



Saint John Baptist College in the University of Oxford

Annual Report and Financial Statements

Year ended 31 July 2016

Saint John Baptist College in the University of Oxford
Annual Report and Financial Statements
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Report of the Governing Body

MEMBERS OF THE GOVERNING BODY

The Members of the Governing Body are the College's charity trustees under charity law. The College has been given a dispensation by the Charity Commission from publishing the names of its trustees.

The Governing Body is responsible for the direction of the College, for its administration and for the management of its finances and assets. It meets regularly under the chairmanship of the President and is advised by a range of committees, which include the Educational Policy, Finance, Estates, Equality and Remuneration Committees.

COLLEGE ADVISERS

Investment managers and advisers

Cazenove Capital Management Limited
12 Moorgate
London, EC2R 6DA

Edgewood Management LLC
350 Park Avenue
New York, NY 10022
USA

Stewart Investors
23 St Andrew Square,
Edinburgh, EH2 1BB

LGT Capital Partners Ltd.
Schuetzenstrasse 6, P.O. Box
8808 Pfaeffikon,
Switzerland

Investment property managers

Savills (L&P) Limited
Wytham Court
11 West Way
Botley
Oxford

OLIM Property Limited
Pollen House
10-12 Cork Street
LONDON W1S 3NP

St Brides LLC
3 Stamford Landing
48 Southfield Avenue, Suite 100
Stamford, CT 06902
USA

Auditor

Alliotts
Friary Court
13-21 High Street
Guildford
Surrey, GU1 3DL

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Bankers

The Royal Bank of Scotland plc
Incorporating Child & Co, Bankers
1 Fleet Street
London, EC4Y 1BD

Solicitors

Knights
Midland House
West Way
Botley
Oxford
OX2 0PH

College address

St John's College
Oxford
OX1 3JP

Website

<http://www.sjc.ox.ac.uk/>

Main Contact

'The Principal Bursar' at the College address

Saint John Baptist College in the University of Oxford

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 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

Saint John Baptist College in the University of Oxford, which is known as St John's College, ("the College") is an eleemosynary chartered charitable corporation aggregate. It was founded by Sir Thomas White under a Royal Patent of Foundation, dated 1 May 1555.

The College registered with the Charity Commission on 10 January 2011 (registered number 1139733).

The College has been given a dispensation by the Charity Commission from publishing the names of its Trustees.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The College's Objects are to be "A perpetual college of learning sciences, sacred theology, philosophy and good arts", from the Latin: collegium perpetuum eruditionis scientiarum sacre theologie et philosophie ac bonarum artium.

The Governing Body has considered the Charity Commission's guidance on public benefit and in keeping with its objects, St John's College provides and conducts itself as a College of the University of Oxford for the benefit of the general public, in particular by carrying out teaching in the higher education sector and by supporting advanced study or research by its members and others. The College aims to foster excellence in education and research.

The aim set for the College's non-charitable subsidiaries is to provide support for the achievement of the College's aims as above. The annual donation from the Lamb and Flag (Oxford) Limited, which is made under the Gift Aid Scheme, is currently used to support Graduate Scholarships; the donation from Thomas White Properties Limited is used for the general purpose of the College.

Activities and objectives of the College

The College is committed to providing public benefit in accordance with its founding principles, by its educational work and its contribution to the enlargement of human knowledge through its support for research.

The College's activities are focused on furthering its stated objects and aims and can be identified as:

- education of undergraduate students and postgraduate students within the University of Oxford;
- provision of student accommodation, meals and facilities;
- provision of a library and an historical archive;
- provision of a range of grants available to all students and a number of fully funded graduate scholarships (undergraduates have access to the University-wide Oxford bursary and Oxford Opportunity Bursary Schemes);
- employment of Junior Research Fellows;
- provision of staff and facilities to carry out research projects in the St John's College Research Centre and elsewhere in the College or University;
- provision of financial support and facilities for research undertaken by the teaching and other fellows of the College;
- support for such other educational or research activities as shall be determined by the Trustees.

Most of the College's research support is directed to individuals selected on the basis of open competition.

As can be seen from the financial statements, the charitable activity of the College is heavily subsidised, with charitable income covering only 25% of charitable expenditure.

St John's College is committed to academic excellence, admitting students of the highest academic potential regardless of background and supporting them to succeed. We welcome diversity in our student body and are committed to supporting a balanced and inclusive community, regardless of gender, ethnic origin, disability, social, economic or educational background. People of lesser means are encouraged to benefit from the educational and research activities of the College and steps are taken to ensure that they are not excluded

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from these benefits. UK and EU students currently attend St John's College and the University of Oxford on the same financial terms as they would attend any English institution of Higher Education, with Student Loan Company loans available to cover undergraduate fees and maintenance. Students from low-income households may qualify for enhanced government loans or for the Oxford Bursary or Moritz-Heyman Scholarship schemes.

ACHIEVEMENTS AND PERFORMANCE

In the 2015/16 academic year, the college admitted 113 new undergraduate students and 77 new postgraduate students. In total there were 393 undergraduate students and 270 postgraduate students within the College. 224 degrees were awarded by the University to members of the College.

In the 2015/16 academic year, 83 of 393 undergraduates at St John's received either an Oxford Bursary or a Moritz-Heyman Scholarship, with 39 receiving the maximum level of support. The cost to St John's College of Oxford Bursaries in the year was £104k and St John's students received bursary support totalling £223k with the balance of the cost being met by the University of Oxford. The College also contributed to 54 full graduate scholarships at a cost to the College of £653k. A large number of students benefited from a range of academic, travel and sports grants. Details of the costs of these grants can be seen in note 7 of the Financial Statements.

The College offers a programme of events and activities aimed at widening access and recruitment (see our website for more information: www.sjc.ox.ac.uk/study/working-schools/). Our academic enrichment and aspiration raising work for pre-16s and post-16s includes subject-specific academic study days in Oxford and in schools as well as a range of events that are more specifically related to applying to Oxford. The College also holds events for teachers, including a Teachers Study Week, and produces an e-newsletter for teachers.

In the 2015/16 academic year, the College took part in 135 events with schools and colleges. Excluding the University open days and UCAS fairs, these events offered contact with an estimated 6280 pre-university students from 372 schools and colleges. The College additionally supported 2 events with The Brilliant Club, 2 events with IntoUniversity, 4 Pathways events and various faculty events. The College currently has 66 student ambassadors who support events throughout the year.

The College supported the work of 13 stipendiary Junior Research Fellows during the academic year 2015/16 and 13 events were held in the St John's College Research Centre.

In the 2015/16 academic year, construction work began on a new Library and Study Centre and on a new College nursery.

During the year, the College received a generous benefaction of £3.1 million which will be used to provide further graduate and undergraduate scholarships with an emphasis on mathematics, to fund an additional junior research fellow and to pilot new work that will widen participation.

FUTURE PLANS

The College was established "in perpetuity" when it was founded in 1555. It will continue its support of access to higher education and its core activities of teaching undergraduate students, supporting graduate teaching and research, through a variety of scholarships and other mechanisms; and of supporting the advanced study and research of its Fellows, Lecturers and other senior members. The College will also continue its support for visiting scholars, at all levels of seniority, from other institutions.

In accordance with the terms of the £3.1 million benefaction received during 2015/16, the College has begun recruitment of the first graduates and undergraduate scholars. These students will begin their courses in 2017.

The new state-of-the-art Library and Study Centre is expected to be completed during the 2017/18 academic year. It is designed to complement the existing library and will be situated on the main College site with a link to the historic library in Canterbury Quad. This facility will double the number of reader seats, provide students with an informal communal study area and study space with IT facilities, significantly increase shelving space, collate all the College's special collections into a single, purpose designed space and add a new large seminar room and smaller lecture rooms. Further works to the existing library will enhance the environmental performance of the old buildings, make improvements to lighting, security and seating and make all areas of the building fully accessible to wheelchair users via the new lift in the Study Centre building.

