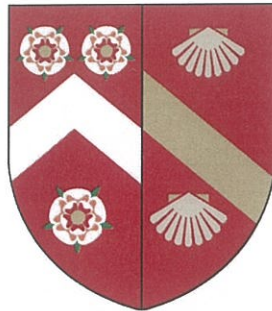


Charity Registration Number: 1139726



# Wadham College

Annual Report and Financial Statements

Year ended 31 July 2015



**Wadham College**  
**Year ended 31 July 2015**  
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**INVESTMENT MANAGERS:**

**Blackrock Investment Management (UK) Limited**

12 Throgmorton Avenue  
London EC2N 2DL

**Oxford University Endowment Management Limited**

King Charles House  
Park End Street  
Oxford OX1 1JD

**LAND AGENTS:**

**Carter Jonas**

269 Banbury Road  
Summertown  
Oxford OX2 7LL

**Whirledge & Nott**

Maplestead Hall  
Little Maplestead  
Halstead  
Essex CO9 2SL

**SOLICITORS:**

**Darbys Solicitors LLP**

Midland House  
West Way, Botley.  
Oxford OX2 0PH

**COLLEGE AUDITORS:**

**Critchleys LLP**

Greyfriars Court  
Paradise Square  
Oxford OX1 1BE  
Oxford OX4 2WB

**BANKERS:**

**Lloyds plc**

Carfax  
Oxford OX1 4AA

**Barclays Bank plc**

4<sup>th</sup> floor, Apex Plaza  
Forbury Road  
Reading RG1 1AX

**COLLEGE ADDRESS:**

**Wadham College**

Parks Road  
Oxford OX1 3PN

[www.wadham.ox.ac.uk](http://www.wadham.ox.ac.uk)

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

**Warden:** Lord Macdonald QC

**Development Director:** Ms Julie Hage

**Sub-Warden:** Professor Nicholas Woodhouse

**Domestic Bursar:** Mrs Frances Lloyd

**Senior Tutor:** Dr Caroline Mawson

**Finance Bursar:** Mr Ian Thompson FCA

**College Accountant:** Mr Vincent Skeffington

**Academic Administrator:** Dr Michael Froggatt

## **TRUSTEE REPORT**

The Governing Body of Wadham College (“the Charity”) present their annual report for the year ended 31<sup>st</sup> July 2015 under the Charities Act 2011 together with the audited consolidated financial statements for that year.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

Wadham College registered as a charity (reg. no.1139726) with the Charity Commission on the 6<sup>th</sup> January 2011. Before this date it was an unregistered charity.

The Governing Body is the Board of Trustees of the charity. Members of the Governing Body act in their capacity as Charity Trustees. The present Trustees and those who served during the year are given on pages 10-11.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

Wadham College was founded by Nicholas and Dorothy Wadham in 1610. The Governing Body of the College comprises the Warden and Fellows. This Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, the Bishop of Bath and Wells. The College Statutes are as made from time to time by order of Her Majesty in Council in accordance with the Universities of Oxford and Cambridge Act 1923. The Governing Body holds to itself the responsibilities for the ongoing strategic direction of the College, for its administration and for the management of its finances and assets. It meets up to three times a term under the chairmanship of the Warden and is advised by a range of committees, the principal ones being the Academic Policy Committee (to advise on all academic related issues), the Finance Committee (to advise on all financial matters), the Investment Committee (to advise on investment issues) and the Audit and Risk Committee (to advise on audit and risk issues).

## **CORPORATE GOVERNANCE**

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly. The Governing Body is ultimately responsible for the Risk Assessment and Risk Management of the College. To assist with this process there is an Audit & Risk Committee, chaired by an independent external member. This Committee undertakes regular reviews of the effectiveness of systems in place for the assessment and management of material areas of risk within the College.

## **INVESTMENT COMMITTEE AND INVESTMENT PERFORMANCE.**

The Investment Committee is comprised of Fellows and old members of the college with extensive investment experience. The Investment Committee, which meets termly, is responsible for advising on the implementation of the strategy as agreed by the Trustees. The strategy continues to be to manage the College investments in such a way to ensure the continuance of the College for the foreseeable future. The College has adopted a spending rate of 3.5% based on an average endowment value for the preceding three years. The College attempts to mitigate the effects of risk through diversification by investing in a range of different assets classes. The value of investments at the year-end was £83.2M (2014: £77M). During the year the College

## **Wadham College**

### **Trustee Report**

**Year ended 31 July 2015**

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invested some £1.0M net in new investments with funds arising from the Development Appeal and capital receipts. Total return (capital appreciation plus income) was 9.7% (2014:6.8%). The FTSE Custom All-Share TR Index returned 5.2% for the same period. The investments of the College at the year-end comprise £30.0M in tracker and actively managed equity funds; £17.6M in the Oxford Endowment Fund and £35.6M in Property. The Trustees are satisfied with the outcome of the investment performance for the year.

### **FUNDRAISING**

The income raised from philanthropic donations continues to be vital for the College's ability to support our short and long term goals. Alumni, friends, fellows and staff have generously supported Wadham again this year with over £2.8 million received in donations and legacies. In addition, a number of generous seven figure pledges have been confirmed this year and these generous plans situation bode well for the financial wellbeing of the College also in future years.

It is very encouraging to see that an unprecedented number of alumni have supported the College this year with more than 23% of our old members giving a gift in 2014/2015. Compared to last year's 21% and the Oxford average of 15% this is a historic level of donations to Wadham. The commitment to supporting the College is expressed by alumni from all generations and this year we have seen a particularly exciting initiative launched by our enterprising leavers. Thanks to a creative and dedicated campaign entitled "#IGaveToDorothy" launched by this year's finalists, more than 50% of our leavers have decided to donate to the College's first ever leavers campaign. This is a magnificent result by any standards, and a triumph for future generations of Wadham donors.

With the endorsement of the College's plan for institutional development and income generation for the next decade, the Access to Excellence programme is designed to raise £30 million, primarily to increase the endowment. The aim is to support the entire student journey to Wadham and beyond, and we are delighted that this strategy has received encouraging support from our alumni and friends in the UK and abroad.

The donations for the College's access and outreach activities have increased again this year, with more than £600,000 donated towards access and student support activities. This has enabled Wadham to launch a number of new pre- and post-16 access activities, designed to identify and support the most talented young people on their educational journey to Oxford.

Donors to the College have also recognised the need to attract the best graduate talent to Wadham, and we have seen an increase in donations for graduate scholarships again this year. It has been possible to secure funding for 6 endowed graduate scholarships and a further 8 spend-down scholarships. With this increased provision (adding to the previous year's scholarship donations) – and supported by the strengthened web-site communications - the College has seen a notable increase in graduate applications. This generous support has enabled the College to secure matched funding from the Oxford Graduate Scholarship Matched Fund (OGSMF), as the Fund allocated an extra 40% to Wadham for every scholarship raised (endowed and spend-down).

