



MAGDALEN COLLEGE

Report and Financial Statements

for the Year Ended 31 July 2016

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REPORT OF THE GOVERNING BODY

The Members of the Governing Body, who act as the Charity Trustees, present their Annual Report for the year ended 31 July 2016 under the Charities Act 2011 together with the audited financial statements for the year.

1. REFERENCE and ADMINISTRATIVE INFORMATION

The College of St Mary Magdalen in the University of Oxford, which is known as Magdalen College (“the College”), is a chartered charitable corporation aggregate. It was founded in 1458 by William Waynflete, Bishop of Winchester.

The College was registered with the Charity Commission on 27 May 2011 (registered number 1142149).

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 advisers of the College, are given on pages 11 to 15.

2. STRUCTURE, GOVERNANCE and MANAGEMENT

a. Governing Documents

The College is governed by its Statutes dated 25 October 2010.

b. Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Bishop of Winchester. The Governing Body is self-appointing.

The Governing Body sets the 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 President and is advised by its Standing Committees.

c. Recruitment and Training of Members of the Governing Body

New Members of the Governing Body are recruited through open competition to advertised posts or through promotion, and are elected on the basis of their abilities in teaching, research or administration. They are inducted into the workings of the College, including Governing Body policy and procedures, by the President, other College Officers and assigned mentors, and may attend external trustee training and information courses to keep them informed about regulatory requirements and current issues in the sector.

d. Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body who are Fellows are teaching and research employees of the College and/or University and receive no remuneration or benefits from their trusteeship of the College. Those trustees that are also employees of the College receive remuneration for their work as employees of the College which is set based on the advice of the College’s Remuneration Committee, some members of which are Fellows not in receipt of remuneration from the College. Where possible, remuneration is set in line with that awarded to the University’s academic staff.

e. Organisational Management

The Governing Body normally meets ten times a year. Standing Committees of the Governing Body develop policies for approval by the full Governing Body and subsequently monitor their implementation. The duties and membership of the Standing Committees are described in detail in the Statutes and Bylaws of the College. The main Standing Committees and their areas of responsibility are

- Tutorial Board: academic matters including the selection and appointment of Tutorial Fellows and Lecturers, and the admission, instruction, support and discipline of junior members of the College.
- Bursarial Committee: all financial matters relevant to the College including the preparation of budgets and monitoring actual income and expenditure through management accounts.

- Investment Committee: policy for the investment of endowment and other assets and overseeing the management of these assets in a manner consistent with approved policy.
- Development and Alumni Relations Committee: objectives and strategies for fundraising and alumni relations.
- Chapel and Choir Committee: matters connected with the Chapel and Choir.
- Human Resources Committee: ensuring that the College operates in compliance with the law and best practice in employment matters.
- Libraries and Archives Committee: matters concerning the Libraries and Archives.
- Fellowship Committee: matters relating to Fellowship appointments.
- Remuneration Committee: matters relating to remuneration and benefits payable to Fellows in accordance with the College Statutes.

The day-to-day management of the College is delegated to its main officers: The President (Professor Sir D C Clary), Bursar (Mr J R H Maw), Senior Tutor (Dr M P Pobjoy) and Home Bursar (Mr M R Blandford-Baker). The Dean of Divinity (Revd Dr J Arnold) is responsible for the Chapel; the Librarian (Mr D T Green) for the Library and Archives; and the Development Director (Mr S F Rainey) for Fundraising and Alumni Relations.

f. Group Structure and Relationships

The College has the following subsidiary companies and connected bodies:

- The Oxford Science Park Limited is a wholly owned trading subsidiary of Magdalen College. Its principal activities are the management of the Oxford Science Park and related property development. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Trading Limited is a wholly owned trading subsidiary of Magdalen College. It undertakes general trading activities, including providing conference facilities and operating a visitor scheme at the College and providing accommodation for old members visiting the College. The company's annual profits are donated to the College under the Gift Aid Scheme.
- Magdalen College Educational Conferences Limited is a company limited by guarantee. Its principal activity is the provision of conference facilities at the College.
- Magdalen College Development Trust is a charitable trust. The Trust was established primarily as a fundraising body to meet the needs of the College and to support the College on fundraising strategy, projects and execution.
- Magdalen Development Company Limited is a wholly owned subsidiary of Magdalen College. Its principal activity is property development.

The College administers numerous special trusts which are detailed in notes 19 to 20 to the financial statements.

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.

Magdalen College School Oxford Limited is not included as a subsidiary as the College does not derive benefit, as defined in the Charities SORP, from the school.

3. OBJECTIVES and ACTIVITIES

a. Charitable Objects and Aims

The College's objects, described in the Statutes, are

- (a) to further study, learning, education and research and to be a College within the University of Oxford wherein men and women may carry out advanced study and research (described in the Statutes as learning and education);

- (b) to provide for public worship through the provision, support and maintenance of a Chapel and Choir; and
- (c) insofar as it is not incompatible with objects (a) and (b), the advancement of the arts, heritage, culture and science for the benefit of the public.

b. Aims for the Public Benefit

The Governing Body has considered the Charity Commission's guidance on public benefit and in keeping with its objects, the College's aims for the public benefit are:

- to admit undergraduate and graduate students of the highest academic standard;
- to provide the best education and facilities for undergraduate and graduate students to enable them to fulfil their potential as effective and productive members of society;
- to provide support and facilities for study and research by students and Fellows;
- to support students financially through the provision of scholarships, bursaries, grants and allowances;
- to support the College Choir and provide for public worship in the College Chapel; and
- to preserve the College buildings and grounds for the benefit of current and future members of the College and members of the public who may visit the College.

Although the Members of the College, both students and academic staff, are the primary beneficiaries and are directly engaged in study, learning, education or research, there are many other beneficiaries. These include students and academic staff from other Colleges within the University of Oxford and from the University more broadly, visiting academics from other institutions of higher education, visiting students and schoolchildren, and the general public. The output from research undertaken by students and Fellows in the sciences, social sciences and humanities provides exceptional long-term public benefit.

The College's subsidiary companies help finance the achievement of the College's aims, described above.

c. Activities and Objectives of the College

The College's activities are focused on furthering its stated objects and aims for the public benefit. The principal activities of the College are study, learning, education and research. The College admits undergraduates for courses at the University of Oxford and accepts graduates admitted by the University.

In conjunction with the University, the College provides a world-class education through small-group teaching and academic supervision for undergraduates. Tutorial teaching is provided by Fellows with international research reputations in essentially all the subjects studied by the College's undergraduates. This provision is reinforced by the appointment of stipendiary and retained lecturers and additional tutors. The College makes available seminars, lectures and other academic gatherings for all students. The College provides a specialist choral musical education for its choral students, who, together with the choristers of Magdalen College School, make up the College's internationally renowned Choir.

The College provides academic advisers for graduate students to assist each student's academic development. For those graduates who are clinical medical students the College also provides clinical teaching.

The College aims to support research of the highest international quality carried out and published by Fellows and graduate students. The appointment of Junior Research Fellows (Fellows by Examination) and Visiting Fellows also furthers this aim. The College directly supports the work of its Fellows and students by providing study space and library facilities, encouraging interaction across academic disciplines and making funding available for attendance at national and international conferences, field trips and research materials. In addition, the College has several seminar rooms and an excellent auditorium that can accommodate up to 160 people, facilities that may also be used by groups from outside the College.

The College maintains five libraries, delivering essential resources for students and Fellows, other members of the University, visiting scholars and researchers, as well as members of the public. There is also an extensive and valuable collection of archives dating back to the twelfth century. A part-time professional Archivist is employed who assists academics and members of the public with their enquiries. The College provides internet connectivity to all its Members and staff and maintains an informative website.

The College provides living accommodation for all its undergraduates and guarantees at least two years' accommodation for its graduates. Some Fellows live in College and all Tutorial Fellows have an appropriate teaching room in College. Welfare support for all students is offered by the Deans of Arts, the Dean of Divinity, the Equal Opportunities Officer, the Tutor for Welfare, Fellows and other members of the College staff.

Students are encouraged to take part in extra-curricular activities and excellent facilities are available in College for this purpose, particularly for sports, music and theatre. Student participation in societies in the College and University is also encouraged.

For the period 2015-20 the College has adopted a Strategic Plan, to act as a focus for its work in pursuit of its objectives. This Plan consists of a Vision ('a unique home for world-class learning and education within a world-class university') and four Priorities designed to secure that Vision, namely (1) the pursuit of excellence in teaching and research; (2) an outstanding collegial experience for all members of the Magdalen community; (3) the enhancement of our beautiful environment and unique cultural heritage; and (4) the communication of Magdalen's character and goals to a global audience. The Plan itemises means of achievement (for example, its Size and Shape Plan) and measures of success for each Priority, to which reference is made individually in what follows.

d. Equality of Opportunity

The College is committed to equality of opportunity in its selection and appointment processes. The focus of the College is strongly academic, so students and academic staff must satisfy high academic entry requirements. The College admits to student places those who have the highest potential for benefiting from the education provided by the College and the University, and appoints to academic positions those who are able to contribute most to the academic excellence of the College and the University. The College's objects are not restricted by geography, age or religious affiliation. Students and staff are drawn from across the UK and internationally; there are no age restrictions in the College's objects; and members of the College have a wide variety of faith traditions or none.

To help raise educational aspiration and attract outstanding candidates who might not otherwise have considered applying, the College supports various outreach activities, including visits to schools, visits by schools to the College, open days, and the provision of guidance and information on the College website for prospective applicants. Since the appointment of a full-time Outreach and Communications Officer in 2012 the College has significantly extended its activities in these areas, and has also appointed an Outreach Fellow. The College and the University jointly provide Oxford Bursaries (a scheme approved by the Office for Fair Access), to help support undergraduate students with limited financial means. The College also operates a Student Support Fund to assist any of its students who experience financial hardship, and supports all its students through travel and research grants (see section 4c for details). The fourth Priority of the Strategic Plan is designed to assist the College's efforts to promote equality of opportunity.

4. ACHIEVEMENTS and PERFORMANCE in the YEAR to 31 JULY 2016

In the year under review the main achievements of the College, measured against its objectives, included the following:

a. Academic

The student population of the College consisted of 372 undergraduates on average, undertaking a mixture of three- and four-year courses, and 242 graduates, of whom 83 were studying for degrees in clinical medicine (32) or taught masters degrees (51) and 159 were undertaking research for doctorates.

The examination performance of the undergraduates (a measure of success under the first Priority of the Strategic Plan) was excellent. Thirty-nine out of 98 Finalists gained First Class Honours. Magdalen was placed third in the interim Norrington Table, which ranks the final examination results of 30 colleges in the University. Forty-two undergraduates achieved distinctions or first-class results in University examinations taken in the earlier years of their courses. Twenty-three graduates who completed taught courses achieved distinctions in their final exams. Many University prizes and awards were won by undergraduates and graduates of the College.

