



St Hugh's College

Annual Report and Financial Statements

Year ended 31 July 2015

ST HUGH'S COLLEGE

Annual Report and Financial Statements

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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 as Governors during the year or subsequently are detailed below.

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

		Finance Committee	Investment Committee	Academic Committee	Risk Committee	Remuneration Committee
Dame Elish Angiolini (Principal)		•	•	•	•	
Professor J F Iles				•		
Professor A Watts						
Dr M B Holland				•		
Professor A L Harris						
Professor A W Moore						
Dr G S Garnett						
Dr T M Kuhn						
Professor J T Chalker						
Professor K R Plunkett						
Professor M B Giles						
Professor J S Getzler				•		
Professor L L Wong				•		
Professor G A Stellardi						
Professor P J Mitchell						•
Professor P D McDonald		•				
Professor J K-H Quah			•			
Mrs S J Vainker						
Professor S R Duncan		•				
Professor R K Westbrook	Retired 31 st Dec 2014	•			•	
Dr S Paseta						
Professor R G Grainger						
Professor C J Stevens						
Professor M R Macnair						
Professor C Wilson						
Professor I A Walmsley						
Dr T C B Rood						
Professor A Harnden						
Dr N E R Perkins				•		
Professor T C Powell						
Professor J Martin			•			•
Professor P Tarres						
Dr E J Emerson	Resigned 31 Dec 2014	•		•	•	
Professor C Capelli						
Professor D P Marshall						•

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Governing Body, Officers and Advisers

Year ended 31 July 2015

		Finance Committee	Investment Committee	Academic Committee	Risk Committee	Remuneration Committee
Professor R Lewis						
Professor R Perera						
Professor X Zhou						
Mr P R C Marshall						
Professor E E Leach				•		
Professor G Loutzenhiser						
Professor S J Conway						
Professor M Friedman						
Professor P Blunsom						
Professor R Baker				•		
Professor E Mann						
Dr T Sanders						
Professor J M Kim						•
Ms V C Stott		•	•	•	•	
Dr J Parkin						
Professor EM Husband						
Professor L Jin						
Professor C Ballentine						
Professor D Biro						
Professor D Doyle						
Professor O Sullivan						
Professor Eidenmuller	Appointed 1 January 2015					
External Committee Members						
Mr R Forrester	Retired by rotation 30 April 2015		•			
Prof M Esiri						•
Ms R Hedley Miller	Retired by rotation 30 March 2015		•			
Ms Francesca Barnes	Retired by rotation 30 March 2015		•			
Mr T P Roberts	Appointed 29 April 2015		•			
Mr J Digges	Appointed 29 April 2015		•			
Mrs J Lambert	Appointed 19 May 2015					•

COLLEGE SENIOR STAFF

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

A Dame Elish Angiolini	<i>Principal</i>
B Professor A Watts	<i>Vice Principal</i>
C Ms V Stott	<i>Bursar</i>
D Professor P Mitchell	<i>Acting Senior Tutor</i>

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Governing Body, Officers and Advisers

Year ended 31 July 2015

COLLEGE ADVISERS

Investment managers

BlackRock Advisors (UK) Limited
Murray House
1 Royal Mint Court
London
EC3N 4HH

Oxford University Endowment Management Limited
King Charles House
Park End Street
Oxford
OX1 1JD

Auditor

Critchleys LLP
Chartered Accountants
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Bankers

Barclays Bank PLC
P O Box 299
Birmingham
B1 3PF

Santander UK PLC
1st Floor, 121 St Aldates
Oxford
OX1 1HB

College address

St Margaret's Road
Oxford
OX2 6LE

Website www.st-hughs.ox.ac.uk

ST HUGH'S 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

St Hugh's College in the University of Oxford, which is known as St Hugh's College, ("the College") is an eleemosynary chartered charitable corporation aggregate. The College was opened in 1886 by Miss Elizabeth Wordsworth under the title of St Hugh's Hall as a society for women students to study for Oxford examinations.

The College registered with the Charities Commission on 6th January 2011 (registered number 1139717). The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the College, are given on pages 2 to 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Charter, Statutes and Bylaws. In 1891 St Hugh's Hall was placed under the management of a council: it was constituted under a deed of Trust in 1894, and incorporated in 1911 under the Companies (Consolidation) Act (1908) under the title of St Hugh's College. On 1 November 1910 it was recognised by Decree of Convocation, and in 1920 it was admitted to the privileges of *Statt. Tit. XXIII Of Women Students*. In 1926 the College was incorporated under Royal Charter in the style of 'The Council of St Hugh's College', the exercise of the powers thereby conferred being vested entirely in the Council, and the composition of the first Council being duly defined. Since 1951 the Council has consisted of the Principal and Fellows. By a statute approved in Congregation on 3 November 1959 the College was admitted to all the rights and privileges of other colleges in the University of Oxford. In a supplemental charter and new statutes dated 1960 the corporate designation is given as 'The Principal and Fellows of St Hugh's College in the University of Oxford'. In 1977 new college statutes were approved to allow the election of men as fellows and in 1986 the Charter was amended to permit the admission of male undergraduates and graduates.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who was Baron Brown of Eaton-under-Heywood, PC during the year 2014/15. The Governing Body is self-appointing, and has such powers as are conferred on it by its Charter and subject thereto and to the Statutes, has the entire direction and management of the affairs of the College. The Governing Body appoints the Principal, Fellows, Tutors, Lecturers, Librarian and such administrative and other Officers as the Governing Body thinks necessary from time to time. The Governing Body appoints Committees and delegates to them such powers as it thinks fit.

The Governing Body determines the 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 Principal and is advised by 5 main committees.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are normally recruited through a joint appointment process with the University of Oxford in the case of academics, which includes open advertisement of the posts and a professional selection and appointment process. In the case of posts funded solely by the College,

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Report of the Governing Body

Year ended 31 July 2015

recruitment is also through open advertisement of the post followed by a professional selection and appointment process including external representatives as appropriate. New members of the Governing Body are inducted into the workings of the College, including Governing Body policy and procedures, through meetings with the Principal, the Senior Tutor and the Bursar and the provision of a comprehensive set of reference documents.