Unrestricted income to the College has also increased this year with more than £750,000 received in small and mid-size donations to the Wadham Fund. As one of the most successful annual fund programmes in Oxford, the Wadham Fund continues to be a vital source of income for the College, covering areas of greatest need on an annual basis. The annual telephone fundraising

**Wadham College**  
**Trustee Report**  
**Year ended 31 July 2015**

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campaign contributes to this momentum, and the assiduous and persuasive Wadham students working on our 2 week campaign are some of our best ambassadors when it comes to engaging alumni and friends and soliciting regular support for the coming years.

On behalf of the Fellows and students of Wadham, we would like to extend our warmest thanks to alumni, friends and staff who have supported the College so generously this financial year. Their friendship, guidance and generosity make a genuine difference to sustaining this vibrant academic community, also in the future.

## **OBJECTIVES**

The College working with the University provides an education aimed at outstanding students from all backgrounds the opportunity to fulfil their maximum potential. The College also seeks to advance world leading research. The education provided to some 550 undergraduates and graduate students is recognised internationally as being of the highest standard. The education provided develops students academically and advances their leadership qualities and inter-personal skills, and prepares them to play full and effective roles in society. In particular, the College provides:

- teaching facilities and individual or small-group tutorials, as well as pastoral, administrative and academic support through its undergraduate and graduate advisory systems; and
- social, cultural, musical, recreational and sporting facilities to enable each of its students to realise as much as possible of their academic and personal potential whilst studying at the College.

The College advances research through:

- the payment of stipends and supporting the costs of Fellows and others acting on behalf of the College to carry out research;
- providing Research Fellowships to outstanding academics at the early stages of their careers, which enables them to develop and focus on their research in this formative period before they undertake the full teaching and administrative duties of a permanent academic post;
- supporting research work pursued by its Tutorial Fellows through sabbatical leave, special leave and “buy-outs” promoting interaction across disciplines, providing facilities and providing grants for attendance at national and international conferences, research trips and research materials;
- encouraging and sponsoring visits from outstanding academics from other parts of the United Kingdom and abroad; and encouraging the dissemination of research undertaken by members of the College through seminars and lectures and the publication of papers in academic journals or other suitable means.

The College maintains an extensive Library and Archive (including important special collections), so providing a valuable resource for students and Fellows of the College and others by arrangement.

## **Wadham College**

### **Trustee Report**

**Year ended 31 July 2015**

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The College does not consider that there is any detriment or harm that arises from carrying out the College's aims and is not aware of views among others that such detriment or harm might arise.

The resident members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in education, learning or research.

However, beneficiaries also include: students and academic staff from other colleges and the University of Oxford more widely, visiting academics from other higher education institutions and visiting schoolchildren and alumni of the College who have an opportunity to attend educational events at the College or use its academic facilities. The general public are also able to attend various educational activities in the College such as concerts, exhibitions and have access to its gardens and historic buildings.

The College admits as students those who have the highest potential for benefiting from the education provided by the College and the University. It recruits as academic staff those who are able to contribute most to the academic excellence of the College and the wider community, regardless of their financial, social, religious or ethnic background.

- There are no geographical restrictions in the College's objects and 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.

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

## **PRINCIPAL ACTIVITIES DURING THE YEAR**

### **Fellowship Research and Teaching**

During the 2014-15 academic year, the College paid for teaching relief totalling 1,724 hours, including cover for around 20 terms' leave (approximately half of this sabbatical leave, and half special leave), and employed 42 College lecturers, working alongside a Fellowship of 71. The publication record of the Colleges' Fellows, across disciplines, remains impressive and four Fellows were granted Professorial titles in the University's most recent Recognitions of Distinction: Professor Heyworth, Professor Mukherjee, Professor Summerfield and Professor Seddon.

The college appointed four research associates to facilitate and support intellectual exchange in the graduate community. In the Fellowship, to select from many achievements, Paul Beer (Chemistry) was awarded the Izatt-Christensen award for his work's impact on the field of macrocyclic and supramolecular chemistry, Peter Thonemann (Ancient History) has continued research funded through a £70,000 Leverhulme award, Chris Summerfield (Psychology) has started on a period of special leave to undertake work with Deepmind Technologies, taking a leading role in co-ordinating collaborations on artificial intelligence, and Emma Cohen (Human Sciences) returns from special leave funded by a British Academy Mid-term Career Fellowship pursuing research into interpersonal behaviour and social bonding.

### **Outreach and Access**

The College continues to undertake extensive activities designed to raise the educational aspiration and attainment of those who might not otherwise consider applying to study at the College, or in higher education more generally. In part, these events are also intended to appeal to academically gifted students who may need additional support and information to encourage them to make applications to the College and University. During the 2014/15 academic year we expanded our access summer schools and welcomed students from our regions to study with our tutors in Maths, Politics, Engineering and Classics. We continue to partner with third parties such as the Brilliant Club, Pathways, and IntoUniversity and have embarked upon closer collaboration with schools in Luton as well as regions in Cambridgeshire and the East End of London.

In the undergraduate admissions process (Oct-Dec 2014) we received 70 applications from applicants with an overall 'access flag' (up from 65 in 2014 and representing 10% of the total field of applicants to the college). The success rate for these applicants was 20% at Wadham, in line with the university-wide rate for 'flagged' applicants (and, with the movement of candidates between colleges, 23% of 'flagged' applicants to Wadham were made offers across the University). The success rate of maintained sector applicants to Wadham was marginally above the University's average (23% as against 22%). We made offers to a total of 72 male applicants and 74 female applicants; male applicants were marginally more successful (with a 23% success rate) than female applicants (20% success rate). Finally, we received 42 applications from applicants with a registered disability, of whom five received offers at Wadham, and four received offers from other colleges (an overall success rate of 21%).

On the graduate side, the generosity of donors has allowed the College to award 15 graduate scholarships from October 2015/January 2016: the Clarendon-Monkton Scholarship; the Mitchell-RCUK Scholarship; the Oxford-1610 Scholarship; the Oxford-Sub-Saharan Graduate Scholarship; the Wadham Miremadi Studentship in English; the Hackney BCL Scholarship; the Peter Carter Taught Graduate Scholarship in Law; the Philip Wright Scholarship; the Water Conservators Scholarship; the Brookman Music Scholarship; the Wadham College Norwegian Scholarships, two awards for students in Centres for Doctoral Training, and the BSG-Wadham Sub-Saharan Scholarship. As part of ongoing plans to expand the graduate community at Wadham, the number of graduate applications considered by the College for admission from October 2015 rose by 34%, although the number of applicants naming Wadham as their first-choice college fell this year by 8% (subsequent to an atypical peak 2013-14 which saw a rise in first choice applicants on the previous year of 35%). There was an overall increase in the number of graduate applications made to the University as a whole of around 12%.