The first Priority of the Strategic Plan of the College is the pursuit of excellence in teaching and research, and many examples can be given of significant achievements during the year. Magdalen Fellows published a

large number of papers, books and other original research contributions. They also gave many lectures and seminars all around the world. Several notable measures of success from members of the Governing Body are: the President Professor Sir David Clary was knighted for his contributions to international science; Professor Martin Bridson was elected Fellow of the Royal Society for his research in mathematics; Professor Andrew Weller won the Frankland Award of the Royal Society of Chemistry for his contributions to pure and applied research in organometallic chemistry or coordination; Professor Nicholas Stargardt won the PEN Hessell Tiltman Prize for History for his book *The German War: A Nation Under Arms, 1939-45*; Professor Gero Miesenböck, won the BBVA Foundation Frontiers of Knowledge Award in Biomedicine, the Heinrich Wieland Prize and the Massry Prize for his development of the new research field of optogenetics. Giles Barr was awarded the title Professor of Physics in the Recognition of Distinction Exercise of the University of Oxford.

New Fellows elected were Professor Ofra Magidor (Waynflete Professor of Metaphysical Philosophy), Dr Jonathan Arnold (Dean of Divinity) and Mr Mark Williams (*Informator Choristarum* and Tutorial Fellow in Music). In accordance with the College's Size and Shape Plan, the number of new Fellows by Examination elected was increased to four: Anton Martinho, Rory McCarthy, Giovanni Varelli, and Katy Wells, each for a fixed term of three years. Seven Visiting Fellows from institutions outside of Oxford were elected for terms of between three and twelve months to undertake research in collaboration with Oxford academics. Lord William Hague and Sir Christopher Geidt were elected to Honorary Fellowships. Fellows who retired or resigned during the year were Professor Daniel Hyde (*Informator Choristarum* and Tutorial Fellow in Music), Dr Christine Ferdinand (Fellow Librarian) and Revd. Dr Michael Piret (Dean of Divinity). The College made a successful bid for re-association of one of its Tutorial Fellowships in History with a University position, in accordance with its decision under its Size and Shape Plan to maintain a full complement of 44 Tutorial Fellowship positions.

The second Priority of the Strategic Plan of the College is to provide an outstanding collegial experience for all members of the Magdalen community. Pursuant to this, the College conducted a review of its student welfare provision, and instituted three significant changes: the appointment of a Tutor for Welfare to provide oversight and coordination of the College's student welfare provision; the assignment to each first-year undergraduate of a Personal Tutor from among the senior members of the College (in a different subject from the student's own); and the appointment of a Student Mentor to provide various kinds of practical help to students. There were also numerous examples during the year of events held in the College and elsewhere which were designed to enhance the community's collegial experience. Prince William, the Duke of Cambridge, visited for the Royal Opening of the Longwall Library and Professor Louise Richardson, the Vice-Chancellor of the University of Oxford, came for the Grand Opening which also featured a concert by Phantasm, the consort led by Professor Larry Dreyfus. The Ewen Green Memorial Lecture was given by Professor Roy Foster on "Remembering the Future: Commemoration and Ownership of the Irish Revolution", and the Waynflete Lecture was given by Lord Wood on "Where Next for the British Left". There were two Calvea Research Centre Symposia. One was on "Cooperation, Punishment and Forgiveness" and featured a keynote lecture from Professor Mike McCullough. The other on "Adults at Play(s)" featured a keynote lecture from Dame Marina Warner. The 2015 Dorothy Rowe Lecture was given by Enrico Letta, the former Prime Minister of Italy.

b. Personal Development and Extra-Curricular Activities

Extra-curricular activities of students are also a measure of success of the second Priority of the College's Strategic Plan. Magdalen students organised several well-received events during the year. The annual play of the Magdalen Players was "The Importance of Being Earnest" written by Magdalen's own Oscar Wilde. Directed by Edward McBarnet and produced by Isabelle Newell, it was held in the President's Garden. There was also a successful Arts week. There were several notable musical performances organised and given by students. Graduate student Thais Roque launched the Oxford Students Refugee Campaign to assist students whose studies have been disrupted by war or persecution. This campaign has so far received pledges and donations exceeding £240,000.

Thirteen women and twelve men were awarded Blues through selection for Oxford University sports teams in matches against Cambridge University. For the fourth year running, Henry Hughes played for the victorious Oxford University team in the Annual Rugby Varsity Match at Twickenham. In the Hilary term Torpids rowing races Magdalen Women's First Eight were Head of the River for the fifth time in the last six years, while the Men's First Eight held their position of third for the whole competition. Magdalen came top of the intercollegiate league table of the Oxford University colleges for success in sports cuppers.

c. Financial Support for Students

In order to assist undergraduates entitled to public support, the College and the University jointly provide Oxford Bursaries to help those of limited financial means. In 2015/16 93 students received Oxford Bursaries and a total of £249,600 was awarded. The College contributed £104,000 towards the cost of Oxford Bursaries. The College also operates a Student Support Fund to assist any of its students who experience financial hardship. In 2015/16 the Student Support Fund made grants totalling £186,300 to 83 students. It also supports all its students through travel and research grants (£53,000 awarded in 2015/16).

d. Chapel and Choir

Over the course of the academic year 2015/16, around 400 Chapel services were conducted. About 150 of these were sung by the College Choir, which was established in the Founder's original statutes; approximately 20 more services were sung by the mixed 'Consort of Voices', mainly comprised of members of the College Choir. All Chapel services are open to the general public, regardless of the official opening and closing hours of the College. In addition to the usual term-time pattern, the College offered two services of 'Carols by Candlelight', one of 'Music and Readings for Advent', and one special service of Evensong accompanied by the former viol Consort-in-Residence, Phantasm. Other highlights of the year included the Remembrance Sunday service, the choral Requiem for All Souls (sung to the setting by Faure), and the Choir's customary singing of the College hymn and madrigals from the Great Tower on May Morning, to large crowds congregating in the streets below. Total attendance at services in the course of the past year is estimated at over 12,000, not counting the services which are held in Chapel by Magdalen College School. The vast majority of those who attended came from outside College. It is our continual aim that Chapel services should be increasingly well known and well attended by the general public.

The Choir, away from the College, pursued a busy schedule. During the course of the year they performed Handel's Messiah with Oxford Philomusica, and Haydn's Nelson Mass with the London Mozart Players.

They also launched a CD of music by Thomas Tomkins, and recorded a new disc of Christmas music to be released in October 2016.

e. Building

This year saw the completion of the extensive renovations to the College's main library (the Longwall Library), and of the redesign and landscaping of Longwall Quad. This represents a transformation in the library provision which the College is able to offer, including vastly improved accessibility and a doubling in the number of reader places. The alterations to the coping on the Grove Buildings (preventing rainwater ingress) and the renovation of the interior (including refitted bathrooms, new lighting, and cost-effective heating) represent a substantial improvement in this accommodation for students. The completion of such projects represents a key measure of the success of the work on the second Priority of the College's Strategic Plan (to provide an outstanding collegial experience for all members of the Magdalen community).

f. Public Access

During the year hundreds of visitors had tours or attended seminars organised by Library and Archives staff in the Old Library, which houses the College's large rare-books and manuscripts collection. Individual scholars from outside College made over 300 visits to consult material in the College Libraries and Archives to further their own research.

The College grounds, Chapel and Hall are open to the public throughout the year except over the Christmas period. Access is free for local residents, alumni and various special-interest groups. During 2015/16 there were 22,023 adult paying visitors and 20,439 visitors who paid at a concessionary rate. In addition family tickets were purchased by 1,999 families.

The College participates in several programmes that offer free access to members of the public: The Oxford Open Doors weekend in September 2015 welcomed 6,734 members of the public to the College free of charge; on New Year's Day there was around 706 visitors; and there were 379 visitors on 10 April 2016 for the National Gardens Scheme.

g. Development and Alumni Relations

The Development Office is responsible for securing philanthropic income for the College primarily from alumni, and in 2015/16 secured £4.6m in income.

The Office's priorities for 2015/16 were the completion of the £7.5m fundraising campaign for the Longwall Library project and securing additional funds for student support, particularly for graduates. These priorities were met successfully – the fundraising target for the Library was not only met but was exceeded, with a final total of £8m secured in pledges and donations.

The marked improvement in the Office's performance indicators during 2014/15 was sustained in 2015/16 with another new record set for number of donors. Attendance at Alumni Events remains at all-time high levels and College publications continue to be very well received. During 2016/17 the Communications Officer will be prioritising an overhaul of the Development Office's digital content and social media output.

During the forthcoming year the fundraising priorities will be to secure additional funding for student support and to identify, and raise money for, other projects that can help sustain and enhance the College's key strategic priorities. The Development Office will also have to explore new fundraising avenues in response to the anticipated changes to Charity legislation which are likely to have a significant impact on the way the College has traditionally fundraised from alumni (via telephone and mail).

5. FINANCIAL REVIEW

a. Results for the Year

This has been a year of significant financial change for the College, with the acquisition of 100% of the assets of The Oxford Science Park, which completed on 31 December 2015, having a material impact on the presentation of the accounts. The adoption of new accounting standard FRS102 has also required a restatement of the figures for 2015 in a new format so they differ from those contained in the 2015 accounts.

The College reported total income of £18.2m (2015: £16.0m) for the year to 31 July 2016, of which £6.0m, unchanged from 2015, related to charitable activities, principally teaching, research and associated residential income, with £6.9m (2015: £3.6m) from trading activities, reflecting seven months' full ownership of The Oxford Science Park. Donations and legacies increased to £4.6m (2015: £3.6m) whilst income from investments fell to £2.9m (2015: £4.6m) largely reflecting a change in the investment portfolio away from dividend income.

Although the period saw considerable market volatility, net gains on investments were £18.3m (2015: £12.4m), benefiting from two property sales as well as translation gains on non-UK assets as a result of the fall in sterling. Total investment returns for the year net of management fees were 8.6% (2015: 9.3%), with property (including the gain on revaluation of the Oxford Science Park) returning 11.0%. The share of profits of the Oxford Science Park joint venture up to 31 December 2015 was £1.0m.

Total expenditure for the year rose to £17.3m (2015: £14.4m), in large part as a result of taking full control of The Oxford Science Park. Expenditure on charitable activities was broadly flat at £11.5 m (2015: £11.7m). The rise in investment management costs to £1.8m (£0.9m) reflected interest costs payable on debt.

The College therefore reported an overall group surplus for the year of £20.3m (2015: £15.1m).