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

Organisational management

The members of the Governing Body meet 9 times a year. The work of developing their policies and monitoring the implementation of these is carried out by 5 main committees:

- **The Finance Committee**
Responsibility for advising the Governing Body on all matters of financial policy and practice, and in particular on the financial implications of any proposals under consideration; presenting annual statements of accounts for the preceding year; approval of budgets and review of management accounts for each period; annual review of all charges made by the College; review of policy relating to conferences; review of salaries for all College employees and others paid by the College.
- **The Investment Committee**
Responsibility for review and provision of advice to Governing Body, through Finance Committee, on the investments of the College and the appropriate level of income drawdown.
- **The Academic Committee**
Responsibility for general planning in academic matters; the appropriateness of the existing establishment of Tutors and Lecturers to the current academic needs of the College; recommending the use of funds available for the purpose of research; presentation to Governing Body of annual reports from Junior Research Fellows and holders of research awards; general responsibility for the supervision of graduate studies.
- **The Risk Committee**
Responsibility for the review, monitoring and reporting of major risks to the College, and recommendation to Governing Body of actions to mitigate those risks.
- **The Remuneration Committee**
Review and recommendation to Governing Body through Finance Committee, of remuneration and conditions of employment of Fellows/members of Governing Body and advice to Finance Committee on the framework of pay and conditions of senior non academic staff whose detailed pay and conditions are determined by the Principal and Bursar.

The day-to-day running of the College is delegated to the Principal, the Bursar and the Senior Tutor.

Group structure and relationships

The College administers many special trusts, as detailed in Notes 17 to 20 to the financial statements. The College has two wholly owned non-charitable subsidiaries: St Hugh's Conferences Limited, whose annual profits are donated to the College under the Gift Aid Scheme. The trading activities of St Hugh's Conferences Limited primarily comprise revenue from letting of the College facilities when not in use by the College. The subsidiary's aims and objectives are covered in the relevant sections of this report. The College also owns St Hugh's Estates, whose annual profits are also donated to the College under the Gift Aid Scheme. The trading activities of St Hugh's Estates primarily comprise managing contracts for building the China Centre.

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Report of the Governing Body

Year ended 31 July 2015

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 ongoing basis. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the Risk Committee, chaired by the Principal or a nominated member of Governing Body. Financial risks are assessed by the Finance Committee and investment risks are monitored by the Investment Committee. In addition, the Bursar and department heads meet regularly to review risks. Training courses and other forms of career development are provided 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 given consideration to the major risks to which the College and its subsidiaries are exposed and has concluded that adequate systems are in place to manage these risks. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are:

- To provide for members of the University of Oxford the protection and training of an Academic House, conducted according to the principles of the Church of England, but with full provision for the liberty of those who are not members.
- To do all such other things as are incidental or conducive to advancing education, learning and research in Oxford or elsewhere

Public benefit

The Governing Body is mindful of the long-standing requirement to provide public benefit and of the disclosure requirements of the Charities Act 2006. In this connection the Governing Body has monitored closely the general and supplemental guidance produced by the Charity Commission, in particular its public benefit guidance on advancement of education and on fee-charging. The College remains committed to the aim of providing public benefit in accordance with its founding principles. The College admits as students those who have the highest potential to benefit from the education provided by the College and the University and recruits as academic staff those who are able to contribute most to the academic excellence of the College. In the case of both students and academic staff, recruitment is regardless of financial, social, religious or ethnic background:

The College's aims for the public benefit are:

- To advance education, learning and research, in particular by providing, in conjunction with the University of Oxford, an education for approximately 425 undergraduate and 327 graduate students. This education is recognised internationally as being of the very highest standard and develops students academically, personally and socially, preparing them to play a full and effective role in society. In particular, the College provides:
 - teaching facilities and individual or small-group teaching, together with academic, pastoral and administrative support;

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- IT and other administrative support and welfare services, including the availability of the Chaplain to assist every member of the College of every religious belief and none; and
- residential, social, cultural, musical, recreational and sporting facilities to enable students to realise as much as possible of their academic and personal potential whilst studying at the College.
- To advance research by providing:
 - official Fellowships, Career Development Fellowships, and Junior and Senior Research Fellowship to outstanding academics, to enable them to develop their research work and disseminate their research in the public domain; and
 - facilities and grants to assist with the pursuit of research, including grants for attendance at national and international academic conferences and assistance with the costs of research trips and research materials.

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

There are no age restrictions in the College's objects but students of the College are predominantly between 18 and 24 years old; and

There are no religious restrictions in the College's objects and members of the College have a wide variety of faith traditions or none.

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

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

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

Activities and objectives of the College

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

The focus of the College is strongly academic and students need to satisfy high academic entry requirements. In order to assist undergraduates entitled to financial support, the College provides, through a scheme operated in common with the University and other Colleges, bursary support for those of limited financial means. For the academic year 2014/15, the number of awards made was 117 (including 4 Moritz-Heyman awards of £5,500 each). The average value of the awards was £2,800. That scheme is approved by the Office of Fair Access and provides benefits at a substantially higher level than the minimum OFFA requirement.

To support the costs of graduate students, the College provides substantial financial support. This includes scholarships to fund fees and living costs and 'top-up' funding to fill funding shortfalls in students' funding

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packages and a grant scheme to assist with the purchase of books and equipment, attendance at conferences and travel grants. The total amount expended by the College in 2014/15 for this purpose was £64,000.

The College also makes awards for academic development and has various scholarships and prizes available to reward academic excellence. During the year the College awarded £39,000.

In addition to its other programmes, the College operates a hardship scheme for all students in financial hardship and provides access to hardship schemes operated by the University. For the academic year 2014/15 the College awarded £12,000 of hardship loans and grants and provided £96,000 of free vacation residence. A programme to encourage legacies to be made to the College is in place and annual fundraising campaigns focus on the provision of support for students suffering financial hardship.

Value for money

The Governing Body of St Hugh's College has considered the processes in place during the financial period ending 31 July 2015 and is satisfied that, with regard to public and publicly accountable funds, the processes for achieving economy, efficiency and effectiveness were appropriate.

In making this confirmation, members of the Governing Body are cognisant of their obligations as Charity Trustees to ensure that funds are correctly applied, in line with the objects of the College.

ACHIEVEMENTS AND PERFORMANCE

The College has continued to provide an extremely high level of education to undergraduate students and to offer a thriving environment for research and teaching, alongside providing an extremely high level of pastoral and administrative support for undergraduate students, graduate students, Fellows, Lecturers and tutors.