### **Student Numbers**

At the start of the 2014-15 academic year, the College welcomed 128 undergraduate students and 74 graduate students (of these graduates 48 were reading for taught degrees and 26 for research degrees). The College also continued to engage in a number of student exchange programmes which enriched its vibrant scholarly community; 30 visiting students came from many different countries, including the United States of America, Hong Kong and France.

In the admissions round for entry in October 2015 (and deferred entry in 2016), the College received 694 applications from prospective undergraduates (86% of these students applied directly to Wadham, 14% were allocated to the College). Amongst these applicants, 72% were based in the UK, 9% applied from elsewhere in the EU, and 19% applied from the rest of the world. Following thorough evaluation of applications across the University, and in compliance with the University's Common Framework on Admissions, the College selected 405 candidates for



interview over two weeks in December 2014. Following this process, offers were made to 146 students.

The graduate admissions process runs across the academic year, with applications arriving at the College from November through to September. Graduate offers made by Wadham rose by 21% in the 2014-15 admissions round for entry October 2015 (against 13-14, which also saw a 26% rise on the previous year), with an anticipated resultant graduate intake in October 2015/January 2016 of 97 (as against 74 in October 2014, and 62 October 2013).

During May and June 2015 Wadham students sat 1,602 separate examinations. Following these examinations, the College awarded prizes to departing students and will nominate selected continuing students to undergraduate scholarships in recognition of their academic excellence. On the interim 'Norrington table', ranking of Wadham's undergraduate degree results compared to those of the other Oxford Colleges, Wadham was ranked 3rd out of 30 undergraduate colleges.

### **Student Financial Support**

The College and University continue to work hard to provide a range of financial support for those students adversely affected by the introduction of the new fees regime in 2012/13. The cost to the College for its share of the Oxford Bursary Scheme and Fee Waivers administered by the University totalled £140,000 for the year. In addition, the College made discretionary grants of £21,000 to those students facing unforeseen financial hardship. A range of other financial support was provided for students which included £65,000 to assist with rent for those living out of College; £29,000 for students to attend extra-curricular academic courses and pursue academic related projects. The College also made payments of £120,000 during the year to support the various sports clubs and student common rooms.

### **Fellows and Staff**

At the end of July 2015 the College had 71 Fellows (excluding the Warden) who were members of the Governing Body (a net increase in 4 from July 2014), 26 Emeritus Fellows, 27 Honorary Fellows and 12 Foundation Fellows. Two new Fellows take up posts from the autumn of 2015. During the course of the year the Living Wage Foundation accredited the College as a Living Wage Employer.

### **Buildings**

During the course of the year the College purchased the former VW Garage site (some 0.9 hectares) on the Iffley Road, Oxford for £9.75M. The College intends to build a new student accommodation campus of some 135 en-suite rooms on the site. Construction work is hoped to commence in the summer of 2017 with the first students taking occupation during 2019. The College is currently exploring the different funding options together with appointing the professional team to take this project forward. Once completed, the College will be able to offer owned accommodation to its undergraduate community.

### **PUBLIC BENEFIT**

The Trustees believe that by putting well over £8M a year into teaching and research, student support for students from financially disadvantaged backgrounds and the maintenance of important historic buildings, the Charity provides substantial public benefit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the College's aims and objectives and in planning future activities. The Trustees remain committed to the aim of providing public benefit in accordance with its founding principles and in line with the Charity Commission's guidelines.

## **FINANCIAL REVIEW**

The audited accounts have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" Charities SORP 2005. The accounts include all operational income, donations, investment income together with expenditure for both Wadham College and its subsidiary.

Total incoming resources for the year were £11M up 1.8% from the £10.8M the previous year. Total resources expended amounted to £10.3M an increase of 15% from the £8.9M in the previous year. The increase being driven in part from higher employment costs and the funding of a number of property development opportunities. Net incoming resources fell from £1.8M in 2014 to £0.7M for the year. Gains on the revaluation of investments at the year-end amounted to £5.5M. Increase in property values being the main contributing factor. Net movement on funds amounted to £6.2M. Total College funds stand at £109M.

The Trustees are satisfied with the financial outcome for the year.

## **RESERVES POLICY**

The policy is to maintain sufficient free reserves to enable the College to continue to operate effectively and meet its short-term financial obligations in the event of unexpected revenue shortfall. This would provide a temporary buffer to allow the College to operate normally for a period of time.

The technical "free reserves" at the year-end amounted to a surplus of £2.7M. This figure represents unrestricted funds not represented by unrestricted fixed assets. The Trustees also note that net current assets amount to £3.3M and net current restricted funds total £3M giving a net current surplus of £0.3M.

## **PLANS FOR THE FUTURE**

The Trustees have identified three strategic goals to focus on in the medium term. These are making the College a beacon for fair access, creating an innovative learning environment and a hub for world leading research. Practical measure to achieve these goals include increasing access initiatives, providing further student accommodation, fundraising for bursaries and student support, expanding the number of graduate scholarships and securing teaching post. The Trustees continue to strive to make the College a centre of excellence both in education and research and have no plans to change this fundamental objective. The Trustees will look to foster closer collaboration with the University in all of its activities.

## **RECRUITMENT AND TRAINING OF NEW TRUSTEES**

Appointment to the College's Governing Body is on the basis that those elected are eligible and willing to act as Charity Trustees. The majority of new members, who are normally academics, hold joint posts with the University of Oxford. A transparent and professional selection process is followed for all appointments. An induction program setting out the responsibilities and duties of being a Charity Trustee is provided to all new appointees.

**TRUSTEES AND COMMITTEE MEMBERSHIP**

All Trustees are members of the Governing Body which is advised by a range of committees. The principal ones being Finance Committee (FC), Academic Policy Committee (APC) Audit & Risk Committee (AR), Investment Committee (IC), Development Committee (DC) and Remuneration Committee (RC). The list below of Trustee names has been annotated to show their membership of these committees.