The College acquired The Oxford Science Park, previously a 50:50 joint venture between a subsidiary of Prudential plc and the College's own subsidiary, Magdalen Development Company Limited, for £36.2 million. This acquisition, after revaluation, accounts for £38.8m million of the £39.0 million increase in property investments. The purchase was funded by the private placement of £30 million in fixed rate loan notes with a single institutional investor, which have an average term of 25 years and an average coupon of 3.32%. The excess raised over the payment to Prudential is to fund additional development at the Park and is held in short-term investments.

The College spent a further £6.0m on improvements to its estate, principally completing the Longwall Library project and a major refurbishment to The Grove, and continues to fund its continuing capital programme as reserves permit.

b. Reserves Policy

Total funds of the College and its subsidiaries at the year-end amounted to £240.8m (2015: £220.5m). This includes endowment capital of £210.5m and unspent restricted income funds totalling £1.7m. Free reserves at the year-end amounted to £0.8m (2015: £4.7m), representing retained unrestricted income reserves excluding an amount of £22.5m for the book value of land and buildings, £3.2m for the book value of fixtures, fittings and equipment, and other specific designated funds at the year-end amounting to £4.5m (2015: £4.4m). In line with FRS102 the College has recognised a provision of £2.6m in respect of its share of the Universities Superannuation Scheme, the Oxford Staff Retirement Scheme multi-employer pensions and its own closed Staff Retirement Benefits Scheme.

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

c. Investment Policy, Objectives and Performance

The College's investment assets are held across a range of different asset classes and are managed for total return. The Trustees adopted a duly authorised policy of total return accounting for the College investment returns with effect from 31 July 2003. The investment return to be applied as income is calculated as up to 3.5% of the rolling five year average value. The preserved (frozen) value of the invested endowment capital represents its open market value at 31 July 2003 together with all subsequent endowments valued at date of gift. The investment policy is to generate optimum risk-adjusted returns from the portfolio to fund annual expenditure of up to 3.5% whilst maintaining the real inflation-adjusted value of the investment assets and having regard to balancing the needs of current and future beneficiaries. In managing the investments, a reasonable diversification of assets is maintained and performance is measured by total return regardless of whether return is derived from income or from capital growth. No fixed benchmark has been adopted, although the Investment Committee monitors returns relative to a range of market and peer group performance data. It is the responsibility of the College's Investment Committee to recommend to the College policy for the investment of endowment and other assets, and to oversee the management of these assets in a manner consistent with the approved policies on asset allocation, foreign exchange exposure and risk.

The gross asset allocation at 31 July 2016 was marketable equities 50.6%, private equity 8.7%, property 29.3%, including 16.2% in respect of The Oxford Science Park, and cash/cash equivalents 11.4%. Foreign exchange exposure was approximately 40% across the portfolio, principally US dollars.

d. Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking its their activities. 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 relevant College Committee. Financial risks are assessed by the Bursarial Committee and investment risks are monitored by the Investment Committee. In addition, the Home Bursar and domestic staff heads meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

The College maintains a comprehensive register which records key operational and other risks, together with mitigating actions and policies as well as those areas in which further risk management measures have been identified. In particular:

- The College faces challenges in attracting and retaining talented academics to a city with exceptionally high living costs, particularly housing. Previous actions to mitigate this risk such as the joint equity scheme and College-owned housing have been threatened by recent changes to stamp duty and, potentially, the current HMRC review of employer-provided accommodation. This issue will be reassessed once the tax position is clearer.
- The College relies on the annual transfer from its Endowment for around 40% of its operating income and a sustained period of investment underperformance would therefore have a material impact on revenue. The College's Investment Committee has established a set of policies designed to maximise

the long-term growth of and returns from the Endowment and short-term volatility is mitigated by taking a five-year rolling average.

- The outlook for student fees remains uncertain and increases in recent years have not matched rising costs. The College has therefore pursued a strategy of diversifying its income sources such that they account for only 20% of total operating income.

The Governing Body, who have ultimate responsibility for managing any risks faced by the College, have reviewed the processes in place for managing risk and the principal identified risks to which the College and its subsidiaries are exposed and have concluded that adequate systems are in place to manage these risks.

6. OBJECTIVES for 2016/17

In 2016/17 the College will continue to aim for the highest standards in learning, education and research. Priority projects include:

- Implementation of the 2015-20 Strategic Plan for Magdalen College in its second year.
- Development of a new strategy to increase the endowment of the College.
- Continuing refurbishments of College buildings and student accommodation.
- Continuing access and outreach activities to encourage students from all backgrounds to apply to Oxford University and Magdalen College.
- Continuing efforts in fundraising to support key projects including Tutorial and Junior Research Fellowships, Graduate Scholarships, and Student Support.

MEMBERSHIP 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 Trustees during the year or subsequently are detailed below.

President (Prof. Sir David Clary FRS)		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Vice-President (Prof. J B W Nightingale)		(1)	(2)		(4)	(5)			(8)	(9)
Ardavan, Dr. A.		(1)								
Arnold, Revd. Dr. J	Appointed 1/7/2016	(1)				(5)				
Bagshaw, Prof. R.M.		(1)						(7)		
Ballance, Mr C.J.										
Barr, Prof. G.D.		(1)								
Berenbeim, Dr. J.F.										
Berestycki, Prof. J.		(1)								
Blandford-Baker, Mr. M.R.		(1)					(6)			
Booth, Prof. M.L.										
Bowes, Prof. L.N.		(1)					(6)			
Bridson, Prof. M.R.			(2)							
Brockliss, Prof. L.W.B.		(1)								
Budelmann, Prof. F.J.		(1)	(2)	(3)						
Caney, Prof. S.L.R.		(1)							(8)	
Castle, Dr. J.L.		(1)							(8)	
Clark, Prof. D.M.										
Cleveland, Prof. R.O.		(1)	(2)							
Conde, Dr. J-C.		(1)							(8)	
Coussios, Prof. C-C.										
Davies, Prof. S.G.	Resigned 30/9/2016									
Dolan, Prof. L.										
Donohoe, Prof. T.J.		(1)								

MAGDALEN COLLEGE
 Report of the Governing Body
 Year ended 31 July 2016

Douglas-Fairhurst, Prof. R.J.		(1)							
Dreyfus, Prof. L.	Retired 30/9/2015								
Due, Dr. R.		(1)							
Dunbar, Prof. R.I.M.						(6)	(7)		
Elbourne, Prof P.D.	Appointed 1/9/2015	(1)							
Etheridge, Prof. A.M.			(3)						
Ferdinand, Dr. C.Y.	Retired 30/9/2016								
Fortunato, Prof. L.		(1)						(8)	
Foster, Prof K. R.		(1)							
Fricker, Prof. E.M.		(1)							
Garfitt, Prof. J.S.T.		(1)		(4)	(5)				
Garland, Prof. C.J.		(1)							
Gilbert, The Revd Prof. R.J.C.		(1)			(5)			(8)	
Gingrich, Prof. J.		(1)	(2)						
Goodwin, Prof. S.F.		(1)							(9)
Green, Prof. B.J.	Resigned 30/9/2016							(8)	
Gregg, Prof. J.F.		(1)							
Grevling, Prof. K.D.		(1)							
Harris, Prof. C.E.		(1)							
Hartrich, Ms. E.J.	Resigned 30/9/2016								
Hill, Prof. A.V.S.									
Horobin, Prof. S.C.P.		(1)							(9)
Hyde, Prof. D.S.	Resigned 31/8/2016								
Karenowska, Dr A D.				(4)					
Kristensen, Prof. J.		(1)							
Kröning, Prof. D.H.F.						(6)			
LaValle, Ms D.T.	Appointed 1/10/2015								

MAGDALEN COLLEGE
 Report of the Governing Body
 Year ended 31 July 2016

Leitmeir, Dr. C.T.	Appointed 1/10/2015	(1)							
MacKenzie, Prof. S.R.		(1)							
Magidor, Prof O.	Appointed 1/10/2016								
Maguire, Prof. L.E.		(1)							
Martinho, Dr. A.	Appointed 1/10/2016								
McCarthy, Dr. R.P.	Appointed 1/10/2016								
McLaughlin, Prof. M.L.									
Maw, Mr. J.R.H.		(1)	(3)	(4)		(6)	(7)		
Maynard, Mr. J.A.									
Miesenböck, Prof. G.									
Moreno, Dr. A.		(1)							(9)
Nizami, Dr. F.A.									
Norman, Dr. T.W.L.		(1)							
Padamsey, Mr. Z									
Pezzini, Dr. G.	Resigned 31/8/2016								
Piret, The Revd Dr. M.J.	Resigned 9/1/2016								
Pobjoy, Dr. M.P.		(1)				(6)	(7)		
Pooley, Prof. S.K.		(1)							
Prassl, Prof. J.F.B.B.		(1)		(4)		(6)			
Rainey, Mr. S.F.				(4)					
Ratcliffe, Prof. Sir P.	Resigned 30/9/2016								
Santhanam, Prof. R.	Appointed 1/1/2016	(1)							
Sattentau, Prof. Q.J.		(1)							
Scholar, Dr. J.M.T.									
Smith, Prof. R.J.		(1)		(4)					
Smith, Prof. J.A.C.		(1)							
Stargardt, Prof. N.		(1)							

MAGDALEN COLLEGE
 Report of the Governing Body
 Year ended 31 July 2016

Sullivan, Prof. P.B.							(6)	(7)		
Turberfield, Prof. A.J.		(2)								
Varelli, Mr. G.	Appointed 1/10/2016									
Weller, Prof. A.S.		(1)								
Wells, Ms. K.M.C.	Appointed 1/9/2016									
West, Prof. S.C.	Resigned 1/9/2015									
Whitehouse, Prof. H.										
You, Prof. Z.		(1)								

During the year the activities of the Governing Body were carried out through several Standing Committees. The current membership of the main Committees is shown above for each Fellow. These Committees are

- (1) Tutorial Board
- (2) Bursarial Committee
- (3) Investment Committee
- (4) Development and Alumni Relations Committee
- (5) Chapel and Choir Committee
- (6) Human Resources Committee
- (7) Remuneration Committee
- (8) Fellowship Committee
- (9) Library and Archives Committee

In addition, external members currently serve on College Committees as follows:

Bursarial Committee: Mr MJ Bithell

Investment Committee: Mr J Palmer, Ms E Davies, Mr J Wrigley, Mr D Higgins

Development and Alumni Relations Committee: Mr M Loveday, Dr P Beckwith, Mr S Haslam, Mr T Pitman

Remuneration Committee: Prof O Braddick, Mr R Gisby, Prof. S Iversen, Prof. R Osborne.

