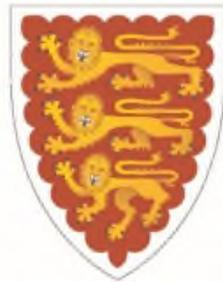


# Oriel College



## Trustees' Annual Report & Financial Statements

Year ended 31 July 2016



Registered charity number: 1141976

## **ORIEL COLLEGE**

### **Annual Report and Financial Statements**

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# **ORIEL COLLEGE**

## **Report of the Governing Body**

The Members of the Governing Body present their Annual Report for the year ended 31 July 2016 under the Charities Act 2011 (as amended) together with the audited financial statements for the year.

Oriel College was founded by Edward the Second by a Royal Charter, dated 1326. Its full corporate designation was confirmed by Letters Patent granted by James the First in 1603. The College is a registered Charity (registered number 1141976).

### **OBJECTS AND ACTIVITIES**

#### **Charitable Objects and Aims**

Today the College exists to promote undergraduate and graduate education, research and advanced study within the University of Oxford. The College also provides accommodation, advice and resources to its students.

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

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

In 2009 the Governing Body agreed the following as a modern iteration of its purposes:

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

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

#### **Public Benefit**

The College provides public benefit in accordance with its founding principles and in 2015/16 spent almost £8.5m providing teaching, research and associated facilities.

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

# **ORIEL COLLEGE**

## **Report of the Governing Body**

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

### **Strategic Aims**

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

The strategic plan for the College continues to be developed. The aims are to set out medium-term goals and priorities, and how the College will respond to changing events and opportunities.

The strategy will:

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

And assist in:

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

# ORIEL COLLEGE

## Report of the Governing Body

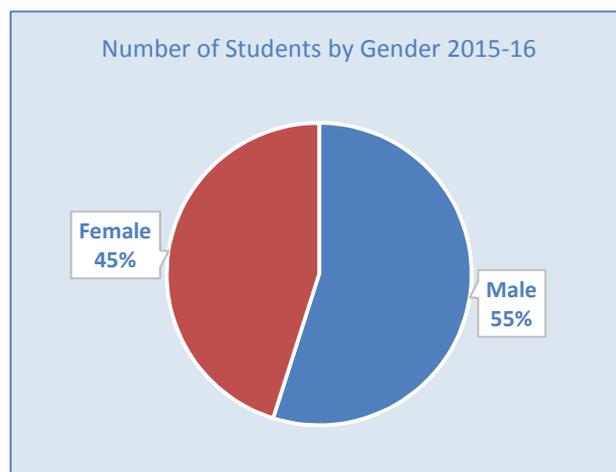
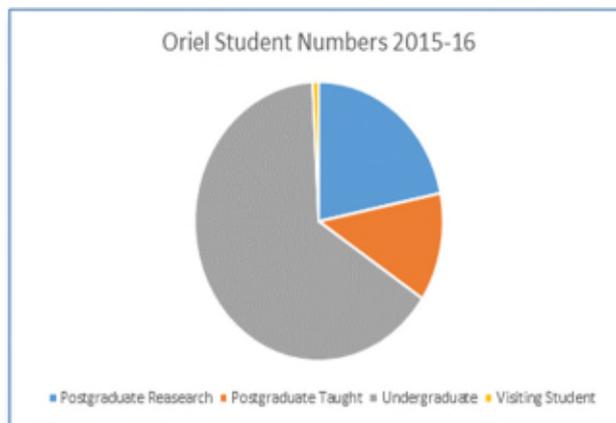
### ACHIEVEMENTS AND PERFORMANCE

#### Overview: Advancement of Education and Learning and the Promotion of Research

325 undergraduate (2015; 319) and 172 graduate (2015; 186) students were in residence during the year. Of the graduate population 63 were taking taught courses and 109 undertaking research. In addition the College accommodated 4 visiting students (2015:6) from Columbia, Notre Dame, and Princeton Universities. Graduates represent a significant part of the College’s contribution to the educational activities of the collegiate university and to the intellectual and social life of the College.

Undergraduate results were the some of the best Oriel has ever seen. 46% of students achieved a First during final examinations. Outstanding results were achieved across all subjects. Strong performances were achieved in PPE (Politics, Philosophy and Economics) and Engineering. Fourteen undergraduates received University Prizes for their achievement. In the First Public Examinations undertaken 23.7% achieved Distinctions. At 31<sup>st</sup> July 2016 26 DPhil students have successfully completed their doctorates.

We continue to improve facilities made available for graduate students and this year created a permanent study centre adjacent to the Middle Common Room which was also substantially refurbished.



# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **Advanced Academic Activity**

- Dr Justin Coon, Emmott Fellow and Tutor in Engineering Science, was awarded a substantial grant from the Engineering and Physical Sciences Research Council (EPSRC) to investigate fundamental properties of ‘spatially embedded networks’.
- In September 2015, Dr Kristine Krug, Fellow and Tutor in Biomedical Sciences compiled and guest-edited a special issue of the *Philosophical Transactions B* of the Royal Society on ‘Controlling brain activity to alter perception, behaviour and society’.
- In November 2015 Ms Lucinda Ferguson, Tutorial Fellow in Law, received a Teaching Excellence Award from the University of Oxford. She was also made Associate Member of 1 King’s Bench Walk, a leading family and children’s law barristers’ chambers.
- Dr Teresa Bejan, Tutorial Fellow in Politics, was elected as the 2015-16 Balzan-Skinner Fellow in Modern Intellectual History at the Centre for Research in the Arts, Social Sciences and Humanities (CRASSH), University of Cambridge. In April 2016 Dr Bejan, presented the seventh Balzan-Skinner lecture on “Acknowledging Equality” at the University of Cambridge.
- In July 2016, Professor Lyndal Roper, Regius Professor in History was awarded the Gerda Henkel Prize in recognition of her outstanding scholarly achievement. Professor Roper published a new book with Bodley Head in June 2016, entitled: *Martin Luther: Renegade and Prophet*.
- In July 2016, Dr Nick Eyre, Jackson Senior Research Fellow in Energy, had the title of Professor of Energy and Climate Policy conferred on him by the University.
- In October 2015, Eman Alashwali a postgraduate student received two awards from the Institute of Electrical and Electronics Engineers (IEEE).

### **Student Financial Support**

The College contributed £83k towards Oxford Opportunity Bursaries for undergraduate students. The College continued its support of an undergraduate from the developing world by participating in the Reach Oxford scheme under which it pays college and university fees. Junior members contribute to a fund to cover living costs so the student is fully funded for his or her course in Oxford. Generous prizes (funded by the Oriel Society) were awarded for the best performances by undergraduates in First Public Examinations in addition to the College prizes awarded for first class results in all public examinations.

Financial assistance grants totalling £45k were awarded to students. Additional grants were made to students with exceptional needs which meant they did not have to take paid work during vacations allowing them to concentrate on their studies.

The grants given by the College to students to enable travel abroad totalled £27k in the year. These bursaries were awarded to students to assist with the costs of travel related to the pursuit of their academic objectives. Over 70 students benefited from receiving grants in the year (the average amount awarded was £375).

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **Outreach and Admissions**

The College's outreach programme supports potential applicants from schools and areas that are currently under-represented at the University. Oriel organised over one hundred outreach events throughout the past academic year, including Year 12 Study Days, two events targeting BME (black, minority, ethnic) students, a Year 11 Magna Carta residential, Exploring Oxford Days, Teachers' Conference, school visits, applying to Oxford workshops and school-organised parent evenings. A similar programme of events will take place over the 2016-17 academic year. The College supported the Pathways programme, a collaborative project run across almost all Oxford colleges with support from the Sutton Trust. The College's Outreach Officer organises the Year 10 events and is one of the Pathways coordinators.

### **Extra-Curricular Activities**

The College was proud to support the undergraduate student community as they staged a number of plays during 2015/16. These included 'Hippolytus' produced on the new terrace in Third Quad in Michaelmas Term 2015, and a production of Love's Labour's Lost in the First Quad in Trinity Term 2016. The students organised an arts week within the college and produced their own newspaper 'the Poor Print'.

The choir continued to flourish under the direction of Dr David Maw, Director of Music, and toured the south of France in June 2016.

Sports teams continued to excel. In particular the first VIII retained its position as Head of the River which it has now held for 26 of the last 50 years.