The Trustees, all of whom held office during the year unless otherwise stated were:

Lord Ken	Macdonald QC	APC, AR, DC, FC, IC, RC.
Prof Nicholas	Athanasou	
Prof Michael	Bannon	IC
Dr Esther	Becker	(Start date 01.10.14)
Prof Paul	Beer	RC
Dr Alan	Beggs	
Prof Stephen	Bell	
Dr Guido	Bell	
Prof Ben	Berks	
Prof Dominic	Brookshaw	
Prof Philip	Bullock	APC, DC
Prof Martin	Bureau	APC
Prof Philip	Candelas	RC
Prof Alain	Cantillon	
Dr Alfonso	Castrejón-Pita	
Prof Eric	Clarke	IC
Dr Emma	Cohen	
Dr David	Conlon	
Prof Darren	Dixon	
Prof Carolin	Duttlinger	APC
Prof David	Edwards	(Retired 31.08.14)
Prof Andrew	Farmery	
Prof Robin	Fiddian	
Dr Jasmine	Fledderjohann	(Start date 01.10.14)
Dr Jane	Garnett	DC,
Dr Sebastian	Gehrig	
Dr Lydia	Gilday	(Start date 01.09.14)
Dr Stephen	Goss	DC, RC
Dr Jane	Griffiths	
Ms Julie	Hage	DC
Prof Alex	Halliday	
Prof Edmund	Herzig	
Dr Stephen	Heyworth	FC
Dr Margaret	Hillenbrand	

## Wadham College

### Trustee Report

Year ended 31 July 2015

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Dr	Andrew	Hodges	
Prof	Christina	Howells	FC
Prof	Laura	Hoyano	
Dr	Matthew	Kempshall	
Dr	Tarunabh	Khaitan	
Dr	Martin	Klimmek	(Resigned 29.08.14)
Prof	Sallie	Lamb	RC
Prof	Susan	Lea	
Mrs	Frances	Lloyd	FC, AR, DC,
Dr	William	Mack	(Resigned 31.08.14)
Dr	Paul	Martin	
Dr	Caroline	Mawson	APC, DC, FC, RC,
Prof	Colin	Mayer	RC
Dr	Paul	McClarty	
Dr	Justine	McConnell	(Start date 01.10.14)
Dr	Andrew	Mitchell	(Resigned 05.10.14)
Dr	Ian	Moore	
Dr	Sara	Motta	(Start date 01.03.15)
Prof	Ankhi	Mukherjee	APC
Dr	Kendra	Packham	(Resigned 18.10.14)
Prof	Alexander	Paseau	
Dr	Claudia	Pazos Alonso	
Prof	Fiona	Powrie	(Start date 01.10.14)
Prof	Paolo	Radaelli	
Dr	Eveline	Ramaekers	
Prof	Alexander	Ritter	
Prof	Philippe	Roussin	
Dr	Nathalie	Seddon	
Dr	Jonathan	Service	(Start date 01.10.14)
Prof	Ekaterina	Shamonina	
Prof	Richard	Sharpe	
Dr	Tom	Simpson	
Dr	Thomas	Sinclair	FC
Dr	Sandy	Steel	(Start date 01.09.14)
Dr	Candadi	Sukumar	
Dr	Christopher	Summerfield	APC,
Dr	Oren	Sussman	IC
Mr	Ian	Thompson	FC, APC, AR, IC, RC, DC
Dr	Mark	Thompson	APC,
Dr	Peter	Thonemann	
Dr	Mark	Wallace	
Prof	Nick	Woodhouse	FC, APC, AR, DC, RC
Prof	Giulia	Zanderighi	
Prof	Francesco	Zanetti	IC, FC

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### **Trustee Remuneration Disclosure**

The Trustees of Wadham College comprise the Governing Body, primarily Fellows who are teaching and research employees of the college and who sit on the Governing Body by virtue of their employment. The Trustees have agreed to use the framework set out in note 22 to the accounts for their disclosure of remuneration.

No Trustee receives any remuneration for acting as a trustee. However those Trustees who are also employees of the College receive salaries and allowances under contracts of employment. The College has adopted the University of Oxford's pay grades and an independent Remuneration Committee advises on all issues of pay and allowances for Fellows. The majority of Tutorial Fellows teaching posts are joint appointments with the University.

The Trustees of the College fall into the following classes of Fellowships: Professorial, Official, Senior Research, Junior Research and those by Special Election. The College's administration is delegated to College Officers who are Official Fellows. This category includes the Finance Bursar, Domestic Bursar, Senior Tutor and Development Director. The College's Head of House, who has administrative duties, is also a Trustee, but does not hold a Fellowship.

Certain classes of Fellowships are provided with a Housing Allowance (disclosed within the salary figures below) or can elect to live rent free in College. All Trustees may eat at Common Table free of charge, as can all other employees who are entitled to meals whilst at work.

Some Trustees receive additional allowances for work carried out as part-time College Officers. Such posts include: Sub Warden, Dean and Tutor for Graduates, Tutor for Undergraduate, Fellow Librarian, Fellow Computing Officer and Keeper of the Gardens. These amounts are included within the remuneration in note 22. The total remuneration and taxable benefits are £1.77M (2014: £1.67M). The total of pension contributions paid by the College is £669K (2014: £574K).

During the year there were 78 Trustees who served for all or part of the period during which the College was a registered charity. Of this number, 51 Trustees received remuneration under a contract of employment for work for the College and 27 Trustees received no remuneration.

No Fellow claimed any expenses for work as a Trustee.

### **Related party Transactions with Trustees**

Three eligible Trustees have participated in the College's Joint Equity Housing Scheme during the year and three Trustees have a housing loan. Both initiatives are provided by the College in order to assist with the purchase of suitable accommodation in the Oxford area. Housing assistance is not an automatic right. Each application is looked at on its own merits by an independent committee who assess the benefits to the College in providing housing assistance.

### **Governing Body's Responsibilities Statement**

The Governing Body, who are trustees for the purposes of Charity Law, is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

**Wadham College**  
**Trustee Report**  
**Year ended 31 July 2015**

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

In preparing these financial statements, the Governing Body is 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 Governing Body are responsible for keeping adequate accounting records that are sufficient to show and explain the College's and group's transactions and disclose with reasonable accuracy at any time the financial position of the College 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 College and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved on behalf of the Trustees on

**Lord Macdonald QC.**

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WADHAM COLLEGE**

We have audited the financial statements of Wadham College for the year ended 31 July 2015 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated 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 12, the trustees are responsible for the preparation of financial statements which 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 (APB'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 and parent 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.

**Wadham College**  
**Auditor's Report**  
**Year ended 31 July 2015**

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**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 Trustees' Annual Report 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

**Critchleys LLP**  
**Statutory Auditor, Chartered Accountants**  
**Oxford**

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



**Wadham College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2015**

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**Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments at market rates prevailing at the balance sheet date. The statements are in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charity SORP) issued in 2005.

The financial statements consolidate the accounts of the College and its subsidiary undertaking Wadham College Services Limited on a line by line basis. The accounts of the affiliated student bodies (the Student Union and the Middle Common Room) have not been consolidated because the College does not control these activities.

The College has an investment in an associated undertaking, Boathouse Consortium Limited. This investment is included in the consolidated financial statements using equity accounting.