COLLEGE ADVISERS

Investment managers

Cazenove Capital Management Ltd
12 Moorgate
London EC2R 6DA

Investment property managers

Savills
Wytham Court
11 West Way
Oxford OX2 0QL

Auditor

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford OX 1 1BE

Bankers

Nat West plc
Willow Court
Minns Business Park
7 West Way
Oxford OX2 0JB

Solicitors

Blake Morgan
Seacourt Tower
West Way
Oxford OX2 0FB

College address

High Street
Oxford
OX1 4AU

Website

www.magd.ox.ac.uk

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. Under that law the Governing Body have prepared the financial statements in accordance United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 income or expenditure 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, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements.
- 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 30 November 2016 and signed on its behalf by:

Prof Sir David Clary FRS
President

MAGDALEN COLLEGE

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

We have audited the financial statements of Magdalen College for the year ended 31 July 2016 which comprise the Statement of Accounting Policies, the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows and the related notes numbered 1 to 31.

This report is made solely to the College's Governing Body in accordance with sections 144 and 151 of the Charities Act 2011 and regulation made under section 154 of that Act. 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us during the course of performing our audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2016 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

1 December 2016

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

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 Statement of Cash Flows comprising for the College and its subsidiary and associated undertakings: The Oxford Science Park Limited, Magdalen Development Company Limited, Magdalen College Trading Limited, Magdalen College Educational Conferences Limited, Magdalen College Development Trust, and the Oxford Science Park joint venture. No separate SOFA has been presented for the College alone as currently permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements. A summary of the results and financial position of the charity and each of its subsidiaries for the reporting year are disclosed in note 14.

2. Basis of accounting

The College's individual and consolidated financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

The College is a public benefit entity for the purposes of FRS 102 and a registered charity. The College has therefore also prepared its individual and consolidated financial statements in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The College has adopted FRS 102 for the first time when preparing these financial statements. The transition date to FRS 102 was 1 August 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 July 2015. An explanation and reconciliation of how the transition to FRS 102 has affected the reported financial position and financial performance is provided in note 31.

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

3. Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Governing Body to have most significant effect on amounts recognised in the financial statements.

The College carries investment property at fair value in the balance sheet, with changes in fair value being recognised in the income and expenditure section of the SOFA. Independent valuations are obtained to determine fair value at the balance sheet date. These were carried out in accordance with the Royal Institution of Chartered Surveyors Valuation Professional Standards 2014 ("Red Book").

Before legacies are recognised in the financial statements, the Governing Body has to exercise judgement as to what constitutes sufficient evidence of entitlement to the bequest. Sufficient entitlement exists once notification of payment has been received from the executor(s) of the estate or estate accounts are available which indicate there are sufficient funds in the estate after meeting liabilities for the bequest to be paid.

4. Income Recognition

All income is recognised once the College has entitlement to the income, the economic benefit is probable and the amount can be reliably measured.

a. Income from fees, HEFCE support and other charges for services

Fees receivable, HEFCE support and charges for services and use of the premises are recognised in the period in which the related service is provided.

b. Income from donations, grants and legacies

Donations and grants that do not impose specific future performance-related or other specific conditions are recognised on the date on which the charity has entitlement to the resource, the amount can be reliably measured and the economic benefit to the College of the donation or grant is probable. Donations and grants subject to performance-related conditions are recognised as and when those conditions are met. Donations and grants subject to other specific conditions are recognised as those conditions are met or their fulfilment is wholly within the control of the College and it is probable that the specified conditions will be met.

Legacies are recognised following grant of probate and once the College has received sufficient information from the executor(s) of the deceased's estate to be satisfied that the gift can be reliably measured and that the economic benefit to the College is probable.

Donations, grants and legacies accruing for the general purposes of the College are credited to unrestricted funds.

Donations, grants and legacies which are subject to conditions as to their use imposed by the donor or set by the terms of an appeal are 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 in kind (as distinct from cash or other monetary assets), they are measured at the fair value of those assets at the date of the gift.

c. Investment income

Interest on bank balances is accounted for on an accrual basis with interest recognised in the period to which the interest relates.

Income from fixed interest debt securities is recognised using the effective interest rate method.

Dividend income and similar distributions are recognised on the date the share interest becomes ex-dividend or when the right to the dividend can be established.

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

5. Expenditure

Expenditure is accounted for on an accruals basis. A liability and related expenditure is recognised when a legal or constructive obligation commits the College to expenditure that will probably require settlement, the amount of which can be reliably measured or estimated.

Grants including scholarships, bursaries and other allowances that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

All expenditure including support costs and governance costs are allocated or apportioned to the applicable expenditure categories in the Statement of Financial Activities (the SOFA).

Support costs which include governance costs (costs of complying with constitutional and statutory requirements) and other indirect costs are apportioned to expenditure categories in the SOFA 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.

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

6. Joint Venture

The Oxford Science Park Joint Venture (which ended on 31 December 2015) is accounted for in the consolidated accounts under the gross equity method.

7. Leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged in the SOFA on a straight line basis over the relevant lease terms. Any lease incentives are recognised over the lease term on a straight line basis.

8. Tangible fixed assets

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £50,000 together with expenditure on equipment costing more than £1,500 and IT equipment costing more than £500 is capitalised and carried in the balance sheet at historical cost.

Where a part of a building or equipment is replaced and the costs capitalised, the carrying value of those parts replaced is derecognised and expensed in the SOFA.

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

9. Depreciation

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

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

Freehold land is not depreciated. The cost of maintenance is charged in the SOFA in the period in which it is incurred. At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment

10. Heritage Assets

The College does not consider that it holds any heritage assets that meet the definition of heritage assets under the SORP. It has substantial long held historic assets which are used in the course of its teaching and research activities. These collections include antiquities, works of art, tapestries, books and manuscripts, archives, silverware, furniture and sculptures. As these assets are in regular use to support the main objects of the College, they are regarded as functional rather than heritage assets. The college has taken advantage of the exemption within FRS 102 not to disclose transactions before 1 January 2015 as obtaining fair values for these assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements

11. Investments

Investment properties are initially recognised at their cost and subsequently measured at their fair value (market value) at each reporting date. Purchases and sales of investment properties are recognised on exchange of contracts.

Listed investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their quoted price at the balance sheet date without deduction of the estimated future selling costs.

Investments such as private equity funds which have no readily identifiable market value are initially measured at their costs and subsequently measured at their fair value at each reporting date without deduction of the estimated future selling costs. Fair value is based on the most recent valuations available from their respective fund managers.

Other unquoted investments are valued using primary valuation techniques such as earnings multiples, recent transactions and net assets where reliable estimates can be made – otherwise at cost less any impairment.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the SOFA as 'gains or losses on investments' and are allocated to the fund holding or disposing of the relevant investment.

12. Stocks

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

13. Foreign currencies

The functional and presentation currency of the College and its subsidiaries is the pound sterling.

Transactions denominated in foreign currencies during the year are translated into pounds sterling using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates applying at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA.

14. 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 capital/income distinctions of standard 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 component of the endowment known as the unapplied total return that can be either be retained for investment or release to income at the discretion of the Governing Body.

15. Fund accounting

The total funds of the College and its subsidiaries are allocated to unrestricted, restricted or endowment funds based on the terms set by the donors or set by the terms of an appeal. Endowment funds are further subdivided 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 specified that the funds are to be used for particular purposes of the College. 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 are to be retained as capital for the permanent benefit of the College. Any part of the total return arising from the capital that is allocated to income will be accounted for as unrestricted funds unless the donor has placed restriction 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 in which 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.

16. Pension costs

The costs of retirement benefits provided to current employees of the College through two multi-employer defined pension schemes are accounted for as if these were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The College's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

In addition, a liability is recognised at the balance sheet date for the discounted value of the expected future contribution payments under the agreements with these multi-employer schemes to fund the past service deficits.

The College also operates a closed defined benefit pension scheme, the Magdalen College Retirement Benefits Scheme. The cost of this scheme is accounted for in accordance with the requirements of FRS 102.

Magdalen College
Consolidated Statement of Financial Activities
For the year ended 31 July 2016

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2016 Total £'000	2015 Total £'000
INCOME FROM:						
Charitable activities:	1					
Teaching, research and residential		5,807	-	-	5,807	5,799
Public worship		6	-	-	6	6
Heritage		183	-	-	183	196
Other Trading Income	3	1,029	-	5,915	6,944	3,592
Donations and legacies	2	350	2,112	2,149	4,611	3,623
Investments						
Investment income	4	70	1	2,811	2,882	4,591
Total return allocated to income	15	4,902	912	(5,814)	-	-
Other income		108	14	-	122	732
Total income		12,455	3,039	5,061	20,555	18,539
Less group share of joint venture income	12	-	-	(2,331)	(2,331)	(2,541)
Net income		12,455	3,039	2,730	18,224	15,998
EXPENDITURE ON:						
Charitable activities:	5					
Teaching, research and residential		9,499	1,255	-	10,754	11,139
Public worship		439	56	-	495	464
Heritage		220	10	-	230	187
Generating funds:						
Fundraising		713	3	-	716	706
Trading expenditure		952	-	2,300	3,252	965
Investment management costs		107	-	1,758	1,865	997
Total Expenditure		11,930	1,324	4,058	17,312	14,458
Net Income/(Expenditure) before gains		525	1,715	(1,328)	912	1,540
Net gains/(losses) on investments	11, 13	308	7	17,987	18,302	12,439
Group share of joint venture profit / (loss)		-	-	1,043	1,043	1,059
Net Income/(Expenditure)		833	1,722	17,702	20,257	15,038
Transfers between funds	19	1,412	(1,426)	14	-	-
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension schemes		23	-	-	23	104
Net movement in funds for the year		2,268	296	17,716	20,280	15,142
Fund balances brought forward	19	26,324	1,390	192,816	220,530	205,388
Funds carried forward at 31 July		28,592	1,686	210,532	240,810	220,530

Magdalen College
Consolidated and College Balance Sheets
As at 31 July 2016

	Notes	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
FIXED ASSETS					
Tangible assets	9	26,198	19,968	26,033	20,599
Property investments	11	70,759	31,779	70,759	31,779
Investment in joint venture:					
share of gross assets	12	-	19,838	-	-
share of gross liabilities		-	(658)	-	-
		-	19,180	-	-
Other Investments	13	167,977	146,583	177,987	163,593
Total Fixed Assets		264,934	217,510	274,779	215,971
CURRENT ASSETS					
Stocks		636	514	620	514
Debtors	16	5,777	1,514	4,676	8,694
Investments		28	28	28	28
Cash at bank and in hand		5,760	5,999	1,292	4,328
Total Current Assets		12,201	8,055	6,616	13,564
LIABILITIES					
Creditors: Amounts falling due within one year	17	3,761	2,234	7,289	2,059
NET CURRENT ASSETS/(LIABILITIES)		8,440	5,821	(673)	11,505
TOTAL ASSETS LESS CURRENT LIABILITIES		273,374	223,331	274,106	227,476
CREDITORS: falling due after more than one year	18	30,000	-	30,000	-
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		243,374	223,331	244,106	227,476
Defined benefit pension scheme liability	23	2,564	2,801	2,380	2,801
TOTAL NET ASSETS/(LIABILITIES)		240,810	220,530	241,726	224,675
FUNDS OF THE COLLEGE					
Endowment funds		210,532	192,816	208,561	194,000
Restricted funds		1,686	1,390	1,686	1,390
Unrestricted funds					
Designated funds		27,045	21,845	27,045	21,845
General funds		3,927	7,280	6,814	10,241
Pension reserve	19, 23	(2,380)	(2,801)	(2,380)	(2,801)
		240,810	220,530	241,726	224,675