### **Development**

In August 2012 the College launched Phase Two of the 2026 Campaign, seeking to raise £25m in new gifts and pledges by 31st July 2017, overseen by the Development Director, Mr Sean Power. Over £19.5m (£18.5m; 2015) has been raised in new gifts, pledges and legacy income, towards the £25m target.

This year £875k (£2.4m; 2015) has been raised in non-legacy new gifts and pledges.

The effect of the controversy in relation to the College's statue of Cecil Rhodes statue has affected the College's fundraising this year. No annual telephone campaign took place this year and some donors changed their giving plans. We expect fund raising to return to the long term trend in 2016/17.

#### ***- Major Donations***

Major donations have proved essential to the success of fundraising efforts this year. A total of 11 organisations or individuals have made gifts of £10k or more between 1st August 2015 and 31st July 2016, compared to 24 last year. Those who donate £20k or more to the College over their lifetime are admitted to the membership of the Raleigh Society; those who give over £100k are admitted to the Provost's Court. There are currently 173 members of the Raleigh Society.

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### *- Gifts made in Wills*

Legacies continue to provide an important source of funds for Oriel. All those who formally pledge a legacy to the College are invited to join the Adam de Brome Society. There were 14 new legacy pledges made this year (21; 2015), bringing the total of known pledges to 292. This year over £1m has been received by the College in legacy gifts (£300k; 2015). The majority of the legacy income was received to establish the Basil Reeve Science Scholarship fund.

### *- Encouraging Wider Support*

In 2012 the 1326 Society was established to encourage regular giving to the College. Full Members give £1,326 a year, Young Members give £132.60 a year. Membership for this year stands at 149. Overall participation rate for this year reached 13.5%.

The Campaign Board met twice during the year and gives overall support and strategic direction. The Development Committee of fellows and alumni continues to oversee the fundraising effort on behalf of the Governing Body and provides advice and other direct assistance to the Development Director and his team. Specific aims remain the further development of the College site and facilities; increased funding to enable Oriel to continue to attract the best fellows and lecturers; further endowment of bursaries; and other support for undergraduate and graduate students so they can be admitted purely on merit irrespective of their own financial resources.

### **Buildings and Facilities**

The strategic assessment of short, medium and longer term building refurbishment and maintenance requirements has continued during 2015/16.

A provisional five year maintenance plan for capital and maintenance works with budget allocations and funding options has been prepared.

A full condition survey of all the College buildings by Cluttons (property consultants) has been commissioned. These in depth surveys will take eighteen months to complete. Once complete these will complement the five year plan and enable the College to plan ahead over the longer term (ten to fifteen year period).

Alongside the strategic maintenance planning the College has completed a number of larger projects during 2015/16 and successfully delivered a number of smaller repair and maintenance projects.

## **ORIEL COLLEGE**

### **Report of the Governing Body**

The railings to the High Street (Rhodes) Building were installed in the summer of 2016 finishing off the major refurbishment of this historic asset.



The refurbishment of the chapel was reported on in 2014/15, however, during 2016 further works have been completed to enhance both the heating and the lighting.

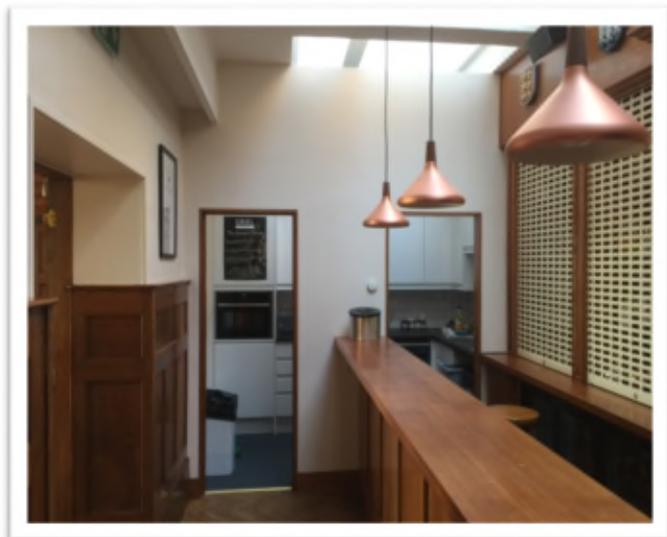


Student room refurbishments continue as resources allow. Rooms in three different locations around the College have been upgraded during 2015/16. A suite of 9 rooms have been refurbished during the summer with installation of new heating and complete refurbishment of bathrooms.

## **ORIEL COLLEGE**

### **Report of the Governing Body**

A full refit of the Middle Common Room (MCR) bar, kitchen and social areas as well as the graduate study room has taken place during the summer of 2016.



All of the above works have enabled the college to continue to provide excellent facilities for our students and visitors. The refurbished graduate area is especially pleasing providing an excellent centre for our graduate students to study, relax and socialise. This project was funded from College resources and generous donors keen to support the MCR.

After extensive discussions with College advisors during 2014 and 2015, work has been completed to upgrade fire protection and fire detection within the Senior Library, parts of the Pantin library, and the Muniment room of the College, in order to improve safeguarding of the college's historic manuscripts, books and art.

The 'Brewhouse' project to refurbish the kitchen, hall and college bar areas (as well as the refurbishment of a large student staircase and provision of extra catering / conference facilities) has continued to be developed during 2015/16. The project is now progressing towards the planning application stage and it is anticipated that consent will be obtained in 2017.

## **ORIEL COLLEGE**

### **Report of the Governing Body**

#### **Carbon Reporting/Energy Efficiency**

The College continues to take its carbon footprint very seriously. It is a fundamental part of every maintenance and refurbishment project we undertake in college. Energy efficiencies are at the forefront of our planning and specification discussions on all projects. This continued process will assist in reducing our carbon output and reducing energy bills, year on year.

In terms of overall performance, the college has continued to make progress in its targeted reduction of carbon emissions with total carbon emissions reported reducing from 1,596kg CO<sub>2</sub> in 2010/11 to 1,266kg CO<sub>2</sub> in 2015/16.

The projects and refurbishments the college has planned over the next few years will enable us to continue to reduce our carbon footprint and energy consumption. This effort will continue to be at the forefront of our buildings and maintenance planning every year.

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **Domestic Bursar's Report**

The gross conference income for 2015/16 amounted to £1.42m an increase of 5% (2015; £1.35m).

As well as commencing bed and breakfast accommodation for visitors to Oxford, there was significant growth in our summer school business in particular the Oxford Summer Institutes; our partnership with CBL International which continues to flourish. This has been aided by the facilities of the new Teaching Centre in the High Street building.

Numbers in July 2016, usually our strongest month, were slightly lower than anticipated, due to security fears which affected bookings from our American summer school.

The College remains committed to continuing the refurbishment of student bedrooms, although the program was more modest than in recent years. An additional £100k has been earmarked to continue the soft room refurbishment programme during 2016/17 in addition to the full upgrade planned for some of the staircases.

A significant addition to our student accommodation was the provision of 7 flats for graduate couples, adjacent to the main college annex in Rectory Road.

The College's Business Continuity Plan was revised, updated and tested during the year. The trials were externally risk assessed and a number of staff attended a 3 day salvage training course.

### **Other Charitable Activity**

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

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

Following the financial year end the College was pleased to again participate in the Oxford Open Doors weekend in September 2016, receiving over 800 visitors on the Sunday of the event with visitors viewing all three quads and the Hall.

# ORIEL COLLEGE

## Report of the Governing Body

### FINANCIAL REVIEW

#### Treasurer's Report

The Statement of Financial Activities on page 32 shows total income for the year of £12.7m (2015: £12.02m) and total expenditure £10.8m (2015: £10.3m) giving an operating surplus of £2.0m (2015: £1.7m). After a gain on investments of £4.1m (2015: £3.6m) the net movement in funds is £6.0m (2015: £5.3m).

Endowment funds increased by just over 8.9% from £63.9m to £69.5m.

Investment income of £4.4m (2015: £4.0m) on a gross asset base of £90.6m (2015: £84.5m) gave a gross yield of 4.9% (2015: 4.8%).

The College kept the draw on the endowment to the long term maximum of 3.5%, measured over a rolling five year period.

Desktop valuations of the College's investment properties based on market data and the advice of the College's agents have been undertaken. The next external valuations are due in 2017.

Both Oxford and South London property markets continue to perform well, although there has been some consolidation from the high point of 2015. The lease negotiations with the occupier of the property owned by the subsidiary, Tean Limited were protracted and not completed by the year end. Therefore the 2015/16 valuation has been retained in the accounts. Revisions to the current leases and new leases commenced in April 2017 and were completed in 20<sup>th</sup> September 2016.