Degrees

124 students completed undergraduate degrees, with 103 graduate students completing taught Master's degrees and 14 completing research degrees.

Library:

The library continues to work closely with Fellows to strengthen and update the collection with relevant textbooks and other key works for undergraduate and graduate students.

Noteworthy progress has been made with the complete inventory of all items in the Rare Books Room, and with the reclassification project. The English section has been completed, with more than seven thousand books reclassified and relabeled. While undertaking this work, a parallel work on book repairs was carried out in the library. A project to reclassify the law library has been confirmed with the Law fellows over the summer 2015.

The maintenance work on lighting, the addition of new desk lamps in the science reading room, and the window repairs made significant improvement to the library by providing a more agreeable study space for our students.

Student recruitment and widening participation

The College continues to work with schools and colleges to encourage able students to consider Oxford and St Hugh's. Tutors and current students work together to visit schools and colleges and arrange visits to St Hugh's, offering introductory talks about Oxford and university, alongside 'taster' tutorial sessions. The

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College continues to work with 'Teach First' to offer bursaries to St Hugh's students taking part in teaching programmes in underprivileged schools and to arrange programmes of visits and information for students from those schools. The College has been able considerably to expand its outreach programme, and the work we do with schools.

Research Environment

The College continues to provide funding and assistance to its Fellows to enable them to continue to produce world-class research, ranging from attendance at conference and networking events to providing research assistance, periods of sabbatical leave for specific projects and the opportunity to hold academic networking events in college.

Chapel

The Chapel continues to provide for religious worship and to offer the opportunity for students to join its choir. The Choir numbers twenty-five undergraduate and graduate singers, providing a popular extracurricular activity. A Chapel Music Tutor gives overall musical guidance, and especially to three Organ Scholars and four Choral Award holders. The main Chapel services are Choral Evensongs with guest speakers on Sunday evenings at 6.15pm, followed by drinks and a meal in the Dining Hall. Occasional services including Eucharists, Baptisms, and Weddings also occur regularly. The Chapel is historically a Church of England foundation, but careful efforts to welcome and cater to all College constituents regardless of viewpoint are being given increasing attention. Services with the University Catholic Chaplaincy and interfaith events with speakers from non-Christian religions now happen every term. A Multi-faith Prayer and Quiet Room has opened this past year to complement the Chapel. All financial gifts from weekly congregations are collected and given to a different registered charity as each term concludes.

Development

In April 2015 the closing gift of £1.8M for the China Centre capital campaign was received from the Verdant Foundation. Continuing to build relationships with donors and alumni has been the priority for the year with international alumni events being held in Hong Kong, Beijing and Vienna. Regional events have also been held, notably in Exeter and Edinburgh. Our annual programme of fundraising continued with the direct mail campaign going out in November, the telethon campaign in March as well as raising funds for current Career Development Fellowships and developing new ones. A new Development team has been recruited building a whole new set of relationships, delivering new events such as the celebrations for Chinese New Year and Burns Night as well as established events such as the Dr Mok lecture, academic lectures and the annual Garden Party. During the year £114,000 was raised for student support, £45,000 towards teaching costs and nearly £800,000 was left to College in legacies.

Strategy and Planning Horizon

The College has finalised a draft strategic framework to present to Governing Body early in 2014/15 and has continued to keep operational and strategic plans under review. We are making good progress towards our long term target of retained surplus of 5% of income, which will allow us to rebuild working capital reserves and improve our operational sustainability.

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Year ended 31 July 2015

Operations

FINANCIAL REVIEW

Total income excluding donations rose by £0.6m (7.7%) and this increase is due in part to income derived from the first full year of operation for the Dickson Poon Building. Total expenditure has also risen, by £0.6m (7.4%) compared with the previous year and most of the increase arising from a full year's depreciation of the Dickson Poon building and associated fixtures and fittings. Depreciation costs have increased by £0.4m with increases to other costs amounting to £0.3m, an increase of 2.9% on the previous year.

Total bank borrowings reduced by £1.3m to £8m. Of the total £8m bank loans an amount of £3.9m relating to one bank loan was held in current liabilities and this loan was settled in August 2015. This significant reduction in borrowings has been made possible in part by receipt of donations toward the Dickson Poon Building.

Operations, funding and capital expenditure

The charitable activities of the College consist of teaching and research, together with the provision of board and lodging to College members in buildings owned by the College. The income generated by these charitable activities amounted to £7.0m, an increase of 4% on the previous year. Fee income was broadly similar to last year with the increase of £0.3m being generated by residential income partly as a result in the increased number of letting rooms being available for a full year following the completion of the Dickson Poon Building. The cost of undertaking these charitable activities amounted to £8.1m, an increase of £0.5m on the previous year. Key elements of this increase in costs include depreciation and pay, particularly for lower paid employees. Depreciation has increased with the completion of the Dickson Poon Building. Most of the increase in pay costs arises from staffing in departments to support increased conference business and accommodation income. This cost increase is due to a mix of factors including increased levels of activity, a full year effect of auto enrolment increasing the number of employees now in a pension scheme and the implementation of the Governing Body's decision that the College will be a 'Living Wage' employer from the start of the financial year.

Income from non-charitable conferences and other trading activities amounted to £1.08m with costs of £0.54m contributing £0.54m net.

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.

The College's free reserves, including those designated for a specific purpose by Governing Body, at the year-end amounted to £4m (2014: £4m), representing retained unrestricted income reserves excluding an amount of £20m for the book value of fixed assets less associated funding arrangements.

Designated reserves at the year-end comprised £1.8m for a variety of educational purposes. The current intention is for the capital value of these funds to be retained and for the income generated to be expended on those educational purposes.

Investment policy, objectives and performance

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

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Year ended 31 July 2015

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

To meet these objectives the College's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. In line with this approach, the College statutes allow the College to invest permanent endowments to maximise the related total return and to make available for expenditure each year an appropriate proportion of the unapplied total return.

The investment strategy, policy and performance are monitored by the Investment Committee. At the year end, the College's long term investments, combining the securities and property investments, totalled £31.0m. The overall total investment return was 3.2% over the year.