The financial statements were approved and authorised for issue by the Governing Body of Magdalen College on 30 November 2016

President:

Bursar:

Magdalen College
Consolidated Statement of Cash Flows
For the year ended 31 July 2016

	Notes	2016 £'000	2015 £'000
Net cash provided by/(used in) operating activities	25	<u>(6,517)</u>	<u>(1,422)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		2,882	4,591
Proceeds from the sale of property, plant and equipment		-	
Purchase of property, plant and equipment		(6,904)	(5,903)
Proceeds from sale of investments		35,657	7,425
Purchase of investments		(57,506)	(5,706)
Net cash provided by (used in) investing activities		<u>(25,871)</u>	<u>407</u>
Cash flows from financing activities			
Cash inflows from new borrowing		30,000	-
Receipt of endowment		2,149	1,219
Net cash provided by (used in) financing activities		<u>32,149</u>	<u>1,219</u>
Change in cash and cash equivalents in the reporting period		<u>(239)</u>	<u>204</u>
Cash and cash equivalents at the beginning of the reporting period		5,999	5,795
Cash and cash equivalents at the end of the reporting period	26	<u>5,760</u>	<u>5,999</u>

Magdalen College
Notes to the financial statements
For the year ended 31 July 2016

1 INCOME FROM CHARITABLE ACTIVITIES

	2016	2015
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,671	1,642
Tuition fees - Overseas students	605	582
Other fees	104	69
Other HEFCE support	299	386
Other academic income	62	62
College residential income	3,066	3,058
Total Teaching, Research and Residential	5,807	5,799
Public worship		
Unrestricted funds		
Sundry income	6	6
Total Public worship	6	6
Heritage		
Unrestricted funds		
Heritage Income	183	196
Total Heritage	183	196
Total income from charitable activities	5,996	6,001

The above analysis includes £1,994,000 received from Oxford University from publicly accountable funds under the CFF Scheme (2015: £1,967,000).

Under the terms of the undergraduate student support package offered by Oxford University to students from lower income households, the college share of the fees waived amounted to £35,462. These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2016	2015
	£'000	£'000
Unrestricted funds	350	355
Restricted funds	2,112	2,049
Endowed funds	2,149	1,219
	4,611	3,623

3 INCOME FROM OTHER TRADING ACTIVITIES

	2016	2015
	£'000	£'000
Subsidiary company trading income	4,526	948
Group share of joint venture income	2,331	2,541
Other trading income	87	103
	6,944	3,592

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4 INVESTMENT INCOME	2016 £'000	2015 £'000
<i>Unrestricted funds</i>		
Equity dividends	47	124
Bank interest	23	30
	<u>70</u>	<u>154</u>
<i>Restricted funds</i>		
Equity dividends	1	2
	<u>1</u>	<u>2</u>
<i>Endowed funds</i>		
Agricultural rent	342	350
Commercial rent	777	833
Other property income	262	341
Equity dividends	1,172	2,676
Interest on fixed term deposits and cash	24	9
Other investment income	228	226
Bank interest	6	-
	<u>2,811</u>	<u>4,435</u>
Total Investment income	<u>2,882</u>	<u>4,591</u>
5 ANALYSIS OF EXPENDITURE	2016 £'000	2015 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	5,304	5,298
Public worship	194	203
Heritage	92	90
Other direct costs allocated to:		
Teaching, research and residential	4,227	4,100
Public worship	271	235
Heritage	122	77
Support and governance costs allocated to:		
Teaching, research and residential	1,223	1,741
Public worship	30	26
Heritage	16	20
Total charitable expenditure	<u>11,479</u>	<u>11,790</u>
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	403	399
Trading expenditure	849	281
Other direct costs allocated to:		
Fundraising	242	233
Trading expenditure	2,189	510
Investment management costs	889	872
Support and governance costs allocated to:		
Fundraising	71	74
Trading expenditure	214	174
Investment management costs	976	125
Total expenditure on raising funds	<u>5,833</u>	<u>2,668</u>
Total expenditure	<u>17,312</u>	<u>14,458</u>

In 2015, resources expended of £14,447,000 respresented £12,496,000 from unrestricted funds, £1,178,000 from restricted funds and £773,000 from endowed funds.

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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. Contributions are calculated annually in accordance with regulations made by the Council of the University of Oxford.

The teaching and research costs include College Contribution payable of £185,000 (2015 - £190,000).

Included within the resources expended are:	2016	2015
	Total	Total
	£'000	£'000
Stock recognised as an expense in the year	<u>283</u>	<u>116</u>
Operating lease payments	<u>10</u>	<u>5</u>

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2016 Total £'000
Financial administration	298	246	8	8	560
Domestic administration	95	113	-	8	216
Human resources	16	141	18	-	175
IT	50	167	4	-	221
Depreciation	69	594	8	4	675
Bank interest payable	746	-	-	-	746
Other finance charges	(31)	(64)	(8)	(4)	(107)
Governance costs	18	26	-	-	44
	<u>1,261</u>	<u>1,223</u>	<u>30</u>	<u>16</u>	<u>2,530</u>

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	2015 Total £'000
Financial and domestic administration	308	439	13	18	778
Human resources	15	145	4	-	164
IT	39	145	3	-	187
Depreciation	3	474	6	3	486
Other finance charges	(2)	517	-	-	515
Governance costs	12	18	-	-	30
	<u>375</u>	<u>1,738</u>	<u>26</u>	<u>21</u>	<u>2,160</u>

Depreciation costs and profit or loss on disposal of fixed assets 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.

Governance costs are allocated based on an assessment of time taken.

	2016	2015
	£'000	£'000
Governance costs comprise:		
Auditor's remuneration - audit services	39	26
Auditor's remuneration - tax advisory services	5	-
Legal and other fees on constitutional matters	-	4
	<u>44</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.

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7 GRANTS AND AWARDS	2016	2015
	£'000	£'000
During the year the College funded awards and bursaries to students from its restricted and unrestricted funds as follows:		
Unrestricted funds		
Grants to individuals:		
Scholarships, prizes and grants	78	168
Bursaries and hardship awards	12	9
Grants to other institutions	181	162
Total unrestricted	271	339
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	193	154
Bursaries and hardship awards	196	218
Total restricted	389	372
Total grants and awards	660	711

The figures for grants and awards include the cost to the College of the Oxford Bursary scheme. Students of this college received £249,600 (2015: £263,100). Some of those students also received fee waivers amounting to £35,462.

The above costs are included within the charitable expenditure on Teaching and Research. Grants to other institutions comprise payments to Magdalen College School, Oxford, as a contribution towards the education of 16 choristers (2015 - £162,000). This sum is included within charitable expenditure on Public Worship.

8 STAFF COSTS	2016	2015
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	6,236	5,738
Social security costs	518	431
Pension costs	827	1,413
	7,581	7,582

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

	2016	2015
Tuition and research	15	15
College residential	86	86
Public worship	3	3
Fundraising	6	5
Support	20	15
Total	130	124

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

University Lecturers	23	23
CUF Lecturers	9	9
Other teaching and research	15	15
Other	8	8
Total	55	55

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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:

£60,001-£70,000	<u>1</u>	<u>1</u>
The number of the above employees with retirement benefits accruing was as follows: In defined benefits schemes	<u>1</u>	<u>1</u>

9 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At start of year	22,669	3,910	26,579
Additions	5,910	994	6,904
Disposals	-	(34)	(34)
At end of year	<u>28,579</u>	<u>4,870</u>	<u>33,449</u>
Depreciation and impairment			
At start of year	5,269	1,342	6,611
Depreciation charge for the year	357	317	674
Depreciation on disposals	-	(34)	(34)
At end of year	<u>5,626</u>	<u>1,625</u>	<u>7,251</u>
Net book value			
At end of year	<u>22,953</u>	<u>3,245</u>	<u>26,198</u>
At start of year	<u>17,400</u>	<u>2,568</u>	<u>19,968</u>
College	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At start of year	22,669	4,543	27,212
Additions	5,468	573	6,041
Disposals	-	(34)	(34)
At end of year	<u>28,137</u>	<u>5,082</u>	<u>33,219</u>
Depreciation and impairment			
At start of year	5,269	1,342	6,611
Charge for the year	357	252	609
On disposals	-	(34)	(34)
At end of year	<u>5,626</u>	<u>1,560</u>	<u>7,186</u>
Net book value			
At end of year	<u>22,511</u>	<u>3,522</u>	<u>26,033</u>
At start of year	<u>17,400</u>	<u>3,201</u>	<u>20,599</u>

10 HERITAGE ASSETS

The College has substantial long held historic assets which are used in the course of its teaching and research activities. These collections include antiquities, works of art, tapestries, books and manuscripts, archives, silverware, furniture and sculptures. They date from the early medieval period to the present day. Many are unique to the College, being either commissioned by the College or donated. They are appropriately preserved, conserved and catalogued, through a continuous and evolving process. The College employs a part time archivist, and is a member of the Oxford Colleges Conservation Consortium. These historic assets were appraised by Sotheby's in March 2015 and are insured through an appropriate policy. Access to such assets by visiting researchers is permitted by appointment.

All such assets are held at cost less depreciation, where relevant. The majority of these historic assets have been held for many years and accurate historic cost information is not available for these assets. However, the trustees consider that their historical cost less depreciation would not be material. As these assets are in regular use to support the main objects of the College, they are regarded as functional rather than heritage assets. More recent acquisitions are capitalised in accordance with the College's accounting policies and are included within Tangible Fixed Assets under the heading "Fixtures, fittings and equipment" (note 9). At the balance sheet date such assets had a cost of £141,600. There were four donations of artifacts and works of art whose value has not been ascertained. There have been no disposals of heritage assets in recent years.

The college has taken advantage of the exemption within FRS 102 not to disclose transactions before 1 January 2015 as obtaining fair values for these assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements.