In a challenging external environment a balanced budget has been set for 2016/17. This assumes a continued draw of 3.5% from endowment funds. The draw this year amounting to £2.1m, is reviewed annually by the College's Investment Advisory Committee and ratified by the Finance & Estates Committee as prudent and an appropriate balance between current needs and protection of future value.

#### - *Investment Policy, Objectives and Performance*

Endowment assets are invested in land and property, equities, fixed income securities and cash deposits. Land and property investments decreased in value to £36.5m from £40.2m. This followed desktop valuations undertaken in July 2016 and the sale of one South London property and a retail warehouse in Shropshire.

Investment in securities increased from £44.3m to £54.1m. The increased comprised £5.0m of net purchases and £4.75m of valuation gains.

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

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

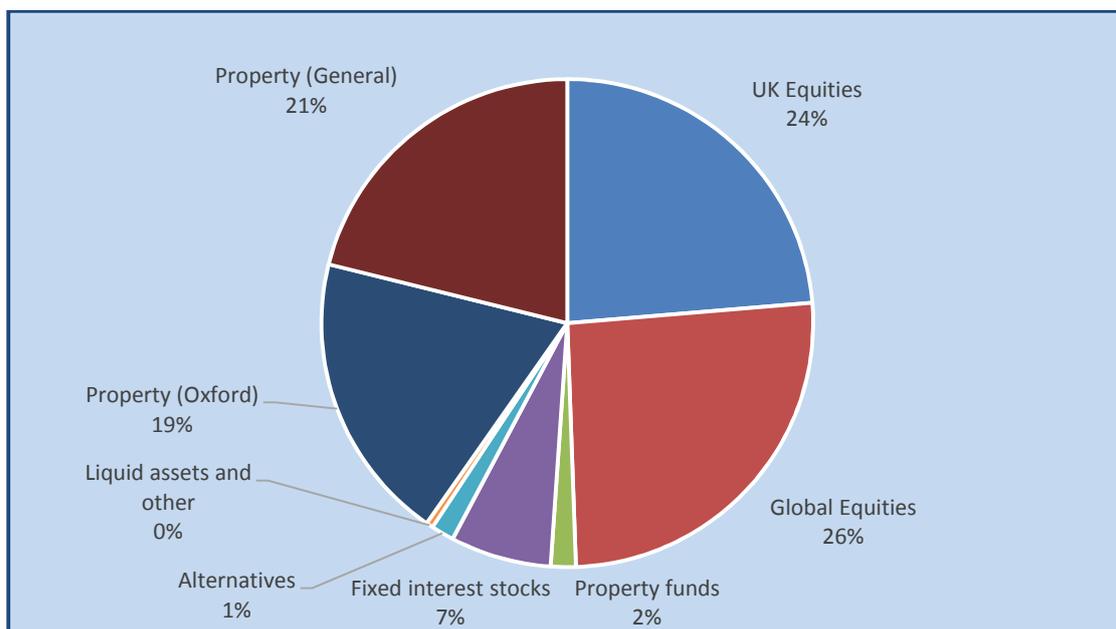
# ORIEL COLLEGE

## Report of the Governing Body

The College’s two principal fund managers; Sarasin & Partners and Baillie Gifford (appointed alongside Sarasin in 2013 with a global equities mandate) manage the security portfolios.

Performance of the managers and the asset allocation is reviewed at each meeting of the Investment Advisory Committee. The contract with each manager is reviewed by the Investment Advisory Committee every five years with the next review set for 2018.

The current asset allocation is represented below:



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

The College employs Cambridge Associates LLP to report quarterly on investment performance. The reports are considered by the Investment Advisory Committee and each fund manager presents to the Committee at least annually. Fund managers are benchmarked against the recognised indices. The performance of the main investment funds and the relevant benchmark is detailed in the table below:

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

# ORIEL COLLEGE

## Report of the Governing Body

The gross figures for endowment performance are as follows:

	Value at start of year A	New investments disposals etc. B	Gains/ losses C	Value at end of year D	Income E	Income Yield	Capital return	Total return
	£'000	£'000	£'000	£'000	£'000	%	%	%
Property	40,149	-2,989	-680	36,480	2,620	7.18%	-1.69%	5.49%
Equities bonds and cash	44,318	5,006	4,746	54,070	1,705	3.15%	10.71%	13.86%
<b>Total</b>	<b>84,467</b>	<b>2,017</b>	<b>4,066</b>	<b>90,550</b>	<b>4,325</b>	<b>4.78%</b>	<b>4.81%</b>	<b>9.59%</b>

The total return of 9.59% was a very satisfactory result assisted by post referendum currency movements. Although securities values have continued to increase since year end a cautious approach is being adopted in the light of BREXIT risks.

### RISK MANAGEMENT

The major risks to which the College is exposed, as identified by the Governing Body, have been reviewed and systems established to mitigate them. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. The process for identification and management of risk is reviewed annually by the Audit Committee.

The risk register was comprehensively updated in 2014 to include an assessment of gross and net risks the College faces. Following the review all risks have been allocated to risk managers and are assessed by the relevant committee on a termly basis.

The Governing Body, which has ultimate responsibility for managing any risks faced by the College, have given consideration to the major risks to which the College and its subsidiaries are exposed and has concluded that adequate systems are in place to manage these risks. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

During 2015-16 the College had to manage a number of risks relating to the commemoration of Cecil Rhodes following protests and a petition seeking removal of the statue of Cecil Rhodes on the College's High Street frontage. The Governing Body announced a number of steps to deal with these issues, and issued public statements about these matters on 17 December 2015 and 28 January 2016. The Governing Body took risks to the College into account in its decision-making at every point. Misleading press coverage of the 28 January statement suggested that the College faced financial difficulties. This was not the case, the College operating budget for the year was not materially affected by a reduction in donations as operating expenses are not funded by current year donations unless for a very specific purpose.

# ORIEL COLLEGE

## Report of the Governing Body

The major risks and the steps taken to mitigate them have been identified in the following table:

<b>Risk</b>	<b>Mitigation</b>
<b>Health and Safety and welfare of students</b>	Compliance with, and regular review of, health and safety legislation by the Health and Safety Committee. Trained Dean team. Awareness sessions.
<b>Failure to attract and retain high quality undergraduate and graduate students Failure to attract students from diverse ethnic and social backgrounds.</b>	Professional outreach and admissions staff. Extensive programme of events and visits including 'Exploring Oxford Days' aimed at under-represented groups.
<b>Fire and flood</b>	Insurance. Fire detection and prevention systems all under regular review.
<b>Investment asset allocation fails to deliver required endowment drawdown income level</b>	Investment Advisory Committee in place meeting bi-annually to review. Long term leases on many investment properties and regular dividends from investment securities.
<b>Systems failures (including bought-in systems)</b>	Backups onsite and offsite. Continual development of systems documentation and disaster recovery procedures; Regular reviews of current industry standards and good practice.
<b>Failure to set and communicate an appropriate financial strategy</b>	Budget setting with a five year horizon in place. Finance and Estates Committee meets three times per term with a full annual review of budget and results.
<b>Reputation</b>	Identification and management of risks. Appropriate professional advice.

## RESERVES POLICY

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

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

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

The College's free reserves (excluding designated funds and the pension reserve) at the year-end after restatement amounted to £5,739k (2015: £5,062k).

The designated reserves are detailed at the foot of note 18 of the accounts with a description of each area in note 19. This is due to these funds being earmarked for very specific projects to which the College is

## **ORIEL COLLEGE**

### **Report of the Governing Body**

committed over the short term (such as the maintenance of the College's property and major building projects).

# ORIEL COLLEGE

## Report of the Governing Body

### LEGAL AND ADMINISTRATIVE INFORMATION

#### CORPORATE STATUS

Oriel College in the University of Oxford (“the College”), is an eleemosynary chartered charitable corporation aggregate. Having been first established as Tackley’s Inn in 1324; it was founded by Edward the Second by a Royal Charter, dated 1326, issued to Adam de Brome. Its full corporate designation and title to its property and other assets were confirmed by Letters Patent granted by James the First in 1603. The College consists of the Provost and Fellows (‘Scholars’) and is governed by its statutes dated 21 January 1326 as amended up to 10 July 2008. The College registered with the Charity Commission on 31 March 2011 (registered number 1141976).

#### GOVERNING BODY

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, Her Majesty the Queen. It determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Provost.