Construction of a College nursery was completed post year-end and the nursery will welcome its first children by the end of 2016. The nursery will be run by the College's wholly-owned subsidiary, Bainton Road Nursery Ltd and will provide high quality childcare in a small and caring setting for the children of students, academic

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and non-academic staff of the College and, where space permits, for children of other members or staff of the University of Oxford.

FINANCIAL REVIEW

A summary of the College's financial activities is as follows:

	2016	2015
	£'000	£'000
Summary of Consolidated College Financial Activities		
Incoming College resources		
Resources from charitable activities	5,636	5,785
Unrestricted revenue legacies and donations	794	713
Restricted revenue legacies and donations	3,670	39
Trading income and other generation of funds	860	734
Profits on sale of charitable fixed assets	0	567
	<u>10,960</u>	<u>7,838</u>
Funding from the College Endowment		
Investment income and interest	13,863	13,627
Capital gains	2,434	1,300
	<u>16,297</u>	<u>14,927</u>
Total incoming resource	<u>27,257</u>	<u>22,765</u>
College expenditure		
Teaching and research	22,598	21,538
Public worship	69	162
Fundraising	574	388
Trading and sundry expenditure	562	642
	<u>23,803</u>	<u>22,730</u>
Net College Revenue	<u>3,454</u>	<u>35</u>
Actuarial (loss)/gain on pension asset	2,834	300
	<u>2,834</u>	<u>300</u>
Summary of Endowment Movements		
Opening Endowments	442,245	399,606
Investment gains	52,910	48,189
New Endowments	31	170
Endowment costs	(5,842)	(3,970)
Gains used to fund operating activity	(2,434)	0
Gains used to fund fixed assets	(1,100)	(1,750)
Closing Endowments	<u>485,810</u>	<u>442,245</u>

Incoming resources from charitable activities were £5.6 million (2015: £5.8 million). Within this figure fee income and other student tuition related income was £2.7 million (2015: £2.8 million). Funds received from Oxford University under the College Funding Formula scheme, net of college fees received directly, were £1.9 million. The College therefore continues to rely heavily on income generated by its endowment funds.

£13.9 million of investment income is recognised within the Statement of Financial Activities, £1.95 million has been transferred to undesignated, unrestricted funds from endowment gains and a further £0.5 million has been transferred to restricted reserves from gains on endowments restricted to specific purposes. Gains are reported on both the property and other investments of the Group, £19.0 million and £32.5 million respectively.

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The College also reports donations of £4.5 million, including the restricted benefaction described above. Total funds of the College at 31 July 2016 were £521 million. Consolidated total funds were £540 million.

The total amount drawn from the College endowments to fund operating activities was £16.3 million which represents 3.7% of the opening value of endowments. Including increased funding of fixed assets, this increases to £17.4 million drawn from endowments, being 3.9% of opening endowments. Considering only the unrestricted General Endowment Fund these percentages are 3.7% and 4% respectively.

The College has continued its academic and research activity, at a total cost of £22.6 million. This figure includes the cost of teaching and academic facilities, of providing student accommodation and of supporting research. It includes £1.17 million of bursaries, studentships, scholarships, hardship grants and other awards made to students, in addition to facilities and resources provided directly.

The College Contributions Scheme continues for 2016 and a creditor of £427k has been included as an estimate of the amount to be actually paid. The calculated contribution is £1.462 million (2015 - £1.281million), but this figure is reduced proportionately to deliver a fixed total contribution from the donor colleges.

The principal financial risk faced by the College is that the College endowment might no longer support academic activities, so the draw on capital would become unacceptably high. This risk is managed through robust investment management and ongoing review of financial activities as described under "Financial Review".

Reserves policy

The College's reserves policy is to maintain sufficient free reserves

- (i) to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall;
- (ii) to allow the College to be managed efficiently;
- (iii) to provide a buffer that would ensure uninterrupted services.

In assessing the level of the College's on-going activities and the support provided for different types of education and research, the Governing Body considers both current academic need and the financial environment in which the College operates (the health of the endowment, the gains which have been achieved on it in recent years and the return which can reasonably be expected from it over the medium term while also ensuring that the value of the capital in real terms is not diminished). The Governing Body will then manage the reserves of the College so as to support this level of charitable activity.

The Governing Body has reviewed the reserves of the College and has concluded that a general reserve of around one month's expenditure before depreciation, and excluding investment in fixed assets and the pension scheme, should be maintained for these purposes. A £3.05 million transfer has been made from endowments to the income and expenditure account to maintain these reserves. This transfer was funded out of investment gains on the unrestricted endowments. As shown above, £1.95 million of this transfer can be seen as funding the operating activities of the College with the remainder funding increased investment in fixed assets. Further transfers of £0.5 m have been made from investment gains on endowments originally given for restricted purposes to fund activity in pursuit of those purposes.

The College's undesignated free reserves at the year-end amounted to £2.03 million (2015: £2.41 million), representing retained unrestricted income reserves, excluding amounts of £44.3 million for the book value of fixed assets less long-term funding arrangements.

Investment policy, objectives and performance

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

- Maintaining and if possible increasing the value of the investments in real terms;
- Producing a consistent and sustainable amount to support expenditure; and
- Delivering these objectives within acceptable levels of risk.

To meet these objectives the College's investments as a whole are managed on a total return basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. Investment income is credited to unrestricted funds in the Statement of Financial Activities unless it arises from assets in a restricted or endowment fund where the donor has placed restrictions on the use of that income, in which case it will be credited to restricted funds.

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Because the College's investment activity is conducted with a view to total return, it is expected that the College's activity will normally be funded by gains as well as by income, with transfers being made between the expendable endowment funds and the revenue funds as necessary to maintain the real value of the investments and support the College's current activity. The Governing Body keeps the level of transfers under review, to balance the needs and interests of current and future beneficiaries of the College's activities.

The investment strategy, policy and performance are monitored by the Investment Committee. At the year-end, consolidated long term investments, combining the securities and property investments, totalled £489 million, of which £229 million was property and £260 million was other investments. A more detailed breakdown of the College's investments can be seen in notes 10 and 11 to the accounts.

The Governing Body assesses investment performance against the investment objectives over a rolling five-year period and believes results have been consistent with the College's objectives over this period. For 2015/16, gains on property investments were £19.0 million and gains on securities and other investments were £32.5 million.

The College's largest investment adviser, Cazenove operate a programme of socially responsible engagement with the management of companies in which they invest and the College takes account of advice from its investment and property managers about the social and ethical dimensions of its investment holdings.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Letters Patents of 1555 and its Statutes, which were most recently revised on 10 July 2012. These documents can be found on the College website (<https://www.sjc.ox.ac.uk/discover/about-college/legal/statutes/>).

Governing Body

The Governing Body is constituted and regulated in accordance with the College Statutes, the terms of which are enforceable ultimately by the Visitor, who is the Bishop of Winchester. Nearly all members of Governing Body became members on the basis of an appointment to a substantive or titular academic post at the University of Oxford.

New members of the Governing Body are elected on the basis of an appointment process in which an expert selection committee makes a recommendation to the Governing Body. The committee always takes external advice and, in the large majority of cases, there are one or more external members of the selection committee. The formal appointment is a decision of the Governing Body acting as a whole. For the appointment of a new President, the Governing Body conducts the selection process directly itself.

The Governing Body determines the on-going strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the President and is advised by various committees. The President is *ex officio* chairman of all committees.