The Accounting Policies remain unchanged from the prior year and are set out below:

**Incoming resources**

Donations, legacies and other forms of voluntary income are accounted for when receivable. Student fee income and charges are accounted for on an accruals basis. The College accounts for its investment income on a total return basis, which allows the College to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. The College has adopted a 3.5% total return rate, on a three year rolling average.

**Resources expended**

Costs classified as charitable activities included only direct costs associated with those activities. Investment management costs are allocated to specific funds in proportion to their relative size. All other administrative and overhead costs incurred by the College which are not directly attributable either to fund generation or governance are allocated on the basis of staff involvement in those areas.

**Classification of funds**

The College's endowed funds are capital funds where normally only the income arising may be applied, in certain cases for restricted purposes. These endowments are either permanent or expendable, depending on whether the trustees have authority to spend the capital.

The College's restricted funds have arisen from restrictions specified by the donors. Both income and capital can be used for restricted purposes.

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

**Tangible fixed assets**

Tangible fixed assets are stated at cost and are depreciated on a straight line basis over the following periods:

Freehold buildings	- 50 years
Building improvements	- 50 years
Equipment	- 5 years

**Wadham College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2015**

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Freehold land is not depreciated.

The cost of major renovation projects which increase the service potential of buildings is capitalised and depreciated over applicable periods.

Certain historic College buildings are included at a net value of £1 as, due to their age, their historic cost would be difficult to ascertain and they would also now be fully depreciated.

The College operates a “de minimis” limit of £5,000 for capitalisation of expenditure on building improvements and for equipment. Works of art and other valuable artefacts that can be regarded as inalienable are not included in the financial statements.

**Stocks**

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

**Maintenance of premises**

The cost of routine corrective maintenance is charged to the income and expenditure account in the period it is incurred.

**Provisions**

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the obligation.

**Foreign currencies**

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates of exchange or, where there are related forward foreign exchange contracts, at contract rates. The resultant exchange differences are included in the Statement of Financial Activities for the year.

**Taxation status**

As a charity within the meaning of the Charities Act 2011, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The College is subject to VAT on its non-charitable activities.

**College Contribution Scheme**

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 University’s Council and is accounted for in the period to which it relates.

**Investments**

Investments are stated at market value at the Balance Sheet date. The Statement of Financial Activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals throughout the year.

**Wadham College**  
**Statement of Accounting Policies**  
**Year ended 31 July 2015**

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**Recognition of liabilities accounting policy**

Liabilities are recognised when there is a legal and constructive obligation committing the College to the expenditure.

**Pension Costs**

Contributions to the pension schemes provided for employees of the College are charged to the Statement of Financial Activities over the period during which the College benefits from the employees' services.

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

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
<b>INCOMING RESOURCES</b>						
<b>Resources from charitable activities</b>	1					
Teaching, research and residential		6,072	0	0	6,072	6,092
Public worship		0	0	0	0	0
Heritage		0	0	0	0	0
		<u>6,072</u>	<u>0</u>	<u>0</u>	<u>6,072</u>	<u>6,092</u>
<b>Resources from generated funds</b>						
Legacies and donations		753	1,213	778	2,744	2,438
Trading income	2	27	0	0	27	27
Investment income	3	0	0	2,134	2,134	2,199
Bank and other interest	4	21	0	0	21	9
		<u>801</u>	<u>1,213</u>	<u>2,912</u>	<u>4,926</u>	<u>4,673</u>
<b>Other incoming resources</b>		0	0	0	0	0
<b>Total Incoming Resources</b>		<u>6,873</u>	<u>1,213</u>	<u>2,912</u>	<u>10,998</u>	<u>10,765</u>
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>	5					
Fundraising		628	0	0	628	600
Trading expenditure		0	0	0	0	0
Investment management costs		346	0	0	346	200
		<u>974</u>	<u>0</u>	<u>0</u>	<u>974</u>	<u>800</u>
<b>Charitable activities</b>	5					
Teaching, research and residential		8,757	564	0	9,321	8,102
Public worship		0	0	0	0	0
Heritage		0	0	0	0	0
		<u>8,757</u>	<u>564</u>	<u>0</u>	<u>9,321</u>	<u>8,102</u>
<b>Governance costs</b>	8	18	0	0	18	30
<b>Total Resources Expended</b>		<u>9,749</u>	<u>564</u>	<u>0</u>	<u>10,313</u>	<u>8,932</u>
<b>Net incoming/(outgoing) resources before transfers</b>		(2,876)	649	2,912	685	1,833
Transfers between funds	19	2,540	(1,300)	(1,240)	0	0
<b>Net incoming/(outgoing) resources before other gains and losses</b>		<u>(336)</u>	<u>(651)</u>	<u>1,672</u>	<u>685</u>	<u>1,833</u>
Investment gains		0	0	5,484	5,484	2,162
<b>Net movement in funds for the year</b>		<u>(336)</u>	<u>(651)</u>	<u>7,156</u>	<u>6,169</u>	<u>3,995</u>
Fund balances brought forward	19	20,051	9,161	73,718	102,930	98,935
<b>Funds carried forward at 31 July</b>	19	<u>19,715</u>	<u>8,510</u>	<u>80,874</u>	<u>109,099</u>	<u>102,930</u>

**Wadham College**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2015**

	Notes	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
<b>FIXED ASSETS</b>					
Tangible assets	10	22,458	22,557	22,458	22,557
Property investments	11	33,862	22,090	33,862	22,090
Securities and other investments	12	49,449	53,982	49,449	53,982
		<b>105,769</b>	<b>98,629</b>	<b>105,769</b>	<b>98,629</b>
<b>CURRENT ASSETS</b>					
Stocks		550	509	550	509
Debtors	15	1,496	1,743	2,266	2,200
Cash at bank and in hand		2,290	2,958	1,481	2,480
		<b>4,336</b>	<b>5,210</b>	<b>4,297</b>	<b>5,189</b>
<b>CREDITORS: falling due within one year</b>	16	<b>1,006</b>	<b>909</b>	<b>967</b>	<b>888</b>
<b>NET CURRENT ASSETS</b>		<b>3,330</b>	<b>4,301</b>	<b>3,330</b>	<b>4,301</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>109,099</b>	<b>102,930</b>	<b>109,099</b>	<b>102,930</b>
<b>CREDITORS: falling due after more than one year</b>	17	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions for liabilities and charges</b>	18	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET ASSETS</b>		<b>109,099</b>	<b>102,930</b>	<b>109,099</b>	<b>102,930</b>
<b>FUNDS OF THE COLLEGE</b>					
<b>Endowment funds</b>		<b>80,874</b>	<b>73,718</b>	<b>80,874</b>	<b>73,718</b>
<b>Restricted funds</b>		<b>8,510</b>	<b>9,161</b>	<b>8,510</b>	<b>9,161</b>
<b>Unrestricted funds</b>					
General funds		19,715	20,051	19,715	20,051
		<b>109,099</b>	<b>102,930</b>	<b>109,099</b>	<b>102,930</b>