The Members of the Governing Body are the College’s charity trustees under charity law. The members of the Governing Body who served in office during the year or subsequently are detailed below:

Ms Moira Wallace, OBE, Provost	Professor John Armour
Professor Andrew Boothroyd	Dr Julia Mannherz
Dr Michael Spivey	Professor Gonzalo Rodriguez Pereyra
Professor Annette Volfing	Professor Lars Fugger
Professor David Hodgson	Professor Ian Horrocks
Dr Lynne Cox	Professor Nicholas Eyre
Professor Pedro Ferreira (resigned September 2016)	Dr Kevin Maloy
Professor Teresa Morgan	Ms Sandra Robertson
Professor Brian Leftow	Dr William Wood
Dr Oliver Pooley	Dr Max Crispin
Dr Bruno Currie	Dr Yakov Kremnitzer
Dr John Huber	Dr Mungo Wilson
Professor Richard Scholar	Dr Kathryn Murphy
Mr Wilf Stephenson	Professor James Sparks
Professor Yadvinder Malhi	Mr Sean Power
Dr Kristine Krug	Professor Lyndal Roper
Dr Ian Forrest	Dr Paul Yowell
Dr Christopher Bowdler	Dr Justin Coon
Ms Juliane Kerkhecker	Dr Francesco Manzini
Professor Michael Devereux	Professor Hindy Najman (appointed October 2015)
Professor Christopher Conlon	Dr Teresa Bejan (appointed October 2015)
Ms Lucinda Ferguson	Dr Luca Castagnoli (appointed October 2015)
Professor Philip Stier (resigned September 2016)	Dr Maike Bublitz (appointed November 2015)

#### *Fellows Elect:*

There was 1 fellow elect at the year end: Dr Patrick Farrell

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **Recruitment and Training of Members of the Governing Body**

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

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

### **ORGANISATIONAL MANAGEMENT**

The members of the Governing Body normally meet 10 times a year. The work of developing their policies and monitoring the implementation of these is carried out by five principal standing or governance committees (and a number of other committees covering specific areas of the College's activities). The principal management and strategy committees are the Finance and Estates Committee (advised by the Investment Advisory Committee), the General Purposes Committee and the Education Committee all chaired by the Provost.

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

The current members of committees are detailed below:

#### **Finance and Estates Committee**

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

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

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

The external member is:

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

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **General Purposes Committee**

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

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

There are an additional two fellows who were members of the Committee at year end:

Mr Power and Dr Wood.

### **Education Committee**

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

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

There are an additional seven fellows who sit on the Committee; at year end:

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

In addition the Treasurer and Academic Administrator attend all meetings.

### **Audit Committee**

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

Its external members are:

Mr. Strone Macpherson (Chairman, Close Brothers plc.), Chairman  
Mr. John Shannon (former Treasurer, Oriel College Development Trust)  
Mr. Tim Budden (Finance Director, Grosvenor Indirect Investments; Grosvenor Group)  
Mr. Ian Thompson (Former Bursar, Wadham College)

The Governing Body member is Prof Armour.

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

## **ORIEL COLLEGE**

### **Report of the Governing Body**

#### **Investment Advisory Committee**

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

Its external members are:

Mr. John Cook, Chairman  
Mr. Charles Skinner (Chief Executive, Restore plc.)  
Mr. Mark Tyndall (Chief Executive, Artemis Investment Management LLP)  
Mr. Jonathan Lane (Chairman, Shaftsbury plc.)

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

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

Its external members are:

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

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

#### **Development Committee**

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

Its external members during the year were:

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

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

## **ORIEL COLLEGE**

### **Report of the Governing Body**

#### **Remuneration Committee**

The Remuneration Committee consists of three independent members, a professorial fellow and a member of another college. The Committee meets twice a year to review matters of remuneration policy and any significant remuneration issues raised by members or by the Governing Body.

At present its external members are:

Mr. John Church (Bursar, Pembroke College)

Dr Mark Philp (Emeritus Fellow)

Ms. Sheila Forbes (former Principal, St Hilda's College).

The Governing Body member is Professor Devereux (Chair).

Dr Hodgson and Professor Leftow also served during the year.

Meetings are attended by the Provost, Treasurer, HR Manager and the Financial Controller.

#### **GROUP STRUCTURE AND RELATIONSHIPS**

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

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

The subsidiaries activities are as follows:

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

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

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **OFFICERS AND SENIOR STAFF**

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

Moira Wallace OBE – Provost  
Prof A Volfing – Vice Provost  
Mr W Stephenson – Treasurer  
Ms J Kerchecker – Senior Tutor  
Mr S Power – Development Director  
Dr F Manzini– Senior Dean  
Mr K Melbourne – Domestic Bursar  
Mrs R Breward – Academic Registrar  
Mr R Noonan – Master of Works  
Mr O Sladen – Financial Controller  
Ms S Moore – Human Resources Manager

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **PRINCIPAL ADVISERS AND BANKERS**

#### **Auditors**

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

#### **Bankers**

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

#### **Investment Managers**

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

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

#### **Investment Property Managers (South London)**

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

#### **Investment Property Advisors**

Cluttons  
Seacourt Tower  
West Way  
Oxford OX2 OJJ

Alder King  
Brunswick House  
Gloucester Business Park  
Gloucester GL3 4AA

Savills  
Wytham Court  
11 West Way  
Oxford OX2 0QL

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **Legal Advisers**

Knights  
Midland House  
Westway  
Oxford OX2 0PH

Farrer and Co  
66 Lincolns Inn Fields  
London  
WC2A 3LH

Blake Morgan (Employment Law)  
Seacourt Tower  
Westway  
Oxford OX2 0FB

### **PR Advisers**

Teamspirit  
78 Cowcross Street  
London  
EC1M 6EJ

### **Address**

Oriel College  
Oriel Square  
Oxford OX1 4EW

### **Website**

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

# **ORIEL COLLEGE**

## **Report of the Governing Body**

### **STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

#### **Trustees' Responsibilities Statement**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 9 November 2016 and signed on its behalf by:

Moira Wallace OBE  
**Provost**

## **ORIEL COLLEGE**

### **Report of the Auditor to the Members of the Governing Body**

We have audited the financial statements of Oriel College for the year ended 31 July 2016 which comprise the Statement of Financial Activities, the Group and Charity balance sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the Charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Trustees and Auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 23, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

#### **Scope of the Audit of the Financial Statements**

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

#### **Opinion on Financial Statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent Charity's affairs as at 31 July 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **ORIEL COLLEGE**

### **Report of the Auditor to the Members of the Governing Body**

#### **Matters on which we are required to Report by Exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Governing Body is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.  
Date: 9 November 2016

**ORIEL COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2016**

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**1. Scope of the financial statements**

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Cash Flow Statement comprising the consolidation of the College and with its wholly owned subsidiaries Land Estates and Property Ltd, Tean Ltd and Oriel College Conferences Limited. No separate SOFA has been presented for the College alone as permitted by paragraph 397 of the Charities SORP 2005. The results of the subsidiaries as included in the consolidated income, expenditure and results of the College are disclosed in note 13.

**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 32.

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

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

**4. Incoming resources from donation and legacies**

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

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

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

**5. Investment income**

Interest on bank balances and fixed interest securities is accounted for in the period to which the interest relates. Dividend income and similar distributions are accounted for in the period in which they become receivable. Income from investment properties is accounted for in the period to which the rental income relates.

**6. Expenditure**

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

Grants awarded are expensed as soon as they become legal or operational commitments. Governance costs comprise the costs of complying with constitutional and statutory requirements. Intra-group sales and charges between the College and its subsidiaries are excluded from income and expenditure.

**7. Leases**

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

**8. Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing is capitalised and carried in the balance sheet at historical cost.

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

**9. Intangible assets**

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

## **10. Depreciation**

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

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

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

## **11. Investments**

Investment properties are valued as individual investments at their market values as at the balance sheet date. Purchases and sales of investment properties are recognised on completion.

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

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

## **12. Stocks**

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

## **13. Foreign currencies**

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

## **14. Fund accounting**

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

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

**ORIEL COLLEGE**  
**Statement of Accounting Policies**  
**Year ended 31 July 2016**

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

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

Expendable endowment funds are similar to permanent endowment in that they have been given, or the College has determined based on the circumstances that they have been given, for the long term benefit of the College. However, the Governing Body may at their discretion determine to spend all or part of the capital.