Recruitment and training of Members of the Governing Body

New members of the Governing Body are normally recruited in response to an advertised academic position, as a result of which the University of Oxford and the College become joint employers of the person appointed. The chief exception to joint appointment relates to certain individuals who hold Statutory Professorships at the University of Oxford in conjunction with a Professorial Fellowship at St John's College. All members of Governing Body during the year were therefore working teachers and researchers at the University of Oxford, with the exception of the Finance Bursar. The University and Colleges organise a variety of induction processes for new appointees, which cover a very wide range of the duties that they will undertake. All newly appointed Fellows are given guidance on how to access the official documentation of the College. There is an internal memorandum about College procedures and the rights and responsibilities of members of Governing Body.

Members of the Governing Body are provided with advice from the President and other College Officers (for example, Senior Tutor, Principal Bursar, Estates Bursar, Finance Bursar, Senior Dean) to keep them informed on current issues in the higher education sector and on regulatory requirements. These individuals receive advice directly from professional sources or through the University and inter-collegiate bodies (the Conference

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of Colleges and its various Committees), which exist to promote communication on academic, governance and regulatory issues.

Remuneration of Members of the Governing Body and Senior College Staff

Members of the Governing Body are teaching and research employees of the College with the exception of the Finance Bursar who is a full time professional employee. No trustee receives any remuneration or benefits from their trusteeship of the College. Those trustees who are also employees of the College receive remuneration for their work as employees of the College which is set based on the advice of the College's Remuneration Committee, composed entirely of external members. Where possible, remuneration is set in line with that awarded to the University's academic staff.

Organisational management

The Governing Body is scheduled to meet 13 times a year. All major decisions about the running of the College require the authority of the Governing Body. Certain operational matters are delegated to appointed college officers (for example, Senior Tutor, Principal Bursar, Estates Bursar, Finance Bursar, Senior Dean), who are members of the Governing Body and accountable to it. The college bylaws can be found on the College website (<https://www.sjc.ox.ac.uk/discover/about-college/legal/statutes/>).

Group structure and relationships

The College has five wholly owned non-charitable subsidiaries, The Lamb and Flag (Oxford) Limited, Thomas White Properties Limited, Thomas White Oxford Limited, Peartree Oxford Limited and Bainton Road Nursery Limited, whose annual profits are donated to the College under the Gift Aid Scheme. It has two additional wholly owned US subsidiaries.

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

Risk management

The College has on-going processes which operated through-out the financial year for identifying, evaluating and managing the principal risks and uncertainties faced by the College and its subsidiaries in undertaking their activities. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committees, chaired by the President. Financial and investment risks are assessed by the Finance Committee in conjunction with its Investment Sub-Committee. Recommendations of the committees are presented to Governing Body for their approval or rejection. Senior members of the college staff meet regularly with the Safety Officer or one of the Bursars to review health and safety issues. Training courses and other forms of career development are available to members of staff to enhance their skills in risk-related areas.

The Governing Body, which has ultimate responsibility for managing any risks faced by the College, has given consideration to the major risks to which the College and its subsidiaries are exposed and has concluded that robust 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.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

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

Under charity law the Governing Body must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the College and of its net income or expenditure for that period. In preparing these financial statements, the Governing Body is required to:

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- select the most suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue to operate.

The Governing Body is responsible for keeping proper accounting records that are sufficient to show and explain the College's transactions and disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the College and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body on 2 November 2016 and signed on its behalf by:

Professor M. Snowling

President

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Independent Auditor's Report to the Members of the Governing Body of St John's College, Oxford

We have audited the financial statements of St John's College Oxford for the year ended 31 July 2016 which comprise the Consolidated Statements of Financial Activities, the Consolidated and College Balance Sheets, the Cash Flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the College's Governing Body in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the College's Governing Body those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College's Governing Body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governing Body and auditor

As explained more fully in the Statement of Accounting and Reporting Responsibilities the College's Governing Body, as charity trustees, are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the College's Governing Body, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

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Independent Auditor's Report to the Members of the Governing Body of St John's College, Oxford (continued)

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 Annual Report of the Governing Body is inconsistent in any material respect with the financial statements;
- sufficient and proper accounting records have not been kept;
- 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.

Alliotts

Statutory Auditor
Friary Court
13-21 High Street
Guildford
Surrey, GU1 3DL
Date: 2 November 2016

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

1. Scope of the financial statements

The financial statements present the Consolidated Statement of Financial Activities (SOFA), the Consolidated and College Balance Sheets and the Consolidated Statement of Cash Flows for the College and its wholly owned subsidiaries. The subsidiaries have been consolidated from the date of their formation. No separate SOFA has been presented for the College alone as currently permitted by the Charity Commission on a concessionary basis for the filing of consolidated financial statements. A summary of the results and financial position of the charity and each of its subsidiaries for the reporting year are disclosed in note [12].

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.

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

3. Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The judgements and estimates considered by the Governing Body to have the most significant effect on amounts recognised in the financial statements are explained in the following accounting policies, particularly policy 9, Investments.

4. Income recognition

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

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

Fees receivable, less any scholarships, bursaries or other allowances granted from the College unrestricted funds, HEFCE support and charges for services and use of the premises are recognised in the period in which the related service is provided.

b. Income from donations, grants and legacies

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

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

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Statement of Accounting Policies
Year ended 31 July 2016

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

Donations, grants and legacies which are subject to conditions as to their use imposed by the donor or set by the terms of an appeal are credited to the relevant restricted fund or, where the donation, grant or legacy is required to be held as capital, to the endowment funds. Where donations are received in kind (as distinct from cash or other monetary assets), they are measured at the fair value of those assets at the date of the gift.

c. Investment income

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

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

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

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

5. Expenditure

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

Grants awarded that are not performance-related are charged as an expense as soon as a legal or constructive obligation for their payment arises. Grants subject to performance-related conditions are expensed as the specified conditions of the grant are met.

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

Support costs which includes governance costs (costs of complying with constitutional and statutory requirements) and other indirect costs are apportioned to expenditure categories in the SOFA based on the estimated amount attributable to that activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

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

6. Leases

Leases of assets that transfer substantially all the risks and rewards of ownership are classified as finance leases. The costs of the assets held under finance leases are included within fixed assets and depreciation is charged over the shorter of the lease term and the assets' useful lives. Assets are assessed for impairment at each reporting date. The corresponding capital obligations under these leases are shown as liabilities and recognised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Lease payments are apportioned between capital repayment and finance charges in the SOFA so as to achieve a constant rate of interest on the remaining balance of the liability.

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

7. Tangible fixed assets

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

Saint John Baptist College in the University of Oxford
Statement of Accounting Policies
Year ended 31 July 2016

Expenditure on the acquisition or enhancement of land and on the acquisition, construction and enhancement of buildings which is directly attributable to bringing the asset to its working condition for its intended use and amounting to more than £50,000 together with expenditure on equipment costing more than £50,000 is capitalised.

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

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

8. Depreciation

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

Freehold properties, including major extensions	[50 years]
Building improvements	[10 years]
Equipment	[5 years]

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

If events or changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Investments

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

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

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

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

10. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

11. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

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. The majority of stock is consumables.

13. Foreign currencies

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

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

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

14. Fund accounting

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

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

Restricted funds comprise gifts, legacies and grants where the donors have specified that the funds are to be used for particular purposes of the College. They consist of either gifts where the donor has specified that both the capital and any income arising must be used for the purposes given or the income on gifts where the donor has required or permitted the capital to be maintained and with the intention that the income will be used for specific purposes within the College's objects.

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

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

15. Pension costs

The three principal pension schemes for the College's staff are the Universities Superannuation Scheme (USS), the University of Oxford Staff Pension Scheme (OSPS) and the St John's College Staff Pension Fund (SJCSPF).