*The financial statements were approved and authorised for issue by the Governing Body of Wadham College on 11th November 2015*

*Lord Macdonald QC*

*Trustee*

*Ian Thompson*

*Trustee*

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

	Notes	2015 Group £'000	2014 Group £'000
<b>Net cash outflow from operations</b>	25	<u>(1,227)</u>	<u>(325)</u>
<b>Returns on investments and servicing of finance</b>			
Income from investments		2,134	2,199
		<u>2,134</u>	<u>2,199</u>
<b>Capital expenditure and financial investment</b>			
New endowment capital received		778	557
Payments for tangible fixed assets		(597)	(233)
Payments for investments		(11,079)	(1,000)
Proceeds from sales of investments		9,323	161
		<u>(1,575)</u>	<u>(515)</u>
<b>Financing</b>			
New bank loans		0	0
		<u>0</u>	<u>0</u>
<b>Increase/(decrease) in cash in the year</b>		<u>(668)</u>	<u>1,359</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash in the year		(668)	1,359
<b>Change in net funds</b>		<u>(668)</u>	<u>1,359</u>
<b>Net funds at 1 August</b>		2,958	1,599
<b>Net funds at 31 July</b>		<u>2,290</u>	<u>2,958</u>

**Wadham 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
<b>Teaching, research and residential</b>					
Tuition fees - UK and EU students	1,812	0	0	1,812	1,740
Tuition fees - Overseas students	462	0	0	462	396
Other fees	116	0	0	116	115
HEFCE support	285	0	0	285	301
Other academic income	157	0	0	157	122
College residential income	2,229	0	0	2,229	2,300
Conference and function income	1,011	0	0	1,011	1,118
	<u>6,072</u>	<u>0</u>	<u>0</u>	<u>6,072</u>	<u>6,092</u>

The above analysis includes £1,841k received from Oxford University under the CFF Scheme, net of College fees received directly (2014 - £1,832k).

**2 TRADING INCOME**

	2015 £'000	2014 £'000
Other trading income	27	27
	<u>27</u>	<u>27</u>

**3 INVESTMENT INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Agricultural rent	0	0	214	214	212
Commercial rent	0	0	247	247	251
Equity dividends	0	0	1,673	1,673	1,736
	<u>0</u>	<u>0</u>	<u>2,134</u>	<u>2,134</u>	<u>2,199</u>

**4 BANK AND OTHER INTEREST INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000	2014 Total £'000
Bank interest	21	0	0	21	9
	<u>21</u>	<u>0</u>	<u>0</u>	<u>21</u>	<u>9</u>

**Wadham 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
<b>Costs of generating funds</b>					
Fundraising	435	163	30	628	600
Investment management costs	0	341	5	346	200
<b>Total costs of generating funds</b>	<b>435</b>	<b>505</b>	<b>34</b>	<b>974</b>	<b>800</b>
<b>Charitable expenditure</b>					
Teaching, research and residential	4,499	3,130	1,692	9,321	8,102
<b>Total charitable expenditure</b>	<b>4,499</b>	<b>3,130</b>	<b>1,692</b>	<b>9,321</b>	<b>8,102</b>
<b>Governance costs</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>18</b>	<b>30</b>
<b>Total resources expended</b>	<b>4,934</b>	<b>3,653</b>	<b>1,726</b>	<b>10,313</b>	<b>8,932</b>

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 £60k (2014 - £60k).

**6 SUPPORT COSTS**

	Generating Funds £'000	Teaching Research and Residential £'000	Public Worship £'000	Heritage £'000	2015 Total £'000	2014 Total £'000
Financial and domestic admin	19	663	0	0	681	508
Human resources	3	118	0	0	122	99
IT	12	216	0	0	229	275
Depreciation	0	695	0	0	695	737
	<b>34</b>	<b>1,692</b>	<b>0</b>	<b>0</b>	<b>1,726</b>	<b>1,619</b>

Finance, administration, human resources and I.T. 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. 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	134	222	356	47
Bursaries and hardship awards	62	140	202	192
	<b>196</b>	<b>362</b>	<b>558</b>	<b>239</b>

The above costs are included within the charitable expenditure on Teaching and Research. There were no grants awarded to other institutions in the current or prior year.



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

**8 GOVERNANCE COSTS**

	2015	2014
	£'000	£'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	16	28
Auditor's remuneration - other services	2	2
	<u>18</u>	<u>30</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	4,567	4,060
Social security costs	331	286
Pension costs	669	574
	<u>5,567</u>	<u>4,920</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	5	3
College residential	69	73
Fundraising	8	7
Support	34	31
Total	<u>116</u>	<u>114</u>

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

	2015	2014
University Lecturers	22	23
CUF Lecturers	15	14
Other	33	30
Total	<u>70</u>	<u>67</u>

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

There were no employees (excluding the College Trustees) during the year whose gross pay and benefits (excluding employer NI and pension contributions) were in excess of £60,000.

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

**10 TANGIBLE FIXED ASSETS**

<b>Group and College</b>	<b>Leasehold land and buildings £'000</b>	<b>Freehold land and buildings £'000</b>	<b>Plant and Machinery £'000</b>	<b>Fixtures, Fittings and Equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At start of year	0	30,955	0	1,497	32,452
Additions	0	432	0	165	597
<b>At end of year</b>	<b>0</b>	<b>31,387</b>	<b>0</b>	<b>1,662</b>	<b>33,049</b>
<b>Depreciation</b>					
At start of year	0	8,651	0	1,244	9,895
Charge for the year	0	574	0	122	696
<b>At end of year</b>	<b>0</b>	<b>9,225</b>	<b>0</b>	<b>1,366</b>	<b>10,591</b>
<b>Net book value</b>					
At end of year	0	22,162	0	296	22,458
At start of year	0	22,304	0	253	22,557

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.

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

**11 PROPERTY INVESTMENTS**

Group and College				2015	2014
	Agricultural £'000	Commercial £'000	Other £'000	Total £'000	Total £'000
Valuation at start of year	13,114	1,984	6,992	22,090	21,400
Additions and improvements at cost	0	12	10,067	10,079	0
Disposals net proceeds	(95)	0	(228)	(323)	(161)
Revaluation gains/(losses) in the year	1,663	194	159	2,016	851
<b>Valuation at end of year</b>	<b>14,682</b>	<b>2,190</b>	<b>16,990</b>	<b>33,862</b>	<b>22,090</b>

A desk top valuation of the agricultural, commercial and other properties was prepared by the College's external land and property agents (Carter Jonas, Whirlledge & Nott) as at the 31st July 2015. A formal red book valuation is next due to be carried out at 31st July 2017.