**15. Pension costs**

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

**ORIEL COLLEGE**  
**Consolidated statement of Financial Activities**  
**As at 31 July 2016**

**Oriel 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
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Charitable activities:</b>	1					
Teaching, research and residential		5,534	-	-	5,534	5,310
<b>Other Trading Income</b>	3	418	-	-	418	435
<b>Donations and legacies</b>	2	168	227	1,938	2,333	2,049
<b>Investments</b>						
Investment income	4	2,154	2,209	-	4,363	4,053
Other income		83	-	-	83	176
<b>Total income</b>		<b>8,357</b>	<b>2,436</b>	<b>1,938</b>	<b>12,731</b>	<b>12,023</b>
<b>EXPENDITURE ON:</b>						
	5					
<b>Charitable activities:</b>						
Teaching, research and residential		6,232	2,174	-	8,406	8,657
<b>Generating funds:</b>						
Fundraising		425	-	-	425	437
Trading expenditure		39	-	-	39	38
Investment management costs		1,342	508	61	1,911	1,526
<b>Total Expenditure</b>		<b>8,038</b>	<b>2,682</b>	<b>61</b>	<b>10,781</b>	<b>10,658</b>
<b>Net Income/(Expenditure) before gains</b>		<b>319</b>	<b>(246)</b>	<b>1,877</b>	<b>1,950</b>	<b>1,365</b>
Net gains/(losses) on investments	11, 12	320	-	3,741	4,061	3,622
<b>Net Income/(Expenditure)</b>		<b>639</b>	<b>(246)</b>	<b>5,618</b>	<b>6,011</b>	<b>4,987</b>
<b>Transfers between funds</b>	18	-	2	(2)	-	-
<b>Net movement in funds for the year</b>		<b>639</b>	<b>(244)</b>	<b>5,616</b>	<b>6,011</b>	<b>4,987</b>
Fund balances brought forward	18	10,713	2,839	63,889	77,441	72,454
<b>Funds carried forward at 31 July</b>		<b>11,352</b>	<b>2,595</b>	<b>69,505</b>	<b>83,452</b>	<b>77,441</b>

**ORIEL COLLEGE**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2016**

**Oriel College**  
**Consolidated and College Balance Sheets**  
**As at 31 July 2016**

	Notes	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
<b>FIXED ASSETS</b>					Restated
Intangible assets	10	-	37	-	-
Tangible assets	9	8,755	9,133	8,780	9,135
Property investments	11	36,480	40,149	28,334	31,995
Other Investments	12	54,070	44,318	58,852	49,100
<b>Total Fixed Assets</b>		<b>99,305</b>	<b>93,637</b>	<b>95,966</b>	<b>90,230</b>
<b>CURRENT ASSETS</b>					
Stocks		311	310	311	311
Debtors	14	1,153	824	2,079	784
Cash at bank and in hand		765	1,178	646	957
<b>Total Current Assets</b>		<b>2,229</b>	<b>2,312</b>	<b>3,036</b>	<b>2,052</b>
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	15	(5,036)	(2,743)	(2,069)	(1,381)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>(2,807)</b>	<b>(431)</b>	<b>967</b>	<b>671</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>96,498</b>	<b>93,206</b>	<b>96,933</b>	<b>90,901</b>
<b>CREDITORS: falling due after more than one year</b>	16	<b>(12,500)</b>	<b>(15,177)</b>	<b>(12,500)</b>	<b>(12,500)</b>
<b>Provisions for liabilities and charges</b>	17	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY</b>		<b>83,998</b>	<b>78,029</b>	<b>84,433</b>	<b>78,401</b>
Defined benefit pension scheme liability	22	(546)	(588)	(546)	(588)
<b>TOTAL NET ASSETS/(LIABILITIES)</b>		<b>83,452</b>	<b>77,441</b>	<b>83,887</b>	<b>77,813</b>
<b>FUNDS OF THE COLLEGE</b>					
<b>Endowment funds</b>		<b>69,505</b>	63,889	<b>70,699</b>	65,078
<b>Restricted funds</b>		<b>2,595</b>	2,839	<b>1,918</b>	2,184
<b>Unrestricted funds</b>					
Designated funds		6,159	6,239	6,182	6,296
General funds		5,739	5,062	5,634	4,843
Pension reserve	22	(546)	(588)	(546)	(588)
		<b>83,452</b>	<b>77,441</b>	<b>83,887</b>	<b>77,813</b>

The financial statements were approved and authorised for issue by the Governing Body of Oriel College on 9 November 2016

Trustee:

Trustee:

**ORIEL COLLEGE**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 July 2016**

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

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	Notes	2016 £'000	2015 £'000
<b>Net cash provided by (used in) operating activities</b>	25	<u>(3,752)</u>	<u>(3,020)</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		4,363	4,053
Purchase of property, plant and equipment		(82)	(1,908)
Proceeds from sale of investments		9,376	6,071
Purchase of investments		(11,398)	(8,608)
<b>Net cash provided by (used in) investing activities</b>		<u>2,259</u>	<u>(392)</u>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(858)	(811)
Cash inflows from new borrowing		-	
Receipt of endowment		1,938	1,167
<b>Net cash provided by (used in) financing activities</b>		<u>1,080</u>	<u>356</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(413)</u>	<u>(3,056)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		1,178	4,234
<b>Cash and cash equivalents at the end of the reporting period</b>	26	<u>765</u>	<u>1,178</u>

**ORIEL COLLEGE**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2016**

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

**1 INCOME FROM CHARITABLE ACTIVITIES**

	<b>2016</b>	2015
	<b>£'000</b>	£'000
<b>Teaching, Research and Residential</b>		
Unrestricted funds		
Tuition fees - UK and EU students	1,932	1,914
Tuition fees - Overseas students	292	241
Other fees	24	71
Other academic income	150	114
College residential income	3,136	2,970
	<u>5,534</u>	<u>5,310</u>
<b>Total Teaching, Research and Residential</b>	<u>5,534</u>	<u>5,310</u>
<b>Total income from charitable activities</b>	<u>5,534</u>	<u>5,310</u>

The above analysis includes £1571k received from Oxford University from publicly accountable funds under the CFF Scheme (2015: £1509k).

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 £28k (2015: £0k). These are not included in the fee income reported above.

**2 DONATIONS AND LEGACIES**

	<b>2016</b>	2015
	<b>£'000</b>	£'000
<b>Donations and Legacies</b>		
Unrestricted funds	168	549
Restricted funds	227	333
Endowed funds	1,938	1,167
	<u>2,333</u>	<u>2,049</u>

**3 INCOME FROM OTHER TRADING ACTIVITIES**

	<b>2016</b>	2015
	<b>£'000</b>	£'000
Subsidiary company trading income	407	410
Other trading income	11	25
	<u>418</u>	<u>435</u>

**4 INVESTMENT INCOME**

	<b>2016</b>	2015
	<b>£'000</b>	£'000
<i>Unrestricted funds</i>		
Commercial rent	1,151	1,153
Equity dividends	940	717
Other investment income	25	14
Bank interest	38	32
	<u>2,154</u>	<u>1,916</u>
<i>Restricted funds</i>		
Agricultural rent	-	
Commercial rent	1,314	1,469
Other property income	155	22
Equity dividends	684	634
Other investment income	56	12
	<u>2,209</u>	<u>2,137</u>
<b>Total Investment income</b>	<u>4,363</u>	<u>4,053</u>

**ORIEL COLLEGE**  
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5 ANALYSIS OF EXPENDITURE	2016 £'000	2015 £'000
<b>Charitable expenditure</b>		
Direct staff costs allocated to:		
Teaching, research and residential	3,870	3,977
Other direct costs allocated to:		
Teaching, research and residential	3,214	3,286
Support and governance costs allocated to:		
Teaching, research and residential	1,322	1,394
<b>Total charitable expenditure</b>	<b>8,406</b>	<b>8,657</b>
<b>Expenditure on raising funds</b>		
Direct staff costs allocated to:		
Fundraising	320	319
Trading expenditure	16	15
Investment management costs	53	52
Other direct costs allocated to:		
Fundraising	93	103
Investment management costs	1,117	607
Support and governance costs allocated to:		
Fundraising	12	15
Trading expenditure	23	23
Investment management costs	741	867
<b>Total expenditure on raising funds</b>	<b>2,375</b>	<b>2,001</b>
<b>Total expenditure</b>	<b>10,781</b>	<b>10,658</b>

The 2016 resources expended of £10,781k represented £8,038k from unrestricted funds, £2,682k from restricted funds and £61k from endowed funds.