USS and OSPS are multi-employer defined benefit schemes where the share of the assets and liabilities applicable to each employer cannot be identified. The costs of retirement benefits provided to employees of the College through these schemes are accounted for as if they were defined contribution schemes as information is not available to use defined benefit accounting in accordance with the requirements of FRS 102. The College's contributions to these schemes are recognised as a liability and an expense in the period in which the salaries to which the contributions relate are payable.

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

The SJCSPF scheme is a defined benefit scheme and this scheme is accounted for using defined benefit accounting in accordance with the requirements of FRS 102.

St John's College
Consolidated Statement of Financial Activities
For the year ended 31 July 2016

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2016 Total £'000	2015 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		5,636	-	-	5,636	5,785
Public worship		-	-	-	-	-
Heritage		-	-	-	-	-
Other Trading Income	3	860	-	-	860	734
Donations and legacies	2	794	3,670	31	4,495	922
Investments						
Investment income	4	13,437	426	-	13,863	13,626
Profits/(losses) on disposal of fixed assets		-	-	-	-	567
Other income		1	-	-	1	-
Total income		20,728	4,096	31	24,855	21,634
EXPENDITURE ON:						
Charitable activities:	5					
Teaching, research and residential		22,077	521	-	22,598	22,060
Public worship		69	-	-	69	161
Generating funds:						
Fundraising		574	-	-	574	392
Trading expenditure		512	-	-	512	590
Investment management costs		2	48	5,792	5,842	4,043
Total Expenditure		23,234	569	5,792	29,595	27,246
Net gains/(losses) on investments	10, 11	-	2	52,910	52,912	48,189
Net Income/(Expenditure)		(2,506)	3,529	47,149	48,172	42,577
Transfers between funds	16	3,095	489	(3,584)	-	-
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension schemes		2,834	-	-	2,834	485
Net movement in funds for the year		3,423	4,018	43,565	51,006	43,062
Fund balances brought forward	16	44,520	1,879	442,245	488,644	445,582
Funds carried forward at 31 July		47,943	5,897	485,810	539,650	488,644

St John's College
Consolidated and College Balance Sheets
As at 31 July 2016

	Notes	2016 Group £'000	2015 Group £'000	2016 College £'000	2015 College £'000
FIXED ASSETS					
Tangible assets	9	79,301	78,188	79,300	78,188
Property investments	10	228,705	198,087	158,744	147,116
Other Investments	11	260,086	226,232	312,123	259,448
Total Fixed Assets		568,092	502,507	550,167	484,752
CURRENT ASSETS					
Stocks		1,477	1,439	1,462	1,424
Debtors	13	2,949	2,270	3,965	3,402
Cash at bank and in hand		45,956	21,841	43,493	19,373
Total Current Assets		50,382	25,550	48,920	24,199
LIABILITIES					
Creditors: Amounts falling due within one year	14	4,977	3,208	4,432	2,827
NET CURRENT ASSETS/(LIABILITIES)		45,405	22,342	44,488	21,372
TOTAL ASSETS LESS CURRENT LIABILITIES		613,497	524,849	594,655	506,124
CREDITORS: falling due after more than one year	15	75,000	35,000	75,000	35,000
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		538,497	489,849	519,655	471,124
Defined benefit pension scheme asset/(liability)	20	1,153	(1,205)	1,153	(1,205)
TOTAL NET ASSETS/(LIABILITIES)		539,650	488,644	520,808	469,919
FUNDS OF THE COLLEGE					
Endowment funds		485,810	442,245	467,072	423,321
Restricted funds		5,897	1,879	5,897	1,879
Unrestricted funds					
Designated funds		356	325	356	325
General funds		46,434	45,400	46,330	45,599
Pension reserve	20	1,153	(1,205)	1,153	(1,205)
		539,650	488,644	520,808	469,919

The financial statements were approved and authorised for issue by the Governing Body of St John's College on 2 November 2016

President Professor M J Snowling

Principal Bursar Professor A J Parker

St John's College
Consolidated Statement of Cash Flows
For the year ended 31 July 2016

	Notes	2016 £'000	2015 £'000
Net cash provided by (used in) operating activities	26	<u>(13,988)</u>	<u>(16,701)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		13,863	13,626
Proceeds from the sale of property, plant and equipment		-	2,062
Purchase of property, plant and equipment		(4,231)	(5,151)
Proceeds from sale of investments		35,449	55,843
Purchase of investments		(48,441)	(39,179)
Net cash provided by (used in) investing activities		<u>(3,360)</u>	<u>27,201</u>
Cash flows from financing activities			
Repayments of borrowing		-	-
Cash inflows from new borrowing		40,000	-
Receipt of endowment		31	170
Net cash provided by (used in) financing activities		<u>40,031</u>	<u>170</u>
Change in cash and cash equivalents in the reporting period		<u>22,683</u>	<u>10,670</u>
Cash and cash equivalents at the beginning of the reporting period		21,841	11,261
Change in cash and cash equivalents due to exchange rate movements		1,432	(90)
Cash and cash equivalents at the end of the reporting period	23	<u>45,956</u>	<u>21,841</u>

St John's College
Notes to the financial statements
For the year ended 31 July 2016

1 INCOME FROM CHARITABLE ACTIVITIES

	2016	2015
	£'000	£'000
Teaching, Research and Residential		
Unrestricted funds		
Tuition fees - UK and EU students	1,688	1,665
Tuition fees - Overseas students	697	770
Other fees	-	-
Other HEFCE support	335	387
Other academic income	119	108
College residential income	2,797	2,830
	<u>5,636</u>	<u>5,760</u>
Restricted funds		
Other academic income	-	25
Total Teaching, Research and Residential	<u>5,636</u>	<u>5,785</u>

The above analysis includes £1.933m received from Oxford University from publicly accountable funds under the CFF Scheme (2015: £1.999m).

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 £68k. These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2016	2015
	£'000	£'000
Donations and Legacies		
Unrestricted funds	794	713
Restricted funds	3,670	39
Endowed funds	31	170
	<u>4,495</u>	<u>922</u>

3 INCOME FROM OTHER TRADING ACTIVITIES

	2016	2015
	£'000	£'000
Subsidiary company trading income	614	593
Other trading income	246	141
	<u>860</u>	<u>734</u>

4 INVESTMENT INCOME

	2016	2015
	£'000	£'000
Rents	9,457	9,087
Other property income	85	79
Equity dividends	4,213	4,083
Income from fixed interest stocks	79	367
Interest	29	10
	<u>13,863</u>	<u>13,626</u>
Investment income is attributed to:-		
Unrestricted funds	13,437	13,189
Restricted funds	426	437
Endowed funds	0	-
Total Investment income	<u>13,863</u>	<u>13,626</u>

St John's College
Notes to the financial statements
For the year ended 31 July 2016

5 ANALYSIS OF EXPENDITURE

	2016	2015
	£'000	£'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	7,949	7,869
Public worship	44	57
Other direct costs allocated to:		
Teaching, research and residential	8,051	7,865
Public worship	25	53
Support and governance costs allocated to:		
Teaching, research and residential	6,598	6,326
Public worship	-	51
Total charitable expenditure	<u>22,667</u>	<u>22,221</u>
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	283	244
Trading expenditure	160	197
Investment management costs	259	278
Other direct costs allocated to:		
Fundraising	253	81
Trading expenditure	352	369
Investment management costs	5,254	3,654
Support and governance costs allocated to:		
Fundraising	38	67
Trading expenditure	-	24
Investment management costs	329	111
Total expenditure on raising funds	<u>6,928</u>	<u>5,025</u>
Total expenditure	<u>29,595</u>	<u>27,246</u>

The 2015 resources expended of £27.246m represented £22.664m from unrestricted funds, £0.539m from restricted funds and £4.043m 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 £473k (2015 - £362k).