Under the total return accounting basis, it is the Governing Body's policy to extract as income 3.77% (plus costs) of the value of the College's holdings in securities and other investments. To smooth and moderate the amounts withdrawn the 3.77% is calculated on the average of the calendar year end values in each of the last five years. During the year the equivalent of 3.73% of the five year average value of the securities and other investments, plus costs, was extracted as income on this basis. The Governing Body will keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

Within the College's holdings of securities and investments, this income extraction policy is not applied to: one holding of shares in Oxford University's Endowment Management's Oxford Endowment Fund; a small investment in the ISIS College Fund Limited Partnership; and to the joint equity properties which are listed in Note 27 of the financial statements. Any income distributions issued by these investments are treated as income as they are received.

The Portfolio Review Services comprehensive review of the College's investment strategy, which was launched last year, is ongoing, after delays due to staff vacancies in College. This review, which will encompass governance, asset allocation, risk profile and management, will inform the business of Investment Committee over the coming year.

FUTURE PLANS

The core elements of the College's future plans as agreed by the Governing Body are:

- To continue to provide a world-class education to undergraduates and graduates and a thriving research environment for academics.
- To provide superb facilities for tutorial teaching and study, alongside social, musical and religious facilities for students, academics and staff.
- To increase the information available to prospective students about our teaching and learning environment, primarily via our website.
- To ensure that the College makes clear its commitment to recruiting tutors and students on the basis of academic excellence alone, and to communicate the generous levels of financial and other support available to undergraduates and graduates at St Hugh's.

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

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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 4 November 2015 and signed on its behalf by:

Principal

Dame Elish Angiolini

ST HUGH'S COLLEGE

Report of the Auditor to the Members of the Governing Body of St Hugh's College

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOVERNING BODY OF ST HUGH'S COLLEGE

We have audited the financial statements of St Hugh's 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 Governing Body and auditor

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

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governing Body; and the overall presentation of the financial statements. We read all the information in the Report of the Governing Body to identify material inconsistencies with the audited financial statements. 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.

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.

Critchleys LLP
Statutory Auditor
Oxford

Date

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

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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 St Hugh's Conferences Limited and St Hugh's Estates Limited. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiary as included the consolidated income, expenditure and results of the College are disclosed in note 12.

2. Basis of accounting

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

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

Fees receivable, HEFCE support and charges for services and use of the premises, including contributions received from restricted funds, are accounted for in the period in which the related service is provided.

4. Incoming resources from donations and legacies

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

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

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

5. Investment income

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

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

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

6. Expenditure

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

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

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

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

ST HUGH'S COLLEGE

Statement of Accounting Policies

Year ended 31 July 2015

7. Leases

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

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

8. Tangible fixed assets

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

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

9. Depreciation

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

Freehold properties, including major extensions	50 years
Building improvements	15 years
Equipment	3 - 10 years

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

10. Investments

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

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

11. Stocks

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

12. Foreign currencies

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

13. Total Return investment accounting

The College statutes authorise the College to adopt a 'total return' basis for the investment of its permanent endowment. The College can invest its permanent endowments without regard to the

ST HUGH'S COLLEGE

Statement of Accounting Policies

Year ended 31 July 2015

capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a capital supplement to the preserved ('frozen') value of the permanent endowment.

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

For the carrying value of the preserved (frozen) permanent capital, the Governors have taken its open market value as at 31 July 2002, together with the original gift value of all subsequent endowments received.

14. Fund accounting

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

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

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

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

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

St Hugh's College
Consolidated Statement of Financial Activities
For the year ended 31 July 2015

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2015 Total £000's	2014 Total £000's
INCOMING RESOURCES						
Resources from charitable activities						
	1					
Teaching, research and residential		6,999	0	0	6,999	6,728
		<u>6,999</u>	<u>0</u>	<u>0</u>	<u>6,999</u>	<u>6,728</u>
Resources from generated funds						
Legacies and donations		385	3,023	385	3,793	4,695
Trading income	2	1,075	0	0	1,075	917
Investment income	3	30	2	558	590	395
Bank and other interest	4	13	0	0	13	37
		<u>1,503</u>	<u>3,025</u>	<u>943</u>	<u>5,471</u>	<u>6,044</u>
Other incoming resources		38	0	0	38	16
		<u>8,540</u>	<u>3,025</u>	<u>943</u>	<u>12,508</u>	<u>12,788</u>
Total Incoming Resources						
RESOURCES EXPENDED						
Cost of generating funds						
	5					
Fundraising		483	0	0	483	473
Trading expenditure		539	0	0	539	434
Investment management costs		81	0	0	81	14
		<u>1,103</u>	<u>0</u>	<u>0</u>	<u>1,103</u>	<u>921</u>
Charitable activities						
	5					
Teaching, research and residential		8,124	114	0	8,238	7,782
		<u>8,124</u>	<u>114</u>	<u>0</u>	<u>8,238</u>	<u>7,782</u>
Governance costs	8	25	0	0	25	17
		<u>9,252</u>	<u>114</u>	<u>0</u>	<u>9,366</u>	<u>8,720</u>
Total Resources Expended						
Net incoming/(outgoing) resources						
before transfers						
		(712)	2,911	943	3,142	4,068
Transfers between funds	17	3,210	(2,487)	(723)	0	0
Net incoming/(outgoing) resources						
before other gains and losses						
		<u>2,498</u>	<u>424</u>	<u>220</u>	<u>3,142</u>	<u>4,068</u>
Investment gains/(losses)		102	7	1,557	1,666	936
		<u>2,600</u>	<u>431</u>	<u>1,777</u>	<u>4,808</u>	<u>5,004</u>
Net movement in funds for the year		2,600	431	1,777	4,808	5,004
Fund balances brought forward	17	24,596	903	26,409	51,908	46,904
		<u>27,196</u>	<u>1,334</u>	<u>28,186</u>	<u>56,716</u>	<u>51,908</u>
Funds carried forward at 31 July	17	27,196	1,334	28,186	56,716	51,908