**12 SECURITIES AND OTHER INVESTMENTS**

	2015 £'000	2014 £'000
<b>Group investments</b>		
Valuation at start of year	53,912	51,601
New money invested	(8,000)	1,000
Increase in value of investments	3,467	1,311
<b>Group investments at end of year</b>	<b>49,379</b>	<b>53,912</b>
Investment in Boathouse Consortium	70	70
<b>College investments at end of year</b>	<b>49,449</b>	<b>53,982</b>

Group investments comprise:			2015	2014
	Held outside the UK £'000	Held in the UK £'000	Total £'000	Total £'000
Global multi-asset funds	0	47,337	47,337	52,091
Property funds	0	1,734	1,734	1,539
Fixed interest stocks	0	0	0	0
Alternative and other investments	0	308	308	282
Fixed term deposits and cash	0	0	0	0
<b>Total group investments</b>	<b>0</b>	<b>49,379</b>	<b>49,379</b>	<b>53,912</b>

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

**13 SUBSIDIARY UNDERTAKINGS**

The College holds 100% of the issued share capital in Wadham College Services Limited, a company registered in England and Wales providing conference and other event services on the College premises.

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

	<b>Wadham College Services Ltd</b>	<b>Wadham College Services Ltd</b>
	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	262	354
Expenditure	(241)	(324)
Donation to College under Gift Aid	(21)	(30)
Result for the year	<u>0</u>	<u>0</u>
Total assets	849	567
Total liabilities	(849)	(567)
Net funds at the end of year	<u>0</u>	<u>0</u>

**14 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 1st August 2008. The investment return to be applied as income is calculated as 3.5% (plus costs) of the average of the year-end values of the relevant investments in each of the last three years. The preserved (frozen) value of the invested endowment capital represents its open market value in 2002 together with all subsequent endowments valued at date of gift.

	Permanent Endowment £'000	Expendable Endowment £'000	Total £'000
<b>Investment total return</b>			
Income distributions	1,955	179	2,134
Capital gains	5,023	460	5,484
Investment management costs	0	0	0
Total return for the year	<u>6,978</u>	<u>639</u>	<u>7,618</u>
Amount applied as income for spending	<u>(2,200)</u>	<u>(200)</u>	<u>(2,400)</u>
Net increase in Unapplied Total Return in the year	4,778		
Unapplied Total Return at start of year	30,655		
<b>Unapplied Total Return at end of year</b>	<u>35,433</u>		
<b>Preserved value of original permanent endowments</b>	<u>32,105</u>		

**Wadham 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
<b>Amounts falling due within one year:</b>				
Trade debtors	254	307	190	219
Amounts owed by College members	83	76	83	76
Amounts owed by Group undertakings	0	0	834	545
Other Debtors	907	1,109	907	1,109
<b>Amounts falling due after more than one year:</b>				
Loans	252	252	252	252
	<u>1,496</u>	<u>1,743</u>	<u>2,266</u>	<u>2,200</u>

16 CREDITORS: falling due within one year	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Trade creditors	278	180	278	180
Amounts owed to College Members	128	98	128	98
Taxation and social security	177	132	162	111
College contribution	60	60	60	60
Accruals and deferred income	92	204	68	204
Other creditors	271	235	271	235
	<u>1,006</u>	<u>909</u>	<u>967</u>	<u>888</u>

17 CREDITORS: falling due after more than one year	2015 Group £'000	2014 Group £'000	2015 College £'000	2014 College £'000
Other creditors	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**18 PROVISIONS FOR LIABILITIES AND CHARGES**

The Group and College had no provisions for liabilities and charges in the current or prior year.

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**19 FUNDS MOVEMENTS (GROUP AND COLLEGE)**

	At 1 August 2014 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2015 £'000
<b>Endowment Funds - Permanent</b>						
<i>Teaching Funds</i>						
Dr Wills' Pension Fund	679	20	0	(22)	50	727
Sir Algernon Methuen's Bequest	1,710	50	0	(56)	127	1,831
Dr David T Wylie's Bequest	811	23	0	(26)	60	868
The Lee Shau Kee Benefaction	575	17	0	(19)	43	616
The Law Fellowship Support Fund	1,190	35	0	(39)	88	1,274
The Von Bothmer Benefaction	2,147	62	0	(70)	160	2,299
A F Thompson History Fellowship	2,011	326	0	(66)	150	2,421
The Knowles/Williams J R F	843	25	0	(27)	63	904
The Hackney/Stow Law Fellowship	1,603	50	0	(52)	119	1,720
Engineering Fellowship	489	227	0	(16)	36	736
Forrest/Derow Classics Fellowship	2,120	68	0	(69)	158	2,277
Hutcheson Bequest	619	18	0	(20)	46	663
M Benham Biology Fellowship	726	21	0	(24)	54	777
M Benham Mathematics Fellowship	726	21	0	(24)	54	777
English Teaching Fund Fellowship	1,020	30	0	(33)	75	1,092
Roger Penrose Maths Fellowship	972	28	0	(32)	72	1,040
<i>College Buildings &amp; Facilities</i>						
R H Robbins Garden Fund	681	20	0	(22)	50	729
<i>College Corporate Capital</i>						
111 Funds below £550k	37,742	1,092	0	(1,229)	2,806	40,411
	10,874	656	0	807	812	13,149
	<b>67,538</b>	<b>2,789</b>	<b>0</b>	<b>(1,039)</b>	<b>5,023</b>	<b>74,311</b>
<b>Endowment Funds - Expendable</b>						
The General Benefactions Fund	6,180	123		(201)	459	6,561
						0
	<b>6,180</b>	<b>123</b>	<b>0</b>	<b>(201)</b>	<b>459</b>	<b>6,561</b>
<b>Total Endowment Funds</b>	<b>73,718</b>	<b>2,912</b>	<b>0</b>	<b>(1,240)</b>	<b>5,484</b>	<b>80,874</b>
<b>Restricted Funds</b>						
Graduate Centre and Staircase 9	5,607			(140)		5,467
30 Other Funds	3,554	1,213	(564)	(1,160)		3,043
<b>Total Restricted Funds</b>	<b>9,161</b>	<b>1,213</b>	<b>(564)</b>	<b>(1,300)</b>	<b>0</b>	<b>8,510</b>
<b>Unrestricted Funds</b>						
General Reserves	20,051	6,873	(9,749)	2,540		19,715
<b>Total Unrestricted Funds</b>	<b>20,051</b>	<b>6,873</b>	<b>(9,749)</b>	<b>2,540</b>	<b>0</b>	<b>19,715</b>
<b>Total Funds</b>	<b>102,930</b>	<b>10,998</b>	<b>(10,313)</b>	<b>0</b>	<b>5,484</b>	<b>109,099</b>

The College has agreed to list individually all those Permanent Endowment Funds with a balance greater than £550k at the year end. The College also had 15 Permanent Endowment Funds with a balance between £250k and £550k and 96 Funds with a balance below £250k. Transfers include £1.16m to Permanent Endowments from Restricted Funds for reclassification of funds and £140k for depreciation charges for the Graduate Centre and Staircase 9. .  
The Total Return Spending Rule transfer amounted to £2.4m.