St John's College
Notes to the financial statements
For the year ended 31 July 2016

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Charitable Activities £'000	2016 Total £'000
2016			
Financial and domestic administration	93	701	794
IT	11	451	462
Depreciation	-	3,118	3,118
Interest payable	205	1,840	2,045
Pension deficit liability movement	54	422	476
Governance costs	4	66	70
	367	6,598	6,965
	Generating Funds £'000	Charitable Activities £'000	2015 Total £'000
2015			
Financial and domestic administration	83	579	662
IT	10	318	328
Depreciation	46	2,986	3,032
Interest payable	-	1,825	1,825
Pension deficit liability movement	54	500	554
Governance costs	8	170	178
	201	6,378	6,579

Financial and domestic administration, IT, human resources and governance 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.

	2016 £'000	2015 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	56	45
Auditor's remuneration - other services	14	
Other governance costs	-	178
	70	223

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

St John's College
Notes to the financial statements
For the year ended 31 July 2016

7 GRANTS AND AWARDS

	2016	2015
	£'000	£'000
During the year the College funded research awards and bursaries to students from its restricted and unrestricted fund as follows:		
Unrestricted funds		
Grants to individuals:		
Bursaries, full studentships and scholarships and hardship awards	670	618
Other scholarships, prizes and grants	287	294
Total unrestricted	957	912
Restricted funds		
Grants to individuals:		
Bursaries, full studentships and scholarships and hardship awards	196	179
Other scholarships, prizes and grants	18	32
Total restricted	214	211
Total grants and awards	1,171	1,123

The figure above includes the cost to the College of the Oxford Bursary scheme. Students of this college received £223k (2015: £269k). Some of those students also received fee waivers amounting to £135k.

8 STAFF COSTS

	2016	2015
	£'000	£'000
The aggregate staff costs for the year were as follows.		
Salaries and wages	7,876	6,927
Social security costs	655	600
Pension costs:		
Defined benefit schemes	1,544	1,967
Defined contribution schemes		
Other benefits	-	-
	10,075	9,494

The average number of employees of the College, excluding Trustees, was 350 (2015: 345)

The average number of employed College Trustees during the year was 55 (2015: 55)

Redundancy payments are accounted for in the period in which the employee was informed of the decision. Where redundancy costs are uncertain, the figure in the accounts represents a best estimate. These costs will be met through unrestricted funds.

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

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

£60,001-£70,000	4	1
£70,001-£80,001	-	0
£80,001-£90,001	-	0
£90,001-£100,001	-	0
£100,001-£110,001	-	0

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

In defined benefits schemes	4	1
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Details of these schemes can be found in Note 23

St John's College
Notes to the financial statements
For the year ended 31 July 2016

9 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Buildings under Construction £'000	Building Improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	85,639	1,639	17,209	670	105,157
Additions	516	3,115	457	143	4,231
At end of year	86,155	4,754	17,666	813	109,388
Depreciation and impairment					
At start of year	14,995	-	11,534	440	26,969
Depreciation charge for the year	1,794	-	1,277	47	3,118
At end of year	16,789	-	12,811	487	30,087
Net book value					
At end of year	69,366	4,754	4,855	326	79,301
At start of year	70,644	1,639	5,675	230	78,188
College	Freehold land and buildings £'000	Buildings under Construction £'000	Building Improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	85,639	1,639	17,107	596	104,981
Additions	516	3,115	457	141	4,229
At end of year	86,155	4,754	17,564	737	109,210
Depreciation and impairment					
At start of year	14,995	-	11,432	366	26,793
Charge for the year	1,794	-	1,277	46	3,117
At end of year	16,789	-	12,709	412	29,910
Net book value					
At end of year	69,366	4,754	4,855	325	79,300
At start of year	70,644	1,639	5,675	230	78,188

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.

St John's College
Notes to the financial statements
For the year ended 31 July 2016

10 PROPERTY INVESTMENTS

Group	Investment Property £'000	2016 Total £'000	2015 Total £'000
Valuation at start of year	198,087	198,087	166,087
Additions and improvements at cost	18,173	18,173	12,045
Disposals	(6,569)	(6,569)	(3,522)
Revaluation gains/(losses) in the year	19,014	19,014	23,477
Valuation at end of year	228,705	228,705	198,087
College	Investment Property £'000	2016 Total £'000	2015 Total £'000
Valuation at start of year	147,116	147,116	143,075
Additions and improvements at cost	468	468	5,514
Disposals	(6,568)	(6,568)	(5,438)
Revaluation gains/(losses) in the year	17,728	17,728	3,965
Valuation at end of year	158,744	158,744	147,116

At 31 July 2016 the Estate land and property was valued by the College's Property Advisor, Savills, which is a member of the Royal Institution of Chartered Surveyors.

11 OTHER INVESTMENTS

All investments are held at fair value.

	2016 £'000	2015 £'000
Group investments		
Valuation at start of year	226,232	226,616
Purchases	30,268	27,134
Disposals	(28,880)	(52,320)
(Decrease)/increase in value of investments	32,466	24,802
Group investments at end of year	260,086	226,232
Investment in subsidiaries	52,037	33,216
College investments at end of year	312,123	259,448

Group investments comprise:	Held outside the UK £'000	Held in the UK £'000	2016 Total £'000	Held outside the UK £'000	Held in the UK £'000	2015 Total £'000
Equity investments	127,776	98,656	226,432	78,142	119,651	197,793
Fixed interest stocks	7,567	3,712	11,279	-	9,574	9,574
	10,610	11,765	22,375	4,018	14,847	18,865
Investment funds and other securities						
Total group investments	145,953	114,133	260,086	82,160	144,072	226,232

St John's College
Notes to the financial statements
For the year ended 31 July 2016

12 PARENT AND SUBSIDIARY UNDERTAKINGS

The College holds 100% of the issued share capital in The Lamb and Flag (Oxford) Limited, a company which runs the Lamb and Flag public house. The profits of the subsidiary company are donated to the college under the Gift Aid scheme and used to support graduate scholarships.

The College also holds 100% of the issued share capital in Thomas White Properties Limited, a company which holds investment property. The profits of the subsidiary company are donated to the college under the Gift Aid scheme.

The College also holds 100% of the issued share capital in Thomas White Oxford Limited, a company which holds investment property. The profits of the subsidiary company are donated to the college under the Gift Aid scheme.

The College also holds 100% of the issued share capital in Peartree Oxford Limited, a company which holds investment property. The profits of the subsidiary company are donated to the college under the Gift Aid scheme.

The College also holds 100% of the issued share capital in Bainton Road Nursery Limited, a company which was incorporated on 13 January 2016 and which will operate a day nursery. The profits of the subsidiary company will be donated to the College under the Gift Aid scheme.

The College is the sole shareholder of Thomas White Investments LLC, a company incorporated in Delaware which holds investment property.

The College is also the sole shareholder of Lady White Investments LLC, a company incorporated in Delaware which holds investment property.