St Hugh's College
Consolidated and College Balance Sheets
As at 31 July 2015

	Notes	2015 Group £000's	2014 Group £000's	2015 College £000's	2014 College £000's
FIXED ASSETS					
Tangible assets	10	28,150	29,160	28,150	29,160
Securities and other investments	11	31,212	28,951	31,212	28,951
		59,362	58,111	59,362	58,111
CURRENT ASSETS					
Stocks		120	113	120	112
Debtors	14	1,589	955	1,468	3,764
Deposits and other short term investments		0	0	0	0
Cash at bank and in hand		6,397	5,047	6,395	3,855
		8,106	6,115	7,983	7,731
CREDITORS: falling due within one year	15	6,853	3,267	6,730	4,890
		1,253	2,848	1,253	2,841
NET CURRENT ASSETS/(LIABILITIES)		60,615	60,959	60,615	60,952
CREDITORS: falling due after more than one year	16	3,899	9,051	3,899	9,051
Provisions for liabilities and charges		0	0	0	0
		56,716	51,908	56,716	51,901
NET ASSETS		56,716	51,908	56,716	51,901
FUNDS OF THE COLLEGE					
Endowment funds		28,186	26,409	28,186	26,409
Restricted funds		1,334	903	1,334	903
Unrestricted funds					
Designated funds		1,812	1,737	1,812	1,737
General funds		25,384	22,859	25,384	22,852
		56,716	51,908	56,716	51,901

The financial statements were approved and authorised for issue by the Governing Body of St Hugh's College

on:

Trustee:

Trustee:

St Hugh's College
Consolidated Cash Flow Statement
For the year ended 31 July 2015

	Notes	2015 Group £000's	2014 Group £000's
Net cash inflow/(outflow) from operations	23	2,667	4,495
Returns on investments and servicing of finance			
Income from investments		603	166
Finance costs paid		(230)	(132)
		373	34
Capital expenditure and financial investment			
New endowment capital received		385	609
Payments for tangible fixed assets		(199)	(12,955)
Proceeds from sales of tangible fixed assets		0	0
Payments for investments		(1,395)	(4)
Proceeds from sales of investments		800	1,124
		(409)	(11,226)
Management of liquid resources			
Net (additions to) / withdrawals from term deposits		0	6,654
Net (purchase) / sale of current asset investments		0	0
		0	6,654
Financing			
New bank loans		0	0
Bank loans repaid		(1,281)	4,621
New lease finance		0	0
Capital element of finance lease payments		0	0
		(1,281)	4,621
Increase/(decrease) in cash in the year		1,350	4,578
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash in the year		1,350	4,578
Transfers from term deposits and current investments		0	(6,654)
Decrease / (increase) in loan and lease finance		1,281	(4,621)
Change in net funds		2,631	(6,697)
Net funds at 1 August		(4,284)	2,413
Net funds at 31 July	24	(1,653)	(4,284)

St Hugh's College
Notes to the financial statements
For the year ended 31 July 2015

1 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2015 Total £000's	2014 Total £000's
Teaching, research and residential					
Tuition fees - UK and EU students	1,835	0	0	1,835	1,788
Tuition fees - Overseas students	1,068	0	0	1,068	1,074
Other fees	0	0	0	0	0
Other HEFCE support	273	0	0	273	289
Other academic income	80	0	0	80	129
College residential income	3,743	0	0	3,743	3,448
	<u>6,999</u>	<u>0</u>	<u>0</u>	<u>6,999</u>	<u>6,728</u>

The above analysis includes £2,147k received from Oxford University under the CFF Scheme, net of College fees received directly (2014 - £1,953k)

2 TRADING INCOME

	2015 £000's	2014 £000's
Subsidiary company trading income	1,075	917
	<u>1,075</u>	<u>917</u>

3 INVESTMENT INCOME

	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2015 Total £000's	2014 Total £000's
Other property income	0	0	0	0	0
Interest on fixed term deposits and cash	0	0	0	0	0
Other investment income	30	2	558	590	395
	<u>30</u>	<u>2</u>	<u>558</u>	<u>591</u>	<u>395</u>

4 BANK AND OTHER INTEREST INCOME

	Unrestricted Funds £000's	Restricted Funds £000's	Endowed Funds £000's	2015 Total £000's	2014 Total £000's
Bank interest	13	0	0	13	37
Other interest	0	0	0	0	0
	<u>13</u>	<u>0</u>	<u>0</u>	<u>13</u>	<u>37</u>

5 ANALYSIS OF RESOURCES EXPENDED

	Direct staff costs £000's	Other direct costs £000's	Support costs £000's	2015 Total £000's	2014 Total £000's
Costs of generating funds					
Fundraising	277	124	82	483	473
Trading expenditure	124	141	274	539	434
Investment management costs	3	65	13	81	14
Total costs of generating funds	404	330	369	1,103	921
Charitable expenditure					
Teaching, research and residential	4,326	2,304	1,608	8,238	7,782
Total charitable expenditure	4,326	2,304	1,608	8,238	7,782
Governance costs	0	25	0	25	17
Total resources expended	4,730	2,659	1,977	9,366	8,720

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 £NIL (2014 - £NIL).

6 SUPPORT COSTS

	Generating Funds £000's	Teaching, Research and Residential £000's	Public Worship £000's	Heritage £000's	2015 Total £000's	2014 Total £000's
Financial and domestic admin	79	174	0	0	253	202
Human resources	7	71	0	0	78	82
IT	40	168	0	0	208	171
Depreciation	242	966	0	0	1,208	791
Loss/(profit) on fixed assets	0	0	0	0	0	0
Bank interest payable	0	230	0	0	230	132
Other finance charges	0	0	0	0	0	0
	368	1,609	0	0	1,977	1,378

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

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

IT costs are attributed according to headcount.

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

7 GRANTS AND AWARDS

	Unrestricted Funds £000's	Restricted Funds £000's	2015 Total £000's	2014 Total £000's
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:				
Scholarships, prizes and grants	158	56	214	141
Bursaries and hardship awards	136	1	137	152
Grants to other institutions	0	0	0	36
	294	57	351	329

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions comprises a grant the China Studies Department.