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**20 FUNDS OF THE COLLEGE DETAILS**

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

- Endowment Funds - Permanent:** The above funds listed are to secure teaching posts in a variety of subjects, and to maintain the College Garden.
- Endowment Funds - Expendable:** A consolidation of gifts and donations where either income, or income and capital, can be used for the general purposes of the charity.
- Restricted Funds:** The Buildings Fund is the major source of financing for the Graduate Centre and refurbishment of Staircase 9, construction of which has now been completed.
- Unrestricted Funds:** 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.

**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	16,991	5,467	0	22,458
Property investments	0	0	33,862	33,862
Securities and other investments	(0)	0	49,449	49,449
Net current assets	2,724	3,043	(2,437)	3,330
	<u>19,715</u>	<u>8,510</u>	<u>80,874</u>	<u>109,099</u>

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**22 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. No expenses were paid to employees in discharging their duties as Trustees.

Range £	Number of Trustees 2015 Total	Number of Trustees 2014 Total
3,000-3,999	1	0
8,000-8,999	0	2
9,000-9,999	4	3
10,000-10,999	1	2
11,000-11,999	1	0
12,000-12,999	0	1
13,000-13,999	1	0
14,000-14,999	0	1
15,000-15,999	0	1
16,000-16,999	0	1
17,000-17,999	1	0
18,000-18,999	2	3
19,000-19,999	1	3
20,000-20,999	12	8
21,000-21,999	3	1
22,000-22,999	2	2
24,000-24,999	0	1
27,000-27,999	1	0
33,000-33,999	0	2
36,000-36,999	1	0
39,000-39,999	0	2
40,000-40,999	1	0
41,000-41,999	2	2
45,000-45,999	1	0
46,000-46,999	0	1
48,000-48,999	1	0
49,000-49,999	1	0
50,000-50,999	0	4
51,000-51,999	5	3
52,000-52,999	2	0
53,000-53,999	1	0
55,000-55,999	0	1
56,000-56,999	0	1
59,000-59,999	1	0
77,000-77,999	0	1
82,000-82,999	0	1
85,000-85,999	1	2
86,000-86,999	1	0
87,000-87,999	1	0
88,000-88,999	1	0
104,000-104,999	0	1
105,000-105,999	1	0
	51	50



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**23 PENSION SCHEMES**

**1. 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 FRS 17 "Retirement Benefits", the College accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

In the event of the withdrawal of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation of the scheme.

However, in OSPS, the amount of any pension funding shortfall in respect of any withdrawing participating employer will be charged to the employer.

**2. Actuarial valuations**

Qualified actuaries periodically value the Schemes. Both USS and OSPS were valued using the "projected unit" method, embracing a market values 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) <sup>a</sup>	(£173m) <sup>b</sup>
Principal assumptions:		
Investment return	5.2% pa <sup>c</sup>	-
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 <sup>d</sup>	4.5% pa
Rate of increase in pensions	CPI pa <sup>d</sup>	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	25.2yrs
Funding Ratios:		
Technical Provisions basis:	89%	71%
Statutory Pension Protection Funds basis:	82%	69%
"Buy-out" basis:	54%	44%
Estimated FRS 17 basis	72%	75%
Recommended Employer's contribution rate (as % of pensionable salaries):	18% <sup>e</sup>	21.5% <sup>e</sup> increasing to 23.5% <sup>f</sup>
Effective date of next valuation:	31/03/2017	31/03/2016

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**Notes:**

a. USS' actuarial valuation as at 31st 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 Employer's 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 date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members will accrue a pension of  $1/75^{\text{th}}$  and a cash lump sum of  $3/75^{\text{ths}}$  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 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 a 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](http://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% p.a. 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% p.a. 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 and 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 next 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% thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a. less an inflation risk premium) less RPI/CPI gap of 0.8%.

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 the 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 manager 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 the contribution rate by 0.5% each year to 1 August 2017 to 23.5%

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**3. Sensitivity of actuarial valuation assumptions:**

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

Assumption	Change in Assumption	Impact on 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 down by a further year)	increase by £0.5bn		

Assumption	Change in Assumption	Impact on OSPS liabilities		
		OSPS		
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 down by a further year)	increase by £20m		

**4. Pension charge for the year:**

The pension charge recorded by the College during the accounting period was equal to the contributions payable as follows: USS £347k (2014 £286k); OSPS £322k (2014 £288k).

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**24 TAXATION**

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

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

	2015 £'000	2014 £'000
<b>Net incoming resources for the year</b>	<b>685</b>	<b>1,833</b>
Elimination of non-operating cash flows:		
- Investment income	(2,134)	(2,199)
- Endowment donations	(778)	(557)
Depreciation	696	738
Increase/(Decrease) in stock	(41)	(18)
(Decrease)/Increase in debtors	248	540
Increase/(Decrease) in creditors	97	(662)
<b>Net cash inflow/(outflow) from operations</b>	<b>(1,227)</b>	<b>(325)</b>

**26 ANALYSIS OF CHANGES IN NET FUNDS**

	2014 £'000	Cash flow £'000	2015 £'000
Cash at bank and in hand	2,958	(668)	<b>2,290</b>
	<u>2,958</u>	<u>(668)</u>	<u><b>2,290</b></u>

**27 FINANCIAL COMMITMENTS**

The Group and College had no financial commitments as at 31 July 2015 or 31 July 2014.

**28 CAPITAL COMMITMENTS**

The Group and College had capital commitments of £582k at 31 July 2015 (31 July 2014 £nil)

**Wadham College**  
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**29 RELATED PARTY TRANSACTIONS**

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

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

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

Banding		2015 No. of Trustees	2014 No. of Trustees
£40,000-£49,999	Interest is charged on the loan at 3% per annum.	0	1
£60,000-£69,999	Interest is charged on the loan at 3% per annum.	1	1
£90,000-£99,999	Interest is charged on the loan at 3% per annum.	1	0
£100,000-£100,999	Interest is charged on the loan at 3% per annum.	1	1

The loan is secured on the Trustee's property and is repayable either on the sale of the property or on the Trustee ceasing to be employed by the College if earlier.

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

Banding	2015 No. of Trustees	2014 No. of Trustees
£200,000-£204,999	0	3
£215,000-£219,999	1	0
£275,000-£279,999	1	0

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

**30 CONTINGENT LIABILITIES**

The Group and College had no contingent liabilities as at 31 July 2015 or 31 July 2014.