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

	Parent College	The Lamb & Flag (Oxford) Ltd	Thomas White Properties Ltd.	Bainton Road Nursery Ltd
	£'000	£'000	£'000	£'000
Income	24,075	615	81	-
Expenditure	(27,405)	(488)	(21)	(7)
Donation to College under gift aid	-	(127)	(60)	-
Distribution from US subsidiaries	-	-	-	-
Net gains/(losses) on investments	51,385	-	935	-
Result for the year	<u>48,055</u>	<u>-</u>	<u>935</u>	<u>(7)</u>
Total assets	600,240	255	12,784	20
Total liabilities	(79,432)	(186)	(134)	(1)
Net funds at the end of year	<u>520,808</u>	<u>69</u>	<u>12,650</u>	<u>19</u>
	Peartree Oxford Ltd	Thomas White Oxford Ltd	Lady White Investments LLC	Thomas White Investments LLC
	£'000	£'000	£'000	£'000
Income	92	48	549	570
Expenditure	(95)	(1,278)	(221)	(70)
Distribution from US subsidiaries	-	-	(386)	(606)
Net gains/(losses) on investments	(705)	(2,504)	1,460	2,306
Result for the year	<u>(708)</u>	<u>(3,734)</u>	<u>1,402</u>	<u>2,200</u>
Total assets	17,464	19,162	8,798	14,589
Total liabilities	(42)	(603)	(389)	(831)
Net funds at the end of year	<u>17,422</u>	<u>18,559</u>	<u>8,409</u>	<u>13,758</u>

The share capital of The Lamb and Flag (Oxford) Limited was reduced on 11 May 2016 from £100,000 to £65,000

St John's College
Notes to the financial statements
For the year ended 31 July 2016

13 DEBTORS	2016	2015	2016	2015
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	1,285	1,056	1,191	1,046
Amounts owed by College members	437	208	437	208
Amounts owed by Group undertakings	-	-	1,208	1,236
Prepayments and accrued income	431	435	334	341
Other debtors	796	571	795	571
	2,949	2,270	3,965	3,402
14 CREDITORS: falling due within one year				
	2016	2015	2016	2015
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Trade creditors	3,179	1,548	2,681	1,310
Amounts owed to College Members	144	136	144	136
Taxation and social security	366	286	319	268
College contribution	427	381	427	381
Accruals and deferred income	624	642	624	517
Other creditors	237	215	237	215
	4,977	3,208	4,432	2,827
15 CREDITORS: falling due after more than one year				
	2016	2015	2016	2015
	Group	Group	College	College
	£'000	£'000	£'000	£'000
Bank loans	35,000	35,000	35,000	35,000
Loan notes	40,000	-	40,000	-
	75,000	35,000	75,000	35,000

The £35 million bank loan is secured on the Kendrew Quadrangle. It is repayable in 2039 and interest is charged at a fixed rate of 5.225%. This loan was drawn down in December 2009.

The loan notes comprise £20 million due in 2051 with a fixed interest rate of 2.92% and £20 million due in 2061 with a fixed interest rate of 3.2%. The funds from the loan notes were drawn down in June 2016.

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16 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
College						
Endowment Funds - Permanent						
Permanent Endowment Funds	3,477	-	-	-	522	3,999
Endowment Funds - Expendable						
General Endowment Fund	397,104	-	(4,079)	(3,050)	48,301	438,276
Designated Endowment Funds	4,945	-	-	(5)	723	5,663
Specific Endowment Funds	17,795	31	-	(529)	1,837	19,134
Total Endowment Funds	423,321	31	(4,079)	(3,584)	51,383	467,072
Restricted Funds						
Restricted Funds	1,879	4,096	(569)	489	2	5,897
Total Restricted Funds	1,879	4,096	(569)	489	2	5,897
Unrestricted Funds						
General Reserve	45,599	19,863	(22,222)	3,090	-	46,330
Designated Reserves	325	85	(59)	5	-	356
Pension Reserve	(1,205)	-	(476)	-	2,834	1,153
Total Unrestricted Funds	44,719	19,948	(22,757)	3,095	2,834	47,839
Total Funds of the College	469,919	24,075	(27,405)	-	54,219	520,808

	At 1 August 2015 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 July 2016 £'000
Group						
Endowment Funds - Permanent						
Permanent Endowment Funds	3,477	-	-	-	522	3,999
Endowment Funds - Expendable						
General Endowment Fund	416,028	-	(5,792)	(3,050)	49,828	457,014
Designated Endowment Funds	4,945	-	-	(5)	723	5,663
Specific Endowment Funds	17,795	31	-	(529)	1,837	19,134
Total Endowment Funds	442,245	31	(5,792)	(3,584)	52,910	485,810
Restricted Funds						
Restricted Funds	1,879	4,096	(569)	489	2	5,897
Total Restricted Funds	1,879	4,096	(569)	489	2	5,897
Unrestricted Funds						
General Reserve	45,400	20,643	(22,699)	3,090	-	46,434
Designated Reserves	325	85	(59)	5	-	356
Pension Reserve	(1,205)	-	(476)	-	2,834	1,153
Total Unrestricted Funds	44,520	20,728	(23,234)	3,095	2,834	47,943
Total Funds of the Group	488,644	24,855	(29,595)	-	55,746	539,650

St John's College
Notes to the financial statements
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17 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:

Permanent Endowment Funds Capital balance of donations where related income, but not the original capital, can be used only for restricted purposes of the College

Endowment Funds - Expendable:

General Endowment Fund Capital balance of donations and past capitalisation of income where either income, or income and capital, can be used for the general purposes of the College

Designated Endowment Funds Capital balance of donations where related income, or income and capital, can be used for the general purposes of the College but have been designated for specific purposes by the Trustees

Specific Endowment Funds Capital balance of donations where either the related income, or both income and capital, can be used only for restricted purposes of the College

Restricted Funds:

Restricted Funds Revenue gifts given for restricted purposes together with income generated from Permanent and Specific Endowment Funds

Designated Funds

Designated Reserves Unrestricted Funds allocated by the Fellows for designated future purposes, together with income generated from Designated Endowment Funds

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

Specific endowments (consolidated and College) include funds valued at £1.475m which provide income for purposes that lie outside the objects of the College. Income arising amounted to £48k.

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2016 Total £'000
2016				
Tangible fixed assets	79,301	-	-	79,301
Property investments	-	-	228,705	228,705
Securities and other investments	-	-	260,086	260,086
Net current assets	2,489	5,897	37,019	45,405
Pension Asset	1,153	-	-	1,153
Long term creditors	(35,000)	-	(40,000)	(75,000)
	<u>47,943</u>	<u>5,897</u>	<u>485,810</u>	<u>539,650</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2015 Total £'000
2015				
Tangible fixed assets	78,188	-	-	78,188
Property investments	-	-	198,087	198,087
Securities and other investments	-	11	226,221	226,232
Net current assets	2,537	1,868	17,937	22,342
Pension Asset/ (liability)	(1,205)	-	-	(1,205)
Long term creditors	(35,000)	-	-	(35,000)
	<u>44,520</u>	<u>1,879</u>	<u>442,245</u>	<u>488,644</u>

19 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. Some Trustees are paid salaries by the College for the academic or other services they provide as employees of the College. Many Trustees are paid salaries by the University of Oxford for the provision of teaching, conduct of research and other academic and administrative duties. These salaries are paid on external academic and academic-related scales and often are joint arrangements with the University of Oxford.

The College has a Remuneration Committee, composed of individuals external to the College, which makes recommendations to Governing Body on pay and benefits.