8 GOVERNANCE COSTS

	2015	2014
	£000's	£000's
Governance costs comprise:		
Auditor's remuneration - audit services	25	17
Auditor's remuneration - audit services over provision in prior year	0	0
	<u>25</u>	<u>17</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's	£000's
The aggregate payroll costs for the year were as follows.		
Salaries and wages	4,187	3,875
Social security costs	268	249
Pension costs	572	512
	<u>5,027</u>	<u>4,636</u>

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

	2015	2014
Tuition and research	21	19
College residential	82	73
Fundraising	5	6
Support	8	5
Total	<u>116</u>	<u>103</u>

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

	2015	2014
University Lecturers	25	28
CUF Lecturers	9	9
Other teaching and research	4	4
Other	2	5
Total	<u>40</u>	<u>46</u>

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

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

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

£70,001-£80,000	1	1
£80,001-£90,000	1	0
	<u>1</u>	<u>0</u>

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

In defined benefits schemes	2	1
	<u>2</u>	<u>1</u>

10 TANGIBLE FIXED ASSETS

Group and College	Freehold land and buildings £000's	Fixtures, Fittings and Equipment £000's	Total £000's
Cost			
At start of year	36,335	2,705	39,040
Additions	92	107	199
Disposals	0	(2)	(2)
At end of year	36,427	2,810	39,237
Depreciation			
At start of year	8,489	1,391	9,880
Charge for the year	947	262	1,209
On disposals	0	(2)	(2)
At end of year	9,436	1,651	11,087
Net book value			
At end of year	26,991	1,159	28,150
At start of year	27,846	1,314	29,160

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 SECURITIES AND OTHER INVESTMENTS

	2015 £000's	2014 £000's
Group investments		
Valuation at start of year	28,892	28,822
New money invested	941	4
Amounts withdrawn	(800)	(1,124)
Reinvested income	454	266
Investment management fees	0	(13)
(Decrease)/Increase in value of investments	1,668	936
Group investments at end of year	31,155	28,891
Third share in a boathouse with two other Oxford Colleges	57	60
College investments at end of year	31,212	28,951

Group investments comprise:	Held outside the UK £000's	Held in the UK £000's	2015 Total £000's	2014 Total £000's
Equity investments	8,574	17,080	25,654	23,622
Global multi-asset funds	0	0	0	0
Property funds	0	1,834	1,834	1,684
Fixed interest stocks	0	3,450	3,450	3,155
Alternative and other investments	0	29	29	27
Fixed term deposits and cash	0	188	188	403
Total group investments	8,574	22,581	31,155	28,891

12 SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in St Hugh's Conferences Limited, a company providing conference and other event services on the College premises and 100% of the issued share capital of St Hugh's Estates Limited, a company providing design and build construction services to the College.

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

	St Hugh's Conferences Ltd. £000's	St Hugh's Estates Ltd. £000's
Turnover	994	117
Expenditure	(695)	(116)
Donation to College under gift aid	(299)	(1)
Result for the year	<u>0</u>	<u>0</u>
Total assets		
Total liabilities	1	1
	<u>(1)</u>	<u>(1)</u>
Net funds at the end of year	<u>0</u>	<u>0</u>

13 STATEMENT OF INVESTMENT TOTAL RETURN

The Trustees have adopted a duly authorised policy of total return accounting for the College investment returns with effect from 15 May 2002. The investment return to be applied as income is calculated as 3.77% of the average of the year-end values of the relevant investments in each of the last 5 years. The preserved (frozen) value of the invested endowment capital represents its open market value at 31 July 2002 together with all subsequent endowments valued at date of gift.

	Permanent Endowment £000's	Expendable Endowment £000's	Total £000's
Investment total return			
Income distributions	357	195	552
Capital gains/losses	1,007	550	1,557
Investment management costs			0
Total return for the year	<u>1,364</u>	<u>745</u>	<u>2,109</u>
Amount applied as income for spending	<u>(406)</u>	<u>(317)</u>	<u>(723)</u>
Net increase in Unapplied Total Return in the year	958		
Unapplied Total Return at start of year	5,000		
Unapplied Total Return at end of year	<u>5,958</u>		
Preserved value of original permanent endowments	<u>12,099</u>		

14 DEBTORS

	2015 Group £000's	2014 Group £000's	2015 College £000's	2014 College £000's
Amounts falling due within one year:				
Trade debtors	371	592	258	255
Amounts owed by College members	0	0	0	0
Amounts owed by Group undertakings	0	0	0	2,986
Loans repayable within one year	34	21	34	20
Prepayments and accrued income	868	271	860	267
Other Debtors	316	5	316	170
Amounts falling due after more than one year:				
Loans	0	66	0	66
	<u>1,589</u>	<u>955</u>	<u>1,468</u>	<u>3,764</u>

15 CREDITORS: falling due within one year

	2015	2014	2015	2014
	Group	Group	College	College
	£000's	£000's	£000's	£000's
Bank overdrafts	0	0	0	0
Bank loans	4,151	280	4,151	280
Obligations under finance leases	0	0	0	0
Trade creditors	1,133	1,325	554	575
Amounts owed to College Members	0	0	0	0
Amounts owed to Group undertakings	(1)	0	1,115	0
Taxation and social security	105	172	50	96
College contribution	0	0	0	0
Accruals and deferred income	986	1,126	492	3,665
Other creditors	479	364	368	274
	<u>6,853</u>	<u>3,267</u>	<u>6,730</u>	<u>4,890</u>

Bank Loans include an unsecured loan for £3,900,000 which was settled in full on 28th August 2015

16 CREDITORS: falling due after more than one year

	2015	2014	2015	2014
	Group	Group	College	College
	£000's	£000's	£000's	£000's
Bank loans	3,899	9,051	3,899	9,051
	<u>3,899</u>	<u>9,051</u>	<u>3,899</u>	<u>9,051</u>

The College has four bank loans and three of these have an element that is due in more than one year

Loan 1 : £1,436,000 repayable quarterly LIBOR +0.5% - end date 27/3/2023

Loan 2 : £1,825,000 repayable at the end of the agreement - End date 11/3/2019 LIBOR +0.5%