11 PROPERTY INVESTMENTS

Group	Agricultural	Commercial	Other	2016	2015
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	18,265	9,172	4,342	31,779	30,233
Additions and improvements at cost	-	37,963	174	38,137	358
Disposals	(2,300)	(3,250)	-	(5,550)	(12)
Revaluation gains/(losses) in the year	2,363	3,797	233	6,393	1,200
Valuation at end of year	18,328	47,682	4,749	70,759	31,779
College	Agricultural	Commercial	Other	2016	2015
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	18,265	9,172	4,342	31,779	30,233
Additions and improvements at cost	-	37,963	174	38,137	358
Disposals	(2,300)	(3,250)	-	(5,550)	(12)
Revaluation gains/(losses) in the year	2,363	3,797	233	6,393	1,200
Valuation at end of year	18,328	47,682	4,749	70,759	31,779

A formal valuation of the agricultural, commercial and other properties was prepared by the College's Estate Managers, Savills, at 31 July 2016.

A formal valuation of the Oxford Science Park was prepared by Jones Lang Lasalle at 31 July 2016.

Both were carried out in accordance with the Royal Institution of Chartered Surveyors Valuation Professional Standards 2014 ("Red Book").

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12 JOINT VENTURE

The Oxford Science Park Joint Venture was a 50:50 joint venture between Magdalen Development Company Limited (renamed The Oxford Science Park Limited) and Prudential Development Management Limited. It engaged in property development and management at the Oxford Science Park. On 31 December 2015, the College acquired 100% of the assets of the previous joint venture.

	2016 £'000	2015 £'000
Turnover	2,331	2,541
Expenditure	(1,175)	(1,493)
Profit	<u>1,156</u>	<u>1,048</u>
Fixed assets		16,008
Current assets		3,830
Liabilities due within one year		(658)
		<u>19,180</u>

13 OTHER INVESTMENTS

All investments are held at fair value.

	2016 £'000	2015 £'000
Group investments		
Valuation at start of year	146,583	137,479
New money invested	18,124	2,537
Amounts withdrawn	(10,529)	(7,010)
Reinvested income	1,244	2,813
Investment management fees	(398)	(403)
(Decrease)/increase in value of investments	12,953	11,167
Group investments at end of year	<u>167,977</u>	<u>146,583</u>
Investment in subsidiaries	10,010	17,010
College investments at end of year	<u>177,987</u>	<u>163,593</u>

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2016 Total £'000	Held outside the UK £'000	Held in the UK £'000	2015 Total £'000
Equity investments	-	123,777	123,777	-	117,032	117,032
Property funds	-	-	-	-	4,532	4,532
Alternative and other investments	17,994	3,178	21,172	16,446	5,514	21,960
Fixed term deposits and cash	-	23,028	23,028	-	3,059	3,059
Total group investments	<u>17,994</u>	<u>149,983</u>	<u>167,977</u>	<u>16,446</u>	<u>130,137</u>	<u>146,583</u>

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14 PARENT AND SUBSIDIARY UNDERTAKINGS

The financial statements consolidate the accounts of Magdalen College and the following bodies:

The Oxford Science Park Limited	From 1 January 2016, a wholly owned trading subsidiary whose principal activity is the management of the Oxford Science Park and property development there. Prior to that it held a 50% share in the Oxford Science Park joint venture in addition to engaging in other property development activities. It changed its name from Magdalen Development Company Limited in December 2015.
Magdalen College Trading Limited	A wholly owned trading subsidiary. It carries out general trading activities including providing conference facilities at Magdalen College, operating a visitor scheme at the College, and providing accommodation for old members of the College.
Magdalen College Educational Conferences Limited	A company limited by guarantee. Its principal activity is to provide conference facilities at Magdalen College.
Magdalen College Development Trust	A charitable trust. Charity number 273860. The Trust was established primarily as a fundraising body to meet the needs of the College and to support the College on fundraising strategy, projects and execution.
Magdalen Development Company Limited	A wholly owned subsidiary, engaged in property development activities. It commenced trading on 1 January 2016. It changed its name from The Oxford Science Park Limited, a previously dormant company, in December 2015.

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

	Parent College	The Oxford Science Park Limited	Magdalen College Trading Limited	Magdalen College Educational Conferences Limited	Magdalen College Development Trust	Magdalen Development Company Limited
	£'000	£'000	£'000	£'000	£'000	£'000
Income	29,381	3,727	753	463	4,620	-
Expenditure	(14,702)	(5,149)	(659)	(463)	(4,620)	(71)
Donation to College under gift aid	2,371	(2,277)	(94)	-	-	-
Result for the year	<u>17,050</u>	<u>(3,699)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71)</u>
Total assets	281,395	15,858	163	243	1,372	-
Total liabilities	(39,669)	(6,082)	(163)	(243)	(1,352)	(71)
Net funds at the end of year	<u>241,726</u>	<u>9,776</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>(71)</u>

The results for The Oxford Science Park Limited include the five months to 31 December 2015 when the company was the holding company for the Oxford Science Park Joint Venture (loss of £3,452,000 including gift aid paid to the College) and the seven months from 1 January 2016 when the company was the operational company for the activities at the Oxford Science Park (loss for the period of £247,000).

15 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 31 July 2003. The investment return to be applied as income is calculated as 3.5% (2015: 3.5%) 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 2003 together with all subsequent endowments valued at date of gift.

	Trust for Investment £'000	Permanent Endowment Unapplied Total Return £'000	Total £'000	Expendable Endowment £'000	Total Endowments £'000
At the beginning of the year:					
Gift component of the permanent endowment	6,570	-	6,570	-	6,570
Unapplied total return	-	1,886	1,886	-	1,886
Expendable endowment				184,360	184,360
Total Endowments	6,570	1,886	8,456	184,360	192,816
Movements in the reporting period:					
Gift of endowment funds	2	-	2	2,147	2,149
Investment return: total investment income		145	145	2,666	2,811
Investment return: net trading income	-	-	-	1,284	1,284
Investment return: realised & unrealised gains and losses	-	336	336	18,694	19,030
Less: Investment management costs	-	(23)	(23)	(1,735)	(1,758)
Other transfers				14	14
Total	2	458	460	23,070	23,530
Unapplied total return allocated to income in the reporting period		(170)	(170)	-	(170)
Expendable endowments transferred to income	-	-	-	(5,644)	(5,644)
	-	(170)	(170)	(5,644)	(5,814)
Net movements in reporting period	2	288	290	17,426	17,716
At end of the reporting period:					
Gift component of the permanent endowment	6,572	-	6,572	-	6,572
Unapplied total return	-	2,174	2,174	-	2,174
Expendable endowment	-	-	-	201,786	201,786
Total Endowments	6,572	2,174	8,746	201,786	210,532

16 DEBTORS

	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Amounts falling due within one year:				
Trade debtors	666	297	249	156
Amounts owed by College members	72	91	72	92
Amounts owed by Group undertakings	-	-	1,723	7,426
Loans repayable within one year	16	16	17	16
Prepayments and accrued income	3,952	919	2,457	883
Other debtors	168	191	158	121
Amounts falling due after more than one year:				
Amounts outstanding under lease incentive arrangements	903	-	-	-
	5,777	1,514	4,676	8,694

17 CREDITORS: falling due within one year

	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Trade creditors	736	519	369	519
Amounts owed to College Members	59	54	59	54
Amounts owed to Group undertakings	-	-	5,093	-
Taxation and social security	192	207	192	175
College contribution	200	200	200	200
Accruals and deferred income	2,046	1,036	1,174	893
Other creditors	528	218	202	218
	3,761	2,234	7,289	2,059

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18 CREDITORS: falling due after more than one year

	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Fixed rate loan	30,000	-	30,000	-
	30,000	-	30,000	-

The College entered into a private placement of £30 million in unsecured fixed rate loan notes with a single institutional investor in September 2015, which have an average term of 25 years and an average coupon of 3.32%.

19 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2015 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2016 £'000
Endowment Funds - Permanent						
Beghian Scholarship Fund	2,959	91	(6)	(30)	(20)	2,994
Fleet Fund	3,786	37	(13)	(118)	247	3,939
Kerruish Fund	727	7	(2)	(7)	47	772
Harold Robertshaw bequest	396	4	(1)	(9)	25	415
Consolidated prizes/scholarships funds	448	4	(1)	(4)	28	475
Consolidated other sundry funds	139	4	-	(2)	9	150
Endowment Funds - Expendable						
General endowment fund	150,248	6,168	(1,399)	(4,902)	10,477	160,592
Calleva Fund	4,358	43	(15)	(64)	284	4,606
Perkin research studentship Fund	379	4	(1)	(11)	25	396
Dr Rose's Benefaction	698	9	(2)	(22)	45	728
Giles Bequest	702	7	(2)	(22)	46	731
History fellowship Fund	2,264	125	(8)	(59)	147	2,469
Law fellowship Fund	1,663	152	(6)	(38)	108	1,879
PPE Fund	2,208	25	(8)	(69)	144	2,300
Classics fellowship Fund	1,037	98	(4)	-	68	1,199
Frank Richardson Fund	589	6	(2)	(18)	38	613
Robin Snow Fund	423	4	(1)	(13)	28	441
Bellhouse Research Studentship	657	6	(2)	(13)	43	691
Duncan Mackinnon Fund	935	9	(3)	(33)	61	969
Student Support Fund	10,207	1,168	(35)	(149)	664	11,855
Tavella Stewart Fund	453	4	(2)	(16)	30	469
Allingham Settlement	240	367	(1)	(8)	16	614
Boat Club Fund	410	26	(1)	(13)	27	449
Paul Getty Fund	554	5	(2)	(17)	36	576
Hong Kong Scholarship	1,244	47	(5)	(30)	81	1,337
Law Tutorship Trust	3,047	29	(10)	(88)	197	3,175
Consolidated prizes/scholarship funds	1,510	247	(5)	(30)	98	1,820
Consolidated chapel / choir funds	226	2	(1)	(7)	15	235
Consolidated gardens funds	283	3	(1)	(9)	18	294
Consolidated tutorial / research fellowship	373	98	(1)	(5)	24	489
Consolidated other sundry funds	837	8	(3)	(7)	54	889
Total Endowment Funds - College	194,000	8,807	(1,543)	(5,813)	13,110	208,561
Endowment funds held by subsidiaries	(1,184)	(263)	(2,515)	13	5,920	1,971
Total Endowment Funds - Group	192,816	8,544	(4,058)	(5,800)	19,030	210,532