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Remuneration paid to trustees

Range	Number of Trustees/ Fellows	2016	Number of Trustees/ Fellows	2015
		Gross remuneration, taxable benefits and pension contributions £000's		Gross remuneration, taxable benefits and pension contributions £000's
£0-£999	1	-	-	-
£1,000-£1,999	1	2	-	-
£4,000-£4,999	1	4	1	5
£5,000-£5,999	5	28	7	41
£6,000-£6,999	3	19	-	-
£7,000-£7,999	2	14	1	7
£8,000-£8,999	-	-	2	17
£9,000-£9,999	1	9	-	-
£10,000-£10,999	1	11	1	10
£12,000-£12,999	-	-	1	13
£13,000-£13,999	1	13	2	27
£14,000-£14,999	3	44	1	14
£16,000-£16,999	1	17	7	116
£17,000-£17,999	5	88	-	-
£18,000-£18,999	2	37	-	-
£20,000-£20,999	2	41	1	21
£21,000-£21,999	1	22	-	-
£22,000-£22,999	-	-	1	22
£25,000-£25,999	-	-	1	25
£26,000-£26,999	3	80	3	79
£27,000-£27,999	1	27	2	55
£28,000-£28,999	2	57	1	29
£30,000-£30,999	-	-	1	30
£31,000-£31,999	1	32	-	-
£34,000-£34,999	1	34	2	69
£35,000-£35,999	1	36	1	36
£38,000-£38,999	1	38	-	-
£39,000-£39,999	-	-	2	79
£41,000-£41,999	1	41	-	-
£42,000-£42,999	1	43	-	-
£43,000-£43,999	-	-	2	87
£45,000-£45,999	1	45	1	46
£47,000-£47,999	1	47	1	47
£48,000-£48,999	1	48	1	49
£49,000-£49,999	1	49	1	49
£50,000-£50,999	1	50	1	51
£52,000-£52,999	1	52	1	52
£53,000-£53,999	1	54	-	-
£58,000-£58,999	1	59	-	-
£64,000-£64,999	-	-	1	65
£65,000-£65,999	1	66	1	65
£69,000-£69,999	-	-	1	70
£71,000-£71,999	1	71	-	-
£72,000-£72,999	-	-	2	145
£73,000-£73,999	1	73	-	-
£74,000-£74,999	-	-	1	74
£80,000-£80,999	1	80	-	-
£81,000-£81,999	1	82	-	-
£83,000-£83,999	-	-	1	84
£84,000-£84,999	-	-	1	84
£86,000-£86,999	1	86	-	-
£90,000-£90,999	-	-	1	90
£91,000-£91,999	1	91	-	-
£94,000-£94,999	1	95	-	-
£132,000-£132,999	-	-	1	133
£145,000-£145,999	1	146	-	-
£155,000-£155,999	-	-	1	155
Total	59	1,931	57	2,041

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Other transactions with trustees

All of the above individuals are eligible for membership of the USS defined benefit pension scheme as outlined in note 20

The President lives on the main college site. Some Trustees are eligible for College housing schemes. At 31 July 2016, 24 Trustees lived in properties owned by the College (2015 - 24) and 8 trustees lived in properties owned jointly with the College (2014 - 8). No such properties were sold during the year (2014 - 2). 19 Trustees receive a Housing Allowance, which is disclosed within the salary figures above.

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

No reimbursement was made to Trustees during the year of personal expenses incurred in connection with their services to the College as Trustees.

See also note 25, Related Party Transactions

20 PENSION SCHEMES

The College participates in three pension schemes on behalf its staff, the St John's College Staff Pension Fund ("the SJCSPPF"), the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") . All three schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary).

St John's College Staff Pension Fund

The level of benefits provided by the Fund depends on a member's length of service and their salary at their date of leaving the Fund.

The last funding valuation of the St John's College Staff Pension Fund was carried out by a qualified actuary as at 31 July 2015 and contributions of £451K are expected to be paid by the College to the fund during the year 2017.

The results of the latest funding valuation at 31 July 2015 have been adjusted to the balance sheet date taking account of experience over the period since 31 July 2015, changes in market conditions and differences in the financial and demographic assumptions. The present value of the defined benefit obligation was measured using the Projected Unit Credit Method.

SJCSPPF's valuation as at 31 July 2015 also takes into account the revised benefit structure effective 1 April 2016 following a consultation which concluded in February 2016. Key changes agreed for service after 1 April 2016 include: an employee contribution is introduced; the state pension offset is removed from benefit calculations; normal retirement age is made equal to state pension age; and the accrual rate for pensions is changed from 1/90 to 1/100.

The principal assumptions used to calculate the liabilities under FRS102 are set out below:

Main financial assumptions	31-Jul-16	31-Jul-15
	% pa	% pa
RPI Inflation 2.80 3.35	2.80	3.35
CPI Inflation 1.70 N/A	1.70	N/A
Rate of increase in salaries	1.70 for 5 years, then 2.70	3.35
Pension increases pre April 2005 1.75	1.75	3.35
Pension increases post April 2005	1.75	3.35
Discount rate for Scheme liabilities	2.4	3.6

Main demographic assumptions	31-Jul-16	31-Jul-15
Mortality	95% for pensioners and 100% for non-pensioners of the S2PxA tables with improvements in line with the CMI 2014 projections and a long-term rate of improvement of 1.5% pa	90% of the S1PxA_Heavy tables with improvements in line with the CMI 2012 projections and a long-term rate of improvement of 1.5% pa
Life expectancy for male currently aged 60	28.0 years	26.0 years
Life expectancy for female currently aged 60	30.2 years	30.2 years
Life expectancy at 60 for male currently aged 40	29.9 years	28.6 years
Life expectancy at 60 for female currently aged 40	32.2 years	32.7 years

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Fund asset allocation	31-Jul-16		31-Jul-15	
	£'000	%	£'000	%
Equities	11250	61	10565	61
Government bonds	4517	23	4052	23
Other	3715	16	2732	16
Total	19482	100	17349	100

None of the fund assets are invested in the College's financial instruments or in property occupied by, or other assets used by, the College.

	31-Jul-16	31-Jul-15
	£'000	£'000
Reconciliation of funded status to balance sheet		
Fair value of assets	19,482	17,349
Present value of funded defined benefit obligations	(17,291)	(17,613)
Funded status	<u>2,191</u>	<u>(264)</u>
Unrecognised asset	-	-
Asset/(liability) recognised on the balance sheet	<u>2,191</u>	<u>(264)</u>
Present value of unfunded defined benefit obligations	-	-

When determining the asset recognised on the balance sheet, it has been assumed that the College would be able to recover the surplus through reduced future contributions or a refund from the fund in the future. This reflects the provisions of the plan documentation.

	Year ending	Year ending
	31-Jul-16	31-Jul-15
	£'000	£'000
Amounts recognised in income statement		
Operating cost:		
Current service cost	846	1,045
Administration expenses	0	0
Past service cost	0	0
Curtailment cost	0	0
Settlement cost	0	0
Financing cost:		
Interest on net defined benefit liability/(asset)	7	19
Pension expense recognised in income statement	<u>853</u>	<u>1,064</u>

	Year ending	Year ending
	31-Jul-16	31-Jul-15
	£'000	£'000
Amounts recognised in Other Comprehensive Income (OCI)		
Asset gains/(losses) arising during the year	1,271	56
Liability gains/(losses) arising during the year	1,563	426
Change in the effect of the asset ceiling	0	0
Total amount recognised in OCI	<u>2,834</u>	<u>482</u>

	Year ending	Year ending
	31-Jul-16	31-Jul-15
	£'000	£'000
Changes to the present value of the defined benefit obligation during the year		
Opening defined benefit obligation (DBO)	17,613	16,905
Current service cost	846	1,045
Interest expense on DBO	636	702
Contributions by members	73	0
Actuarial (gains)/losses on liabilities	(1,563)	(426)
Net benefits paid out	(314)	(613)
Past service cost	0	0
Curtailment cost	0	0
Net increase in liabilities from disposals/acquisitions	0	0
Settlements	0	0
Closing defined benefit obligation	<u>17,291</u>	<u>17,613</u>

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	Year ending 31-Jul-16	Year ending 31-Jul-15
Changes to the fair value of St John's College Staff Pension Fund assets during the year	£'000	£'000
Opening fair value of fund assets	17,349	16,710
Interest income on fund assets	629	683
Gain/(loss) on fund assets	1,271	59
Contributions by the Company	474	510
Contributions by fund participants	73	0
Net benefits paid out	(314)	(613)
Administration costs incurred	0	0
Net increase in assets from disposals/acquisitions	0	0
Settlements	0	0
Closing fair value of fund assets	<u>19,482</u>	<u>17,349</u>
Actual return on fund assets	Year ending 31-Jul-16	Year ending 31-Jul-15
	£'000	£'000
Interest income on fund assets	629	683
Gain/(loss) on fund assets	1,271	59
Actual return on fund assets	<u>1,900</u>	<u>742</u>

Multi-employer schemes

The assets of USS and OSPS are each held in separate trustee-administered funds.