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 £27k (2015 - £57k)

**ORIEL COLLEGE**  
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**6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

	Generating Funds £'000	Teaching and Research £'000	2016 Total £'000
Financial administration	12	420	432
Human resources	-	132	132
IT	4	234	238
Depreciation	20	416	436
Bank interest payable	692	69	761
Other finance charges	(24)	(42)	(66)
Investment Management	55	-	55
Governance costs	17	32	49
	<b>776</b>	<b>1,261</b>	<b>2,037</b>

Financial and domestic administration, IT and human resources costs are attributed according to the estimated staff time spent on each activity. 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 according to an estimate of the relevance to each activity

	2016 £'000	2015 £'000
<b>Governance costs comprise:</b>		
Auditor's remuneration - audit services	32	24
Auditor's remuneration - tax advisory services	11	15
Legal and other fees on constitutional matters	6	
	<b>49</b>	<b>39</b>

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.

**ORIEL COLLEGE**  
**Notes to the Financial Statements**  
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7 GRANTS AND AWARDS	2016 £'000	2015 £'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
<b>Unrestricted funds</b>		
Grants to individuals:		
Scholarships, prizes and grants	73	135
Bursaries and hardship awards	8	91
<b>Total unrestricted</b>	<u>81</u>	<u>226</u>
<b>Restricted funds</b>		
Grants to individuals:		
Scholarships, prizes and grants	5	9
Bursaries and hardship awards	116	141
<b>Total restricted</b>	<u>121</u>	<u>150</u>
<b>Total grants and awards</b>	<u>202</u>	<u>376</u>

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £83k (2015: £88k). Some of those students also received fee waivers amounting to £28k.

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

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**8 STAFF COSTS**

	<b>2016</b>	2015
	<b>£'000</b>	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	<b>4,045</b>	3,840
Social security costs	<b>296</b>	272
Pension costs:		
Defined benefit schemes	<b>308</b>	304
Defined contribution schemes	<b>170</b>	161
	<b>4,819</b>	4,916

	<b>2016</b>	2015
The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.		
Tuition and research	<b>22</b>	24
College residential	<b>83</b>	74
Fundraising	<b>6</b>	6
Support	<b>14</b>	19
Total	<b>125</b>	123

	<b>2016</b>	2015
The average number of employed College Trustees during the year was as follows.		
University Lecturers	<b>20</b>	21
CUF Lecturers	<b>10</b>	10
Other teaching and research	<b>13</b>	13
Other	<b>3</b>	3
Total	<b>46</b>	47

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:

	<b>2016</b>	2015
£60,001-£70,000	<b>-</b>	1

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

In defined benefits schemes	<b>68</b>	65
In defined contribution schemes	<b>82</b>	85

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**9 TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Leasehold land and buildings £'000</b>	<b>Restated Freehold land and buildings £'000</b>	<b>Plant and machinery £'000</b>	<b>Fixtures, fittings and equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At start of year	-	12,031	19	852	<b>12,902</b>
Additions	-	59	-	23	<b>82</b>
<b>At end of year</b>	<b>-</b>	<b>12,090</b>	<b>19</b>	<b>875</b>	<b>12,984</b>
<b>Depreciation and impairment</b>					
At start of year	-	2,999	19	751	<b>3,769</b>
Depreciation charge for the year	-	405	-	56	<b>461</b>
<b>At end of year</b>	<b>-</b>	<b>3,404</b>	<b>19</b>	<b>807</b>	<b>4,230</b>
<b>Net book value</b>					
At end of year	-	<b>8,686</b>	-	<b>68</b>	<b>8,755</b>
At start of year	-	9,032	-	101	<b>9,133</b>
<b>College</b>	<b>Leasehold land and buildings £'000</b>	<b>Freehold land and buildings £'000</b>	<b>Plant and machinery £'000</b>	<b>Fixtures, fittings and equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At start of year	-	12,050	19	851	<b>12,920</b>
Additions	-	71	-	23	<b>94</b>
<b>At end of year</b>	<b>-</b>	<b>12,121</b>	<b>19</b>	<b>874</b>	<b>13,014</b>
<b>Depreciation and impairment</b>					
At start of year	-	3,016	19	750	<b>3,785</b>
Charge for the year	-	393	-	56	<b>449</b>
<b>At end of year</b>	<b>-</b>	<b>3,409</b>	<b>19</b>	<b>806</b>	<b>4,234</b>
<b>Net book value</b>					
At end of year	-	<b>8,712</b>	-	<b>68</b>	<b>8,780</b>
At start of year	-	9,034	-	101	<b>9,135</b>

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

**10 INTANGIBLE ASSETS**

<b>Group</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
<b>Cost</b>		
At start of year	482	482
<b>At end of year</b>	<b>482</b>	<b>482</b>
<b>Depreciation and impairment</b>		
At start of year	445	407
Depreciation charge for the year	37	38
<b>At end of year</b>	<b>482</b>	<b>445</b>
<b>Net book value</b>		
At end of year	-	<b>37</b>
At start of year	38	75

This represents consolidated good will

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**11 PROPERTY INVESTMENTS**

Group	Agricultural	Commercial	Other	2016	2015
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	256	20,756	19,137	40,149	37,497
Additions and improvements at cost	-	-	556	556	1,744
Disposals	-	(3,370)	(171)	(3,541)	(290)
Revaluation gains/(losses) in the year	-	(912)	228	(684)	1,198
<b>Valuation at end of year</b>	<b>256</b>	<b>16,474</b>	<b>19,750</b>	<b>36,480</b>	<b>40,149</b>

College	Agricultural	Commercial	Other	2016	2015
	£'000	£'000	£'000	Total £'000	Total £'000
Valuation at start of year	256	15,903	15,836	31,995	29,274
Additions and improvements at cost	-	-	602	602	1,761
Disposals	-	(3,369)	(171)	(3,540)	(289)
Revaluation gains/(losses) in the year	-	(911)	188	(723)	1,249
<b>Valuation at end of year</b>	<b>256</b>	<b>11,623</b>	<b>16,455</b>	<b>28,334</b>	<b>31,995</b>

Desktop valuations were completed at year end.

A formal valuation is undertaken every four years with the next formal valuations due 31 July 2018

**12 OTHER INVESTMENTS**

All investments are held at fair value.

	2016	2015
	£'000	£'000
<b>Group investments</b>		
Valuation at start of year	44,318	40,810
New money invested	10,842	6,864
Amounts withdrawn	(5,835)	(5,781)
(Decrease)/increase in value of investments	4,745	2,425
<b>Group investments at end of year</b>	<b>54,070</b>	<b>44,318</b>
Investment in subsidiaries	4,782	4,782
<b>College investments at end of year</b>	<b>58,852</b>	<b>49,100</b>

Group investments comprise:	Held outside	Held in	2016	Held outside	Held in	2015
	the UK	the UK	Total	the UK	the UK	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Equity investments	22,577	12,607	35,184	16,238	11,658	27,896
Global multi-asset funds	768	8,837	9,605	794	8,284	9,078
Property funds	-	1,476	1,476	-	1,401	1,401
Fixed interest stocks	-	6,013	6,013	-	3,483	3,483
Alternative and other investments	-	1,366	1,366	-	1,387	1,387
Fixed term deposits and cash	-	426	426	-	1,073	1,073
<b>Total group investments</b>	<b>23,345</b>	<b>30,725</b>	<b>54,070</b>	<b>17,032</b>	<b>27,286</b>	<b>44,318</b>

**ORIEL COLLEGE**  
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**13 PARENT AND SUBSIDIARY UNDERTAKINGS**

The College holds 100% of the issued share capital in Oriel College Conferences Limited, a company providing commercial conference and other event services on the College premises. In addition a 100% of the issued share capital in Land, Estates and Property Limited, a company providing design and build construction services to the College. The College also holds 100% of the issued share capital of Tean Limited, a commercial premise provision company.