Loan 3 : £637,500 repayable quarterly LIBOR +0.275% - End date 14/3/2028

17 FUNDS OF THE COLLEGE MOVEMENTS

	At 1 August 2014 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	At 31 July 2015 £
<u>Endowment Funds - Permanent</u>						
Bursaries	454	5	0	(8)	15	466
Fellowships and lectureships	11,085	261	0	(260)	654	11,740
General educational purposes	1,136	24	0	(10)	67	1,217
Library	395	16	0	(25)	23	409
Other purposes	2,277	58	0	(56)	134	2,413
Prizes	141	4	0	(3)	8	150
Scholarships	1,588	335	0	(44)	105	1,984
	<u>17,076</u>	<u>703</u>	<u>0</u>	<u>(406)</u>	<u>1,006</u>	<u>18,379</u>
<u>Endowment Funds - Expendable</u>						
Bursaries	111	2	0	(3)	7	117
Chapel	217	5	0	(7)	13	228
Fellowships and lectureships	1,062	22	0	(37)	63	1,110
General educational purposes	7,305	153	0	(230)	431	7,659
Library	39	3	0	(3)	2	41
Other purposes	192	0	0	0	11	203
Scholarships	407	38	0	(21)	24	448
History	0	17	0	(16)	0	1
	<u>9,333</u>	<u>240</u>	<u>0</u>	<u>(317)</u>	<u>551</u>	<u>9,807</u>
Total Endowment Funds	<u>26,409</u>	<u>943</u>	<u>0</u>	<u>(723)</u>	<u>1,557</u>	<u>28,186</u>
<u>Restricted Funds</u>						
Aung San Suu Kyi Summer School	6	0	0	0	0	6
Burma Exchange Programme	11	0	0	0	0	11
Bursaries	117	39	0	0	7	163
Capital projects fund	430	62	0	(116)	0	376
Career development fellowships	238	18	(49)	0	0	207
China Studies building	0	2,434	(63)	(2,371)	0	0
College prizes	22	0	(2)	0	0	20
Fellowships	0	0	0	0	0	0
Lecture series	41	0	0	0	0	41
Refurbishment and development of buildings	6	0	0	0	0	6
Scholarships	19	0	0	0	0	19
Student Support	13	472	0	0	0	485
	<u>903</u>	<u>3,025</u>	<u>(114)</u>	<u>(2,487)</u>	<u>7</u>	<u>1,334</u>
Total Restricted Funds	<u>903</u>	<u>3,025</u>	<u>(114)</u>	<u>(2,487)</u>	<u>7</u>	<u>1,334</u>
<u>Unrestricted Funds</u>						
General	22,859	8,511	(9,252)	3,266	0	25,384
<u>Designated Funds</u>						
Bursaries	15	0	0	0	1	16
Fellowships and lectureships	1,243	21	0	(40)	73	1,297
General educational purposes	321	6	0	(10)	19	336
Other purposes	15	0	0	0	1	16
Scholarships	143	2	0	(6)	8	147
	<u>24,596</u>	<u>8,540</u>	<u>(9,252)</u>	<u>3,210</u>	<u>102</u>	<u>27,196</u>
Total Unrestricted Funds	<u>24,596</u>	<u>8,540</u>	<u>(9,252)</u>	<u>3,210</u>	<u>102</u>	<u>27,196</u>
	<u>51,908</u>	<u>12,508</u>	<u>(9,366)</u>	<u>0</u>	<u>1,666</u>	<u>56,716</u>
Total Funds	<u>51,908</u>	<u>12,508</u>	<u>(9,366)</u>	<u>0</u>	<u>1,666</u>	<u>56,716</u>

18 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Bursaries, Fellowships and Lectureships, Library, Prizes, Scholarships	A consolidation of gifts and donations where income, but not capital, can be used for the payment of bursaries, the cost of fellowships and lectureships, the running costs of the library and for student prizes and scholarships.
General Educational Purposes	Capital balance of past donations where related income, but not the original capital, can be used for the general educational purposes of the charity
Other purposes	A consolidation of gifts and donations where income, but not capital, can be used for a variety of educational purposes such as lectures and student support.

Endowment Funds - Expendable:

Bursaries, Fellowships and Lectureships, Library, Chapel, Prizes, Scholarships	A consolidation of gifts and donations where either income, or income and capital, can be used for the payment of bursaries, the cost of fellowships and lectureships, the running costs of the library and for student prizes and scholarships.
General Educational Purposes	Capital balance of past donations where related income, or income and capital, can be used for the general educational purposes of the charity
Other purposes	A consolidation of gifts and donations where either income, or income and capital, can be used for a variety of educational purposes such as travel grants, prizes and student support.

Restricted Funds:

Student support	A consolidation of gifts and donations where both income and capital can be used for student support.
Refurbishment and development of buildings	A consolidation of gifts and donations where both income and capital can be used for the refurbishment and development of buildings.
Capital projects fund	A consolidation of gifts and donations which are being released into unrestricted funds in line with the depreciation of the project that they were raised to finance.
China Studies building	A consolidation of gifts and donations where both income and capital can be used to finance the construction of a China studies building.
Career development fellowships	A consolidation of gifts and donations where both income and capital can be used for career development fellowships.
Lecture series	A gift to be used to provide a series of lectures over a 10 year period.
Bursaries	A gift to be used to provide bursaries.
Aung San Suu Kyi Summer School	A consolidation of gifts to fund a summer school for Burmese students
College Prizes	A consolidation of gifts to fund a named prize in Chemistry

Designated Funds

Bursaries, Fellowships and Lectureships, Scholarships	Unrestricted Funds allocated by the Fellows for future costs of bursaries fellowships and lectureships and scholarships.
General educational purposes	Unrestricted Funds allocated by the Fellows for future general educational purposes of the charity
Other purposes	Unrestricted Funds allocated by the Fellows for a variety of future costs such as the gardens, the library, prizes and student hardship.

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's	Restricted Funds £000's	Endowment Funds £000's	Total £000's
Tangible fixed assets	27,650	500	0	28,150
Property investments	0	0	0	0
Securities and other investments	1,768	0	29,444	31,212
Net current assets/(liabilities)	1,677	834	(1,258)	1,253
Bank loans	(3,899)	0	0	(3,899)
	<u>27,196</u>	<u>1,334</u>	<u>28,186</u>	<u>56,716</u>

20 TRUSTEES' REMUNERATION

Trustee 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.

The remuneration committee reviews the remuneration and conditions of employment of the fellows/trustees.

Trustees of the college fall into the following categories:

- Principal
- Tutorial Fellow
- Professorial Fellow
- Senior Research Fellow
- Additional Fellow
- Senior Tutor
- Bursar

Some trustees, particularly tutorial fellows are eligible for college housing schemes. No trustees live in accommodation owned by the College and have a deduction from salary as 'rent'. Some trustees are eligible for a housing allowance which is disclosed within the salary figures below. 4 trustees live rent-free in college accommodation and therefore do not receive a housing allowance. 13 trustees live in houses owned jointly with the College. One such house was bought and none were sold during the year.