Both schemes are multi-employer schemes and the College is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, as required by FRS 102 the College accounts for the schemes as if they were defined contribution schemes.

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

Universities Superannuation Scheme

The pension charge for the year includes £690k (2015 - £887k) in relation to the USS. This represents contributions of £581k (2015 - £528k) payable to the USS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £109k.

USS's actuarial valuation as at 31 March 2014 takes into account the revised benefit structure effective 1 April 2016 agreed both by the Joint Negotiating Committee and the Trustee in July 2015 following the Employers' consultation which concluded in June 2015. Key changes agreed include: for Final Salary section members, the benefits built up to 31 March 2016 will be calculated as at that date using pensionable salary and pensionable service immediately prior to that date and going forwards will be revalued in line with increases in official pensions (currently CPI); all members will accrue a pension of 1/75th and a cash lump sum of 3/75ths of salary each year of service in respect of salary up to a salary threshold, initially £55,000 p.a. with the threshold applying from 1 October 2016; member contributions will be 8% of salary; a defined contribution benefit for salary in excess of the salary threshold at the total level of 20% (8% employee, 12% employer) of salary in excess of the salary threshold; and optional additional contributions payable into the defined contribution section from 1 October 2016 of which the first 1% of salary is to be matched by employer contributions. Further details about the changes may be reviewed on USS' website, www.uss.co.uk. For the period up to 1 April 2016 the employer deficit contribution was 0.7% p.a. of salaries based on the assumptions made. After allowing for those changes, the actuary established a long term employer contribution rate of 18% pa of salaries for the period from 1 April 2016 to 31 March 2031. On the assumptions made and with the salary threshold and defined contribution section implemented this gives rise to deficit contributions of at least 2.1% p.a. of salaries. At 31 March 2016 USS reported that the funding deficit had increased to £10.0 bn (83% funded) from £8.2bn (86% funded) at 31 March 2015.

USS's actuary has assumed that the investment return is 5.2% in year 1, decreasing linearly to 4.7% over 20 years. USS' actuary has assumed that general pay growth will be CPI in year 1, CPI + 1% in year 2 and RPI + 1% pa thereafter. It is assumed that CPI is based on the RPI assumption (market derived price inflation of 3.6% p.a less an inflation risk premium) less RPI/CPI gap of 0.8% p.a. As noted above the USS employer contribution rate is 18% of salaries from 1 April 2016. Prior to that date it is 16% of salaries. The total employer contributions include provisions for the cost of future accrual of defined benefits (DB) (net of member contributions to the DB section), deficit contributions, administrative expenses of 0.4% of salaries and from the implementation of the salary threshold the employer contribution towards defined contribution benefits including employer matching contributions and certain investment management costs relating to the DC section.

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A provision of £1.008m has been made at 31 July 2016 (2015 - £901k) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

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

Oxford Staff Pension Scheme

The pension charge for the year includes £1k (2015 - £16k) in relation to the OSPS. This represents contributions of £11k payable to the OSPS as adjusted by the change in the deficit funding liability between the opening and closing balance sheet dates of £10k.

OSPS's actuarial valuation as at 31 March 2013 identified a required long-term employer contribution rate of 20.1% of total pensionable salaries with a funding deficit of £173m. The University of Oxford, on behalf of all the employers participating in the scheme, has agreed with the trustees of OSPS to address this deficit by raising the employer contribution rate in increments of 0.5% of pensionable salary to 23.5%, with this increase being implemented over the three years to 1 August 2017. The actuary has certified that the additional contribution should eliminate the deficit by 30 June 2026. At 31 March 2015 the scheme reported a funding deficit of £213.4m (71% funded) compared to £134.8m (77% funded) as at 31 March 2014. The next triennial valuation is due with an effective date of 31 March 2016.

The OSPS employer contribution rate required for future service benefits alone at the date of the valuation was 20.1% of total pensionable salaries. It was agreed that employers increase their contribution rate by 0.5% each year to 1 August 2017 to 23.5%.

A provision of £30k has been made at 31 July 2016 (2015 - £40k) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the College will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary's projected long-term salary rate increases.

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

Pension charge for the year

The pension charge recorded by the College during the accounting period was equal to the contributions payable after allowance for the deficit recovery plan as follows:

Scheme	2016 £000's	2015 £000's
Universities Superannuation Scheme	690	887
University of Oxford Staff Pension Scheme	1	16
St John's College Staff Pension Fund	853	1,064
Total	1,544	1,967

Included in other creditors and accruals are pension contributions payable of £0k (2015: £0k).

Pension asset

The pension asset/(liability) shown on the Balance Sheet arises as follows:

Scheme	2016 £000's	2015 £000's
Universities Superannuation Scheme	(1,008)	(901)
University of Oxford Staff Pension Scheme	(30)	(40)
St John's College Staff Pension Fund	2,191	(264)
Total	1,153	(1,205)

21 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 in the UK arises in the College's subsidiary companies because the directors of these companies have indicated that they intend to make donations each year to the College equal to the taxable profits of the company under the Gift Aid scheme. Accordingly no provision for taxation has been included in the financial statements.

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22 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATIONS	2016 Group £'000	2015 Group £'000
Net income/(expenditure)	51,006	42,577
Elimination of non-operating cash flows:		
Investment income	(13,863)	(13,626)
(Gains)/losses in investments	(52,912)	(48,189)
Endowment donations	(31)	(170)
Depreciation	3,118	2,949
(Surplus)/loss on sale of fixed assets	-	(567)
Decrease/(Increase) in stock	(38)	(30)
Decrease/(Increase) in debtors	(679)	(440)
(Decrease)/Increase in creditors	1,769	(120)
(Decrease)/Increase in provisions	-	-
(Decrease)/Increase in pension scheme liability	(2,358)	915
Net cash provided by (used in) operating activities	<u>(13,988)</u>	<u>(16,701)</u>

23 ANALYSIS OF CASH AND CASH EQUIVALENTS	2016 £'000	2015 £'000
Cash at bank and in hand	45,956	21,841
Total cash and cash equivalents	<u>45,956</u>	<u>21,841</u>

24 CAPITAL COMMITMENTS

The College had contracted commitments at 31 July for future capital projects totalling £13.706m (2015 - £546k).

25 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.

26 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.

27 ADOPTION OF 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.

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As a result of the transition to FRS 102, the College has for the first time recognised liabilities for future contributions that it estimates will be payable as a result of deficit funding agreements within the Universities Superannuation Scheme and the Oxford Staff Pension Scheme. The effect on the unrestricted funds and consolidated net assets of the College as at 1 August 2014 and 1 August 2015 is as follows:

	Previous UK GAAP £'000	FRS102 £'000	Effect of transition £'000
Consolidated unrestricted funds			
As at 31 July 2014	44,638	44,058	(580)
As at 31 July 2015	45,460	44,520	(940)
Consolidated net assets			
As at 31 July 2014	446,161	445,581	(580)
As at 31 July 2015	489,584	488,644	(940)
Net movement in funds			
For the year ended 31 July 2015	43,422	43,062	(360)