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

	Oriel College Conference Limited £'000	Land, Estates and Property £'000	Tean Limited £'000
Income	407	458	1,115
Expenditure	(74)	(502)	(288)
Gains/(losses) on property revaluation	-	39	-
Donation to College under gift aid	(333)	5	(827)
Result for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	34	1,710	6,641
Total liabilities	(34)	(350)	(6,966)
Net funds at the end of year	<u>-</u>	<u>1,360</u>	<u>(325)</u>

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14 DEBTORS	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
<b>Amounts falling due within one year:</b>				
Trade debtors	140	301	90	270
Amounts owed by College members	78	39	78	39
Amounts owed by Group undertakings	-	-	976	(9)
Loans repayable within one year	5	15	5	15
Prepayments and accrued income	930	464	930	464
Other debtors	-	5	-	5
	<b>1,153</b>	<b>824</b>	<b>2,079</b>	<b>784</b>
<b>15 CREDITORS: falling due within one year</b>				
	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Bank loans	2,675	855	-	-
Trade creditors	482	225	481	203
Amounts owed to College Members	40	53	40	53
Amounts owed to Group undertakings	-	-	-	83
Taxation and social security	109	104	103	92
Accruals and deferred income	1,381	1,281	1,121	750
Other creditors	349	225	324	200
	<b>5,036</b>	<b>2,743</b>	<b>2,069</b>	<b>1,381</b>
<b>16 CREDITORS: falling due after more than one year</b>				
	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
Bank loans	12,500	15,177	12,500	12,500
	<b>12,500</b>	<b>15,177</b>	<b>12,500</b>	<b>12,500</b>

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

**17 PROVISIONS FOR LIABILITIES AND CHARGES**

None

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**18 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
<b>Endowment Funds - Permanent</b>						
Fellowship endowments						
Ancient History (Nancy Turpin)	566				32	598
Biochemistry (Moody)	861				49	910
Biochemistry (Ron Bancroft Teacing Fund)	683	150			32	865
Chemistry (Todd)	581				33	614
Classics (Monro)	631				36	667
Computation (Missys and Accenture)	504				29	533
Early Modern History (Elliot)	1,112				63	1,175
Economics (MacPherson)	593				34	627
Engineering (T.I. Group)	573				33	606
English Fellowship	365				21	386
Environmental Science (Jackson)	1,243				71	1,314
French (Oriensis)	452				26	478
General Teaching	1,073	8		1	62	1,144
History (Catto)	1,608				92	1,700
Humanities	470				27	497
Humanities (Turpin)	413				24	437
Law (Benn)	439	4			25	468
Maths (Harris)	559				32	591
Medicine (Laing)	896	104			57	1,057
Modern History (Rothmans/Cowen)	809				46	855
Modern History (De Beers)	1,185				68	1,253
Philosophy (Oriensis)	1,093	1			62	1,156
Physics (Rhodes)	1,150				65	1,215
Turpin JRF Fund	590				33	623
Other fellowship endowments < £350,000)	1,533	211			104	1,848
Scholarship endowments	549	182			43	774
Basil Reeve Scholarship Fund	0	908			52	960
Prize fund endowments	72				4	76
Hardship endowments	540				31	571
Hargreaves Library	447				25	472
Lee Seng Tee building fund	951				54	1,005
Other buildings and residences endowments <	898	22			53	973
Bursary endowments (capital funds)	2,805	70		8	163	3,046
						0
<b>Endowment Funds - Expendable</b>						
College fund	34,485	264	(54)	(9)	1,979	36,665
Turpin JRF Fund	1,123				64	1,187
Expendible Fellowship funds	9					9
Expendable hardship funds	91				5	96
Expendible building funds	8			(2)		6
Expendible bursary funds	19				1	20
Fellowship - Philosophy of Religion	1,112				64	1,176
Fellowship - Classics Mason	720				41	761
Other Expendable Endowment	70	14	(7)		5	82
Trust funds held by College	8				1	9
<b>Total Endowment Funds - Group</b>	<b>63,889</b>	<b>1,938</b>	<b>(61)</b>	<b>(2)</b>	<b>3,741</b>	<b>69,505</b>

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18 (cont)	At 1 August 2015 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2016 £'000
<b>Restricted Funds</b>						
Bursary income funds	421	99	(104)			416
Fellowships	26	891	(888)			29
Scholarships	2	28	(27)			3
Prize funds	1	3	(1)			3
Student Financial Assistance	17	19	(24)			12
College fund	0	1,142	(1,142)			0
(Rhodes) Building (restricted funds)	1,829	3	(141)	2		1,693
Buildings	2	81	(80)			3
Pantin Library project	380		(54)			326
Outreach	77	48	(116)			9
Other restricted funds received during the year	84	122	(105)			101
<b>Total Restricted Funds - Group</b>	<b>2,839</b>	<b>2,436</b>	<b>(2,682)</b>	<b>2</b>	<b>-</b>	<b>2,595</b>
<b>Unrestricted Funds</b>						
Designated funds						-
Barclays loan repayment fund	294	79	0	0		373
Annual Fund designated fund	119	32	(32)	0		119
Residential Room Refurbishment Fund	51		(51)	100	0	100
Building Refurbishment Fund	66		(66)	0	0	0
Chapel Refurbishment Fund	40		(40)	0		0
Brewhouse Yard Project	2,541		(410)	0	320	2,451
Website development fund	31		(31)	0		0
(Rhodes) building designated fund	3,058				0	3,058
College sports activities	18			5	0	23
IT developments	21			(21)	0	0
Carbon reduction measures	0			20	0	20
Organ refurbishment	0			11	0	11
Art fund	0			4	0	4
General funds	5,062	8,246	(7,450)	(119)		5,739
Pension reserve	(588)		42			(546)
<b>Total Unrestricted Funds - Consolidated</b>	<b>10,713</b>	<b>8,357</b>	<b>(8,038)</b>	<b>-</b>	<b>320</b>	<b>11,352</b>
<b>Total Funds</b>	<b>77,441</b>	<b>12,731</b>	<b>(10,781)</b>	<b>-</b>	<b>4,061</b>	<b>83,452</b>

Endowment funds generated income of £2,286k. This has been allocated to the relevant restricted fund.

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**19 FUNDS OF THE COLLEGE DETAILS**

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

**Endowment Funds - Permanent:**

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

**Endowment Funds - Expendable:**

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

**Restricted Funds:**

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

**Designated Funds**

Rhodes building fund	Unrestricted Funds allocated by the Fellows to part pay for the refurbishment of the Rhodes Building completed in the Autumn of 2014 and now being depreciated
Barclays loan repayment fund	The College has a £12.5m 30 year bullet loan from Barclays. This fund is designed to build an amount to repay the capital due at the end of the loan period.
Annual Fund	Unrestricted funds allocated by the Fellows towards unfunded academic activity (for example student residential revision weekends)
Residential room refurbishment Fund	Unrestricted funds which have been allocated towards the refurbishment of college accommodation to ensure that students and conference guest rooms are furnished to an appropriate high standard
Chapel fund	A fund set up to ensure that funds are available to finish the refurbishment project started in 2014. The balance will fund the lighting in the chapel.
Building maintenance funds	Designation of various unrestricted legacies towards future capital building projects
Brewhouse designated fund	Designation of various unrestricted donations received towards the proposed refurbishment of two staircases, the College catering facilities and the hall.
Website development fund	A fund set up to ensure fund as available for the new website in 2015/16
Sportsfund	Designation of unspent funds from 14/15 supporting student sports activities. This will allow for additional resources to be spent on sports in 15/16.
IT development	Designation of unspent 14/15 allocations due to some projects and upgrades being delayed until 2015/16
Carbon reduction measures	A fund created in 2015/16 to allocate a small amount of unrestricted funding towards carbon reduction measures. These will be allocated in 2016/17 as part of the maintenance plan
Art fund	A small amount of unrestricted income has been put aside for future art purchases for the College
Organ refurbishment fund	A small amount of unrestricted income has been put aside towards the refurbishment of the chapel organ.

The General Unrestricted Funds represent accumulated income from the College's activities and other sources that are available for the general purposes of the College

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**20 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	<b>2016 Total £'000</b>
Tangible fixed assets	8,756	-	-	<b>8,756</b>
Property investments	-	-	36,482	<b>36,482</b>
Other investments	18,452	2,595	33,023	<b>54,070</b>
Net current assets	(13,356)	-	10,000	<b>(3,356)</b>
Long term liabilities	(2,500)	-	(10,000)	<b>(12,500)</b>
	<b>11,352</b>	<b>2,595</b>	<b>69,505</b>	<b>83,452</b>

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	<b>2015 Total £'000</b>
Tangible fixed assets	9,170	-	-	<b>9,170</b>
Property investments	-	-	40,149	<b>40,149</b>
Other investments	17,559	2,839	23,740	<b>44,138</b>
Net current assets	(839)	-	-	<b>(839)</b>
Long term liabilities	(15,177)	-	-	<b>(15,177)</b>
	<b>10,713</b>	<b>2,839</b>	<b>63,889</b>	<b>77,441</b>

**ORIEL COLLEGE**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2016**

**21 TRUSTEES' REMUNERATION**

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

Trustees of the college fall into the following categories:

- Tutorial Fellow
- Other Teaching Fellow
- Non Tutorial Fellow

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.