Some trustees receive additional allowances for additional work carried out as part time college officers eg. Dean, computer / IT Fellow.

The total remuneration and taxable benefits as shown below is £1,336,083 (2013-14 £1,374,687). The total of pension contributions is £182,101 (2013-14 £188,230).

Remuneration paid to trustees

Range	2014-15		2013-14	
	trustees	benefits and pension £	Number of trustees	benefits and pension contributions £
£1-£999	1	612	2	242
£3,000-£3,999	2	6,675	0	0
£8,000-£8,999	1	8,812	3	25,841
£9,000-£9,999	2	18,779	0	0
£11,000-£11,999	0	0	1	11,396
£15,000-£15,999	0	0	2	30,483
£18,000-£18,999	1	18,731	4	73,557
£19,000-£19,999	5	97,436	18	353,249
£20,000-£20,999	15	300,691	0	0
£22,000-£22,999	1	22,250	1	22,858
£25,000-£25,999	1	25,276	0	0
£26,000-£26,999	1	26,089	0	0
£36,000-£36,999	0	0	1	36,187
£38,000-£38,999	1	38,149	0	0
£40,000-£40,999	0	0	1	40,913
£41,000-£41,999	1	41,881	0	0
£42,000-£42,999	0	0	2	85,287
£43,000-£43,999	2	87,132	0	0
£49,000-£49,999	0	0	3	148,829
£50,000-£50,999	3	152,090	2	100,381
£51,000-£51,999	3	154,508	1	51,591
£58,000-£58,999	0	0	1	58,047
£61,000-£61,999	1	61,812	0	0
£69,000-£69,999	0	0	1	69,038
£74,000-£74,999	0	0	1	74,300
£77,000-£77,999	1	77,979	0	0
£93,000-£93,999	0	0	1	93,328
£95,000-£95,999	1	95,603	0	0
£99,000-£99,999	0	0	1	99,160
£101,000-£101,999	1	101,578	0	0

11 trustees are not employees of the college and do not receive remuneration.

All trustees may eat at common table, as can all other employees who are entitled to meals while working. The figures for 2013-14 have been restated as they included employers national insurance in error.

Trustee expenses

No fellow claimed any expenses for work as a trustee.

21 PENSION SCHEMES

The pension schemes

The College participates in two principal pension schemes for its staff - the Universities Superannuation Scheme ('USS') and the University of Oxford Staff Pension Scheme ('OSPS'). Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and 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 income and expenditure account 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 participating employer will be charged to that employer.

The College is also contributing to the NEST scheme of certain staff who were ineligible to join USS or OSPS. During the year the College continued to make pension payments directly to a Standard Life pensions scheme for one employee of the College.

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% 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	4.5% pa
	Rate of increase in pensions	CPI pa	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" basis:	54%	44%
	Estimated FRS17 basis	72%	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 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 3/75ths 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%.

Sensitivity of actuarial valuation assumptions:

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

Assumption	Change in assumption	Impact on scheme liabilities	
		USS	OSPS
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/ reduced by 0.1%	decrease / increase by £0.8bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn
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

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	2015 £000's	2014 £000's
Universities Superannuation Scheme	292	280
University of Oxford Staff Pension Scheme	278	229
Other schemes - contributions	<u>2</u>	<u>5</u>
	<u>572</u>	<u>514</u>

22 TAXATION

The College is able to take advantage of the tax exemptions available to charities from taxation in respect of income and capital gains received to the extent that such income and gains are applied to exclusively charitable purposes.

No liability to corporation tax arises in the College's subsidiary companies because the directors of these companies have indicated that they intend to make donations each year to the College equal to the taxable profits of the companies under the Gift Aid scheme.

Accordingly no provision for taxation has been included in the financial statements.

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

	2015	2014
	£000's	£000's
Net incoming resources for the year	3,142	4,068
Elimination of non-operating cash flows:		
- Investment income	(603)	(432)
- Endowment donations	(385)	(609)
- Financing costs	230	145
Depreciation	1,209	791
Loss on investment	0	0
(Surplus)/loss on sale of fixed assets	0	0
Decrease/(Increase) in stock	(7)	6
Decrease/(Increase) in debtors	(634)	(33)
(Decrease)/Increase in creditors	(285)	559
(Decrease)/Increase in provisions	0	0
Net cash inflow/(outflow) from operations	<u>2,667</u>	<u>4,495</u>

24 ANALYSIS OF CHANGES IN NET FUNDS

	2014	Cash flow	2015
	£000's	£000's	£000's
Cash at bank and in hand	5,047	1,350	6,397
Bank overdrafts	0	0	0
	<u>5,047</u>	<u>1,350</u>	<u>6,397</u>
Deposits and other short term investments	0	0	0
Bank loans due within one year	(280)	(3,871)	(4,151)
Bank loans due after one year	(9,051)	5,152	(3,899)
	<u>(4,284)</u>	<u>2,631</u>	<u>(1,653)</u>

25 FINANCIAL COMMITMENTS

At 31 July the College had annual commitments under non-cancellable operating leases as follows:

	2015	2014
	£000's	£000's
Land and buildings		
- expiring within one year	0	0
- expiring between two and five years	0	0
- expiring in over five years	0	0
	<u>0</u>	<u>0</u>
Other		
- expiring within one year	5	0
- expiring between two and five years	7	12
- expiring in over five years		
	<u>12</u>	<u>12</u>

26 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July totalling £nil (2014-£270k).

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 as trustees are disclosed separately in these financial statements.

The College has properties owned jointly with trustees under joint equity ownership agreements between the trustee and the College. The cost of the College's share of these properties is:

	2015	2014
	£000's	£000's
Dr G.S. Garnett	37	37
Professor K.R. Plunkett	150	150
Dr J. Martin	150	151
Mr R. Ovenden	140	141
Dr N.E.R. Perkins	151	151
Dr S.J. Conway	151	151
Dr C. Capelli	151	151
Dr P. Blunsom	151	151
Dr C.J. Stevens	151	151
Dr M. Friedman	151	151
Dr J. Parkin	156	156
Dr A. Jerusalem	145	145
Professor R Perera - Salazar	150	0

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

28 CONTINGENT LIABILITIES

There are no contingent liabilities requiring disclosure. (2014: £NIL).

29 POST BALANCE SHEET EVENTS

There are no post balance sheet events requiring disclosure. (2014: £NIL).