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	At 1 August 2015 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2016 £'000
Restricted Funds						
Transfer from other funds for spending	-	-	(997)	997	-	-
New Library Fund	380	869	-	(1,249)	-	-
Student Support Fund	250	112	-	(85)	-	277
Calleva Research Centre	200	200	(201)	-	-	199
Fellows by Examination Fund	-	600	-	-	-	600
Crawley Ancient History Fund	107	1	-	(4)	7	111
Consolidated scholarship funds	235	116	(78)	-	-	273
Consolidated other sundry funds	218	229	(48)	(173)	-	226
Total Restricted Funds - College	1,390	2,127	(1,324)	(514)	7	1,686
Restricted funds held by subsidiaries	-	-	-	-	-	-
Total Restricted Funds - Group	1,390	2,127	(1,324)	(514)	7	1,686
Unrestricted Funds						
General unrestricted funds	10,241	7,147	(11,858)	1,224	60	6,814
Designated funds:						
Fixed asset designated	17,400	-	-	5,111	-	22,511
History fellowship Fund	610	6	(20)	-	40	636
Law fellowship Fund	630	6	(20)	-	41	657
PPE Fund	185	2	(6)	-	12	193
George Freeman JRF Fund	1,286	13	(4)	-	83	1,378
Wills Fund	587	-	(117)	-	-	470
Student Support Fund	382	4	(1)	-	25	410
Consolidated chapel / choir funds	438	4	(14)	-	28	456
Consolidated other sundry funds	327	3	(6)	(9)	19	334
Defined benefit pension scheme reserve	(2,801)	275	123	-	23	(2,380)
Total Unrestricted Funds - College	29,285	7,459	(11,923)	6,326	331	31,479
Unrestricted funds held by subsidiaries	(2,961)	94	(7)	(13)	-	(2,887)
Total Unrestricted Funds - Group	26,324	7,553	(11,930)	6,314	331	28,592
Total Funds	220,530	18,224	(17,312)	-	19,368	240,810

20 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Beghian Scholarship Fund	Legacy to provide scholarships for graduate students
Fleet Fund	Lifetime gifts and legacy for endowing fellowships in Modern History and Economics
Kerruish Fund	Lifetime gift for the benefit of the choir
Harold Robertshaw Bequest	Legacy for the benefit of the choir
Consolidated prizes/scholarships funds	Individual gifts to establish prizes and scholarships for students
Consolidated other sundry funds	Individual gifts, none larger than £200k, for a variety of other purposes

Endowment Funds - Expendable:

General endowment fund	Those funds required for the long term which fundamentally underpin and sustain the operation of the College at its desired level of activity. It has not been possible to distinguish between the original Founder's capital or assets purchased with sale proceeds therefrom, and invested surpluses, and so the entire fund is maintained as an expendable endowment used to fund the general purposes of the College.
Calleva Fund	Lifetime gift to establish a research centre for the study of Evolution and Human Science; and to provide funding for graduate studentships
Perkin research studentship Fund	Legacy to establish a research studentship in Chemistry
Dr Rose's Benefaction	Lifetime gift, augmented by numerous individual gifts to benefit the choir

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Giles Bequest	Legacy to fund a fellowship by examination
History fellowship Fund	Numerous individual gifts to fund two fellowships in History
Law fellowship Fund	Numerous individual gifts to fund a fellowship in Law
PPE Fund	Numerous individual gifts to fund a fellowship in PPE
Classics fellowship Fund	Numerous individual gifts to fund a fellowship in Classics
Frank Richardson Fund	Lifetime gift to fund a fellowship in Economics
Robin Snow Fund	Lifetime gift to fund a fellowship in Plant Sciences
Bellhouse Research Studentship	Individual lifetime gifts to fund a graduate research studentship
Duncan Mackinnon Fund	Legacy to provide for scholarships for junior members
Student Support Fund	Numerous individual gifts to provide bursaries for junior members
Tavella Stewart Fund	Legacy to provide for scholarships for junior members
Allingham Settlement	Fund to support junior members
Boat Club Fund	Numerous individual gifts to fund rowing
Paul Getty Fund	Lifetime gift to fund conservation
Hong Kong Scholarship Fund	Individual gift to fund a graduate scholarship
Law Tutorship Trust	Individual gifts to fund a fellowship in Law and to advance the study of Law
Consolidated prizes/scholarship funds	Numerous individual gifts to establish prizes and scholarships for students
Consolidated chapel/choir funds	Individual gifts and legacies to support the chapel and choir
Consolidated gardens funds	Individual gifts and legacies to maintain the College gardens, including the Lasker Rose Garden
Consolidated tutorial/research fellowship funds	Individual gifts and legacies to fund fellowships
Consolidated other sundry funds	Individual gifts, none larger than £200k, for a variety of other purposes
Restricted Funds:	
New Library Fund	Donations for the improvement of Library facilities in College
Student Support Fund	Numerous individual gifts to provide bursaries for junior members
Calleva Research Centre	Additional short term funding in support of Calleva research projects
Crawley Fund in Ancient History	To be applied to the teaching of ancient history
Consolidated scholarship funds	Individual gifts to fund scholarships for junior members
Consolidated other sundry funds	Individual gifts for a variety of other purposes
Unrestricted Funds	
General unrestricted fund	These funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College
Designated Funds	
Fixed asset designated	Unrestricted funds which are represented by the net book value of freehold land and buildings of the College and therefore not available for expenditure on the College's general purposes
History fellowship Fund	Unrestricted funds allocated by the Fellows to the History Fellowship fund
Law fellowship Fund	Unrestricted funds allocated by the Fellows to the Law Fellowship fund
George Freeman JRF Fund	Unrestricted funds allocated by the Fellows to fund a Junior Research Fellowship in Science
Wills Fund	Income from externally held trust used to fund fellowships in the Chapel and Choir
Student Support Fund	Unrestricted funds allocated by the Fellows to provide bursaries for junior members
Chapel and choir funds	Funds allocated by the Fellows for future costs of the choir
Consolidated other sundry funds	Unrestricted funds allocated by the Fellows to a variety of other purposes

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2016 Total £'000
Tangible fixed assets	25,400	-	798	26,198
Property investments	-	-	70,759	70,759
Other investments	2,818	-	165,159	167,977
Net current assets	2,754	1,686	4,000	8,440
Long term liabilities	-	-	(30,000)	(30,000)
Defined benefit pension scheme liability	(2,380)	-	(184)	(2,564)
	<u>28,592</u>	<u>1,686</u>	<u>210,532</u>	<u>240,810</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000
Tangible fixed assets	19,968	-	-	19,968
Property investments	-	-	31,779	31,779
Investment in joint venture	-	-	19,180	19,180
Other investments	4,726	-	141,857	146,583
Net current assets	4,431	1,390	-	5,821
Defined benefit pension scheme liability	(2,801)	-	-	(2,801)
	<u>26,324</u>	<u>1,390</u>	<u>192,816</u>	<u>220,530</u>

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.

Trustees of the college fall into the following categories:

Non Stipendiary (Professorial) Fellows

Tutorial Fellows

Fellows by Examination (Junior Research Fellows)

Full time College Officers (President, Fellow Librarian (to 30 September 2016), Senior Tutor, Dean of Divinity, Bursar, Home Bursar, Development Director).

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. These salaries are paid on external academic and academic-related scales and often are joint arrangements with the University of Oxford.

Additional stipends are paid to fellows, including some non-stipendiary fellows, who hold a position of part-time College Officer in addition to their academic work. There are 14 such posts including Senior and Junior Deans, Dean of Degrees, Tutor for Admissions, Tutor for Graduate Admissions and Equal Opportunities Adviser. These amounts are included in the gross remuneration figures below.

All trustees may eat at Common Table, free of charge. Staff of the College are also entitled to meals when on duty.

All Official and Research Fellows are eligible for a Housing Allowance, which is disclosed within the salary figures below. Seven trustees live in houses owned by the college and pay market rent on a monthly basis.

The College has a Remuneration Committee which makes recommendations to Governing Body on pay and benefits which are outside of external scales. The composition of the Remuneration Committee is set out in the Trustees Report.

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Remuneration paid to trustees

Range	2016		2015	
	Number of Trustees / Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees / Fellows	Gross remuneration, taxable benefits and pension contributions £
£1-£999	1	410	5	2,208
£1,000-£1,999	2	3,150	1	1,203
£2,000-£2,999	1	2,310	1	2,172
£4,000-£4,999	2	8,266	-	0
£6,000-£6,999	1	6,647	1	6,390
£7,000-£7,999	-	-	1	7,360
£8,000-£8,999	-	-	1	8,641
£9,000-£9,999	-	-	1	9,628
£10,000-£10,999	1	10,335	-	-
£11,000-£11,999	1	11,388	-	-
£11,000-£11,999	1	12,353	2	23,084
£12,000-£12,999	-	0	2	24,813
£16,000-£16,999	2	32,280	-	0
£18,000-£18,999	-	-	1	18,038
£19,000-£19,999	1	19,804	1	19,480
£21,000-£21,999	1	21,474	-	-
£22,000-£22,999	2	44,864	-	-
£24,000-£24,999	-	-	1	24,995
£25,000-£25,999	2	50,658	2	50,890
£26,000-£26,999	1	26,706	12	315,685
£27,000-£27,999	11	303,843	1	27,570
£28,000-£28,999	2	56,264	2	56,747
£29,000-£29,999	1	29,578	2	59,594
£31,000-£31,999	3	94,139	-	-
£32,000-£32,999	1	32,451	-	-
£33,000-£33,999	-	-	2	66,958
£34,000-£34,999	1	34,444	1	34,733
£35,000-£35,999	-	-	1	35,838
£36,000-£36,999	-	-	1	36,020
£37,000-£37,999	1	37,604	-	-
£39,000-£39,999	1	39,017	-	-
£40,000-£40,999	-	-	1	40,651
£41,000-£41,999	1	41,803	-	-
£42,000-£42,999	-	-	-	-
£43,000-£43,999	1	43,414	1	43,720
£46,000-£46,999	1	46,565	-	-
£53,000-£53,999	1	53,924	1	53,463
£56,000-£56,999	-	-	5	284,160
£58,000-£58,999	4	235,501	2	117,253
£59,000-£59,999	1	59,494	-	-
£60,000-£60,999	1	60,422	2	121,272
£61,000-£61,999	1	61,968	-	-
£67,000-£67,999	-	-	1	67,988
£68,000-£68,999	1	68,641	-	-
£69,000-£69,999	-	-	1	69,164
£70,000-£70,999	2	141,480	-	-
£72,000-£72,999	-	-	1	72,014
£73,000-£73,999	1	73,662	-	-
£74,000-£74,999	-	-	1	74,313
£79,000-£79,999	-	-	1	79,042
£80,000-£80,999	2	160,827	1	80,816
£81,000-£81,999	-	-	-	-
£83,000-£83,999	1	83,003	1	83,669
£84,000-£84,999	-	-	1	84,580
£86,000-£86,999	1	86,932	-	-
£87,000-£87,999	-	-	1	87,618
£88,000-£88,999	1	88,262	-	-
£90,000-£90,999	1	90,000	-	-
£94,000-£94,999	-	-	2	189,501

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	Number of Trustees / Fellows	2016 Gross remuneration, taxable benefits and pension contributions £	Number of Trustees / Fellows	2015 Gross remuneration, taxable benefits and pension contributions £
£96,000-£96,999	1	96,453	-	-
£97,000-£97,999	1	97,058	-	-
£125,000-£125,999	-	-	1	125,854
£127,000-£127,999	1	127,820	-	-
	<u>64</u>	<u>2,595,214</u>	<u>66</u>	<u>2,507,125</u>

16 trustees of the college did not receive any remuneration.