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 pp x-y of the section, Governing Body, Officers and Advisers.

**Remuneration paid to trustees**

Range	2016 Number of Trustees/Fellow s	2015 Number of Trustees/Fellow s
£0- £999	11	12
£1,000-£1,999		1
£8,000-£8,999		2
£9,000-£9,999	1	
£10,000-£10,999		1
£11,000-£11,999	1	
£12,000-£12,999		2
£14,000-£14,999		2
£15,000-£15,999		1
£16,000-£16,999		1
£17,000-£17,999	1	
£19,000-£19,999	2	9
£20,000-£20,999	11	
£21,000-£21,999	1	
£22,000-£22,999		1
£23,000-£23,999		2
£24,000-£24,999	1	1
£26,000-£26,999		1
£28,000-£28,999	2	
£33,000-£33,999	1	1
£35,000-£35,999		1
£37,000-£37,999		1
£39,000-£39,999	1	
£41,000-£41,999		2
£43,000-£43,999	1	
£45,000-£45,999		1
£49,000-£49,999		2
£51,000-£51,999	1	
£52,000-£52,999	4	
£53,000-£53,999	1	
£57,000-£57,999	1	
£58,000-£58,999	1	
£68,000-£68,999		1
£71,000-£71,999	1	
£76,000-£76,999		1
£93,000-£93,999		1
£95,000-£95,999	1	
£98,000-£98,999	1	
£102,000-£103,999		1
£106,000-£106,999	1	
Total	46	48

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

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

**Other transactions with trustees**

No trustee claimed expenses for any work performed in discharge of duties as a trustee.

See also note 28 Related Party Transactions

**Key management remuneration**

The total remuneration paid to key management was £359k (2015: £362k).

Key management are considered to be Domestic Bursar, Master of Works, Financial Controller, Academic Registrar, HR Officer and IT Director.

# ORIEL COLLEGE

## Notes to the Financial Statements

### For the year ended 31 July 2016

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#### 22 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") on behalf its staff. The scheme is a contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). The assets of USS are held in separate trustee-administered funds.

USS is a 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 scheme as if they were defined contribution schemes.

USS have put in place an agreement 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 £308k (2015 - £304k) in relation to the USS. This represents contributions of £68 payable to the USS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £41k.

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](http://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.

A provision of £546k has been made at 31 July 2016 (2015 - £588k) 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](http://www.uss.co.uk)

#### 23 TAXATION

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

**ORIEL COLLEGE**  
**Notes to the Financial Statements**  
**For the year ended 31 July 2016**

**24 FINANCIAL INSTRUMENTS**

The financial statements include the following in respect of items held at fair value:

	<b>Group</b>	Group	<b>College</b>	College
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Financial assets at fair value through statement of financial activities</b>				
<b>Investments</b>				
Cash	765	1,178	646	957
Other investments	54,070	44,318	58,852	49,100
<b>Total financial assets at fair value</b>	<b>54,835</b>	<b>45,496</b>	<b>59,498</b>	<b>50,057</b>
<b>Financial assets measured at amortised cost</b>				
Trade debtors	140	301	90	270
Amounts owed by college members	78	39	78	39
Amounts owed by subsidiary undertakings	0	0	976	(9)
Accrued income	867	401	867	1,260
Other debtors	0	5	0	5
<b>Total financial assets that are debt instruments</b>	<b>1,085</b>	<b>746</b>	<b>2,011</b>	<b>1,565</b>
<b>Financial liabilities that are debt instruments measured at amortised cost</b>				
Bank loans - including more than 1 year	15,175	16,032	12,500	12,500
Trade creditors	482	225	481	203
Amounts owed to college members	0	0	0	83
Amounts owed to subsidiary undertakings	40	53	40	53
Accruals and deferred income	1,381	1,281	1,121	750
Other creditors	349	225	324	200
<b>Total financial liabilities</b>	<b>17,427</b>	<b>17,816</b>	<b>14,466</b>	<b>13,789</b>

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

	<b>2016</b>	2015
	<b>Group</b>	Group
	<b>£'000</b>	£'000
<b>Net income/(expenditure)</b>	<b>6,011</b>	<b>4,987</b>
Elimination of non-operating cash flows:		
Investment income	(4,363)	(4,053)
(Gains)/losses in investments	(4,061)	(3,622)
Endowment donations	(1,938)	(1,167)
Depreciation	461	492
Amortisation of intangible assets	37	38
Other provisions less payments	(42)	(47)
(Surplus)/loss on sale of fixed assets	-	-
Decrease/(Increase) in stock	(1)	(16)
Decrease/(Increase) in debtors	(329)	431
(Decrease)/Increase in creditors	473	(402)
(Decrease)/Increase in pension scheme liability	-	339
<b>Net cash provided by (used in) operating activities</b>	<b>(3,752)</b>	<b>(3,020)</b>

**26 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>£'000</b>	£'000
Cash at bank and in hand	<b>765</b>	1,178
<b>Total cash and cash equivalents</b>	<b>765</b>	1,178

**27 FINANCIAL COMMITMENTS**

At 31 July the College had no annual commitments under non-cancellable operating leases

# **ORIEL COLLEGE**

## **Notes to the Financial Statements**

### **For the year ended 31 July 2016**

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#### **28 CAPITAL COMMITMENTS**

The College had contracted commitments at 31 July for future capital projects totalling £0k (2015 - £350k).

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

	<b>2016</b>	2015
	<b>£'000</b>	£'000
£354,000-£355,000	1	1
£327,000-£328,000	1	1
£278,000-£279,000	1	1
£210,000-£211,000	1	1

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

#### **30 CONTINGENT LIABILITIES**

None

#### **31 POST BALANCE SHEET EVENTS**

Tean Limited

Following the year end the lease for the property owned by Tean Limited was signed for a further ten years (with a five year break clause).

Moody Print Holdings

On 30th September 2016 the College became the sole shareholder of Moody Print Holdings Limited.

**ORIEL COLLEGE**  
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**Oriel College**  
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**32 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

<b>Effect on the SoFA</b>	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	<b>2016 Total £'000</b>
Total Resources Expended as previously stated	7,533	2,712	59	10,304
Annual Leave accrual 2014/15 increase in expenditure	53			53
Pension adjustment 2014/15	301			301
<b>Net Income/(Expenditure) restated</b>	<b>7,887</b>	<b>2,712</b>	<b>59</b>	<b>10,658</b>
<b>Effect on the SoFA net income and expenditure</b>	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	<b>2016 Total £'000</b>
Net Movement in funds as previously stated at 31 July 2014	1,328	(208)	4,222	5,342
Annual Leave accrual 2014/15 (increase in expenditure)	-53			-53
Pension adjustment 2014/15	38			38
<b>Net Income/(Expenditure) as previously restated</b>	<b>1,313</b>	<b>(208)</b>	<b>4,222</b>	<b>5,327</b>
			<b>As at 1 August 2014 £'000</b>	<b>As at 31 July 2015 £'000</b>
Net Funds (as previously stated)			<b>72,740</b>	<b>78,082</b>
<b>Unrestricted</b>			<b>10,026</b>	<b>11,354</b>
Recognition of pension provision 2013/14			<b>(287)</b>	<b>-</b>
Brought forward pension provision beginning 2014/15				<b>(287)</b>
Recognition of actuarial valuation 2014/15				<b>(301)</b>
Additional expense in SOFA for annual leave accrual				<b>(53)</b>
Total unrestricted funds			<b>9,739</b>	<b>10,713</b>
<b>Restricted</b>			<b>3,047</b>	<b>2,839</b>
<b>Endowed</b>			<b>59,667</b>	<b>63,889</b>
Net Funds (as restated)			<b>72,453</b>	<b>77,441</b>

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.

**33 Prior Year Adjustment**

An intercompany transaction from Land, Estates and Property Limited was overstated in the prior year due to a VAT invoicing issue. This has been corrected and the prior year accounts of the College and the Subsidiary have been updated. This effects the balance sheet fixed asset and the intercompany account in the College.

An adjustment of £848k has been made to the College valuation of fixed assets (£9983k as previously stated to £9,135k restated) There is no effect on the consolidated accounts