017

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

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 that 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 accrued a pension of 1/75th and a cash lump sum of 3/75^{ths} 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 QSPS 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

Assumption	Change in assumption	Impact on USS liabilities
Initial discount rate	Increase / reduced by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	Increase / reduced 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

The pension charge for the year includes contributions payable to the USS of £304k (2014 - £278k) and contributions payable to GPP of £161k (2014 - £150k).

An amount owing for pension contributions of £53k was owing at year end.

23 TAXATION

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

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

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

	2015	2014
	£'000	£'000
Net incoming resources for the year	1,719	4,202
Elimination of non-operating cash flows:		
- Investment income	(4,053)	(4,835)
- Endowment donations	(1,167)	(1,887)
- Financing costs	917	931
Depreciation	530	366
Decrease/(Increase) in stock	(16)	(31)
Decrease/(Increase) in debtors	431	(591)
(Decrease)/Increase in creditors	(500)	726
Net cash inflow/(outflow) from operations	<u>(2,139)</u>	<u>(1,120)</u>

25 ANALYSIS OF CHANGES IN NET FUNDS

	2014	Cash flow	2015
	£'000	£'000	£'000
Cash at bank and in hand	3,424	(2,246)	1,178
Bank overdrafts	0	0	0
	<u>3,424</u>	<u>(2,246)</u>	<u>1,178</u>
Bank loans due within one year	(810)	(45)	(855)
Bank loans due after one year	(16,030)	853	(15,177)
	<u>(13,416)</u>	<u>(1,438)</u>	<u>(14,854)</u>

26 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £350,000 (2014 - £750,000). This relates to the major refurbishment of the Rectory Road properties purchased during 2014 and 2015.

27 RELATED PARTY TRANSACTIONS

The College has four properties with a total net book value of £1,170,127 (2014 five properties; £1,344,650) owned jointly with four trustees

Range	2015	2014
	£'000	£'000
£354,000-£355,000	1	0
£327,000-£328,000	1	0
£321,000-£322,000	0	1
£297,000-£298,000	0	1
£288,000-£289,000	0	1
£278,000-£279,000	1	0
£256,000-£257,000	0	1
£210,000-£211,000	1	0
£180,000-£181,000	0	1

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.

At year end a loan to one Trustee of £3,000 had a balance of £2,253 outstanding

28 LEGACIES

From time to time, the College is notified of legacies in its favour. These are only recognised in the Statement of Financial Activities when the conditions for their recognition have been met. There were no legacies due that the College was aware of at year end (2014: £700k).

29 CONTINGENT LIABILITIES

None

30 POST BALANCE SHEET EVENTS

None