Other transactions with trustees

Fellows also receive reimbursement of personal expenses necessarily incurred in connection with their services to the College as Trustees. During the year a total of £163 (2015 - £324) was reimbursed to two (2015 - two) of the Trustees for travel expenses. See also note 29 Related Party Transactions.

Key management remuneration

All trustees are considered to be key management. Total remuneration including National Insurance costs amounted to £2,792,857.

23 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") on behalf its staff. Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). 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, as required by FRS 102 the College accounts for the schemes as if they were defined contribution schemes.

Both schemes have put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102 the College has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

Universities Superannuation Scheme

The pension charge for the year includes £403,000 (2015 - £867,000) in relation to the USS. This represents contributions of £436,000 payable to the USS as adjusted by the reduction in the deficit funding liability between the opening and closing balance sheet dates of £33,000 (2015 - increase of £448,000).

USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 will be calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members will accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a. with the threshold applying from 1 October 2016; 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% (8% employee, 12% employer) of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section from 1 October 2016 of which the first 1% of salary is to be matched by employer contributions. 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 was 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 with the salary threshold and defined contribution section implemented this gives rise to deficit contributions of at least 2.1% p.a of salaries. At 31 March 2016 USS reported that the funding deficit had increased to £10.0 bn (83% funded) from £8.2bn (86% funded) at 31 March 2015.

USS' actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years. 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% p.a less an inflation risk premium) less RPI/CPI gap of 0.8% p.a. As noted above 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 (DB) (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 defined contribution benefits including employer matching contributions and certain investment management costs relating to the DC section.

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A provision of £786,000 has been made at 31 July 2016 (2015 - £818,000) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website www.uss.co.uk

Oxford Staff Pension Scheme

The pension charge for the year includes £481,000 (2015 - £548,000) in relation to the OSPS. This represents contributions of £586,000 payable to the OSPS as reduced by the change in the deficit funding liability between the opening and closing balance sheet dates of £105,000 (2015 - increase of £26,000).

OSPS' actuarial valuation as at 31 March 2013 identified a required long-term employer contribution rate of 20.1% of total pensionable salaries with 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. At 31 March 2015 the scheme reported a funding deficit of £213.4m (71% funded) compared to £134.8m (77% funded) as at 31 March 2014. The next triennial valuation is due with an effective date of 31 March 2016.

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%.

A provision of £1,670,000 has been made at 31 July 2016 (2015 - £1,587,000) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the University of Oxford website <http://www.admin.ox.ac.uk/finance/pensions/osps/>.

Closed Pension Scheme

Prior to 1 October 2005, staff were able to accrue benefits for service in the Magdalen College Staff Retirement Benefits Scheme (the SRBS). All members of staff were offered the opportunity to join OSPS with effect from 1 October 2005 in order to secure benefits for service from that date. Staff were no longer able to accrue benefits in SRBS after 30 September 2005. The SRBS provides benefits based on length of service and final pensionable salary. The assets of the SRBS are held in separate trustee-administered funds. The scheme is periodically valued by qualified actuaries using the projected unit method.

A triennial actuarial valuation as at 31 July 2015 was carried out during the year.

The amounts recognised in the balance sheet are as follows:

	2016	2015
	£'000	£'000
Present value of funded obligations	(3,018)	(2,445)
Fair value of plan assets	2,910	2,050
Deficit	<u>(108)</u>	<u>(395)</u>

Changes in the present value of the defined benefit obligation are as follows:

	2016	2015
	£'000	£'000
Opening defined benefit obligation	(2,445)	(2,048)
Service cost	-	-
Interest cost	(85)	(86)
Employee contributions	-	-
Actuarial (loss)	(682)	(325)
Benefits paid	194	14
Defined benefit obligation at end of year	<u>(3,018)</u>	<u>(2,445)</u>

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Changes in the fair value of the scheme assets are as follows:

	2016	2015
	£'000	£'000
Opening fair value of scheme assets	2,050	1,505
Expected return	74	63
Actuarial gain	705	429
Employer contributions	275	67
Employee contributions	-	-
Benefits paid	(194)	(14)
Fair value of scheme assets at the year end	<u>2,910</u>	<u>2,050</u>

The amounts included within the Statement of Financial Activities are as follows:

	2016	2015
	£'000	£'000
Current service cost	-	-
Past service cost	-	-
Expected return on scheme assets	74	63
Interest on pension liabilities	(85)	(86)
Total amount charged within net incoming / (outgoing) resources	<u>(11)</u>	<u>(23)</u>
Actuarial gains	23	104
Total amount credited to the Statement of Financial Activities	<u>12</u>	<u>81</u>

Magdalen College made a contribution of £275,000 to fully cover the funding deficit arising out of the 2015 actuarial valuation. It does not therefore expect to make any further contributions in 2016/17 or later years.

The major categories of scheme assets as a percentage of total Scheme assets are as follows:

	2016	2015
Phoenix Life / Scottish Mutual With-Profits Fund	<u>100%</u>	<u>100%</u>

The overall expected rate of return on the scheme assets is determined by reference to UK long dated bond yields at the balance sheet date. The expected long term rates of return for each accounting period are:

	2016	2015
Phoenix Life / Scottish Mutual With-Profits Fund	<u>2.55%</u>	<u>3.60%</u>

Principal assumptions at the balance sheet date

	2016	2015
Discount rate	2.55%	3.60%
Price inflation - RPI	3.00%	3.40%
Price inflation - CPI	2.20%	2.60%
Rate of increase in salaries	n/a	n/a
Rate of increase of pensions in payment	3.00%	3.40%
Rate of increase of pensions in deferment	2.20%	2.60%
Proportion of employees opting for early retirement	n/a	n/a
Expected return on scheme assets	2.55%	3.60%
Assumed life expectations on retirements age 65:		
Retiring today - males	22.7	22.8
Retiring today - females	24.8	25.0
Retiring in 20 years - males	24.9	25.1
Retiring in 20 years - females	<u>27.1</u>	<u>27.3</u>

The amounts for the current and previous periods are as follows:

	2016	2015	2014
	£'000	£'000	£'000
Fair value of scheme assets	2,910	2,050	1,505
Present value of defined benefit obligation	3,018	2,445	2,048
Surplus / (deficit) in plan	(108)	(395)	(543)
Defined benefit asset / (liability) to be recognised	<u>(108)</u>	<u>(395)</u>	<u>(543)</u>

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Summary of Movement in Pension Provision - All Schemes

		USS	OSPS	SRBS	Total
Opening provision	College only	819	1,587	395	2,801
Liability on acquisition	Subsidiary Company	-	187	-	187
Actuarial movement in year	College & Subsidiary	(33)	(104)	(287)	(424)
Closing provision		<u>786</u>	<u>1,670</u>	<u>108</u>	<u>2,564</u>
In unrestricted funds					2,380
In endowment funds					184
					<u>2,564</u>

24 TAXATION

The College is able to take advantage of the tax exemptions available to charities 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 this/these companies 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

	2016 Group £'000	2015 Group £'000
Net income/(expenditure)	20,257	15,038
Elimination of non-operating cash flows:		
Investment income	(2,882)	(4,591)
(Gains)/losses in investments	(19,345)	(13,498)
Endowment donations	(2,149)	(1,219)
Depreciation	674	485
Decrease/(Increase) in stock	(122)	(50)
Decrease/(Increase) in debtors	(4,263)	202
(Decrease)/Increase in creditors	1,527	1,779
(Decrease)/Increase in pension scheme liabilities	(214)	432
Net cash provided by (used in) operating activities	<u>(6,517)</u>	<u>(1,422)</u>

26 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £'000	2015 £'000
Cash at bank and in hand	5,760	5,999
Total cash and cash equivalents	<u>5,760</u>	<u>5,999</u>

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27 FINANCIAL COMMITMENTS

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

	2016	2015
	£'000	£'000
Equipment		
expiring within one year	-	-
expiring between two and five years	8	9
expiring in over five years	-	-
	8	9

28 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July 2016 for future capital projects totalling £313,000 (2015 - £2.9m).

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 FRS 102.

Members of the Governing Body, who are the trustees of the College and related parties as defined by FRS 102, 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 amounts outstanding in respect of the Oxford Colleges Healthcare Scheme, due to the College at the start and/or end of the year. The College pays the annual premium at the start of the scheme year and this is recovered on a monthly basis from trustees.

Range	2015-16		2014-15	
	Number of trustees	Total amount outstanding £	Number of trustees	Total amount outstanding £
£0-£999	14	9,335	15	10,146

The College has one property owned jointly with a trustee, Professor C. Garland, under a joint equity ownership agreement between the trustee and the College. The following amount, representing the financial contribution made by the College, is included within property investments.

2016	2015
£'000	£'000
300	275

Joint equity properties are subject to sale on the departure of the trustee from the College. In consideration for permitting a trustee to occupy a joint equity property, an annual occupation fee is payable by the trustee to the College. This is based on Bank of England base rate plus a margin ranging from -0.1% to +1.5% depending on the length of occupation.

Eight trustees have made donations to the College during the year totalling £4,431 in total (net of gift aid).

30 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.

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31 TRANSITION TO FRS 102

The College adopted FRS 102 at 31 July 2016. The date of transition is 1 August 2014. The net effect is set out below

Effect on the SoFA	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2015 Total £'000
Net Income/(Expenditure) as previously stated for 2014/15	5,933	(2,306)	11,992	15,619
Recognition of pension deficit 2014/15	(477)	-	-	(477)
Net Income/(Expenditure) as restated 2014/15	<u>5,456</u>	<u>(2,306)</u>	<u>11,992</u>	<u>15,142</u>
			As at 1 August 2014 £'000	As at 31 July 2015 £'000
Net Funds (as previously stated)			207,417	223,035
Unrestricted				
Funds as previously stated			22,896	28,828
Recognition of pension deficit			(1,930)	(2,405)
Holiday pay accrual			(99)	(99)
Total unrestricted funds as restated			<u>20,867</u>	<u>26,324</u>
Restricted				
Funds as previously stated			3,696	1,390
Total restricted funds - no change			<u>3,696</u>	<u>1,390</u>
Endowed				
Funds as previously stated			180,825	192,817
Total Endowed funds - no change			<u>180,825</u>	<u>192,817</u>
Net Funds (as restated)			<u>205,388</u>	<u>220,530</u>

The most significant change is the recognition of a liability in respect of the deficit reduction arrangements for multi employer pension defined benefit pension schemes that are accounted for as defined contribution schemes.

FRS 102 explicitly requires accrued compensated absences to be accounted for. An accrual in respect of accrued holiday pay for non-academic staff has been recognised in the financial statements as at 1 August 2014.