HARRIS MANCHESTER COLLEGE

Annual Report and Financial Statements

Year ended 31 July 2017

HARRIS MANCHESTER COLLEGE

Annual Report and Financial Statements

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MEMBERS OF THE GOVERNING BODY

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

		(1)	(2)	(3)		
Dr Alexandra Alvergne						
Professor Jan-Emmanuel De Neve						
Mrs Annette Duffell		x	x			
Dr Eric Eve						
Mr Brian Fidler			x	x		
Professor Louise Gullifer						
Mr Harry Henderson			X			
Professor Richard Hobbs						
Dr Joshua Hordern						
Mr George Hudson			x			
Dr Crispin Jenkinson						
Mrs Susan Killoran		x				
Ms Victoria Lill		x				
Professor William Mander						
Professor David Matthews		x				
Dr Ross McAdam						
Professor Kate McLoughlin		x				
Professor Alister McGrath						
Professor Alex Nicholls						
Professor Terezinha Nunes						
Dr Sina Ober-Blobaum						
Professor Patrik Rorsman						
Dr Ronald Roy						
Dr Isabel Ruiz			x			
Dr Bjorn Saven						
Professor Lesley Smith		x				
Rev Arthur Stewart						
Dr Kristin van Zwieten						

Dr Bee Wee						
Dr Ralph Waller		x	x			

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

(1) Management Committee

(2) Investment Committee

(3) Remuneration Committee

COLLEGE SENIOR STAFF

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

Principal	*Ralph Waller*
Bursar	*Annette Duffell*
Senior Tutor	*Lesley Smith*
Academic Administrator	*Victoria Lill*

COLLEGE ADVISERS

Auditor

David Cadwallader & Co Ltd
Chartered Certified Accountants and Statutory Auditors
Suite 3 Bignell Park Barns
Chesterton
Bicester
OX26 1TD

Bankers

National Westminster Bank
121 High Street
Oxford
OX1 4DD

Solicitors

Penningtons Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN

College address

Mansfield Road
Oxford
OX1 2HN

Website

www.hmc.ox.ac.uk

The Members of the Governing Body present their Annual Report for the year ended 31 July 2017 under the Charities Act 2011 together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Principal and Fellows of the Manchester Academy and Harris College in the University of Oxford, commonly known as Harris Manchester College, Oxford is a chartered charitable corporation. It was founded in 1786 and granted a Royal Charter by Queen Elizabeth II on 12th January 1996.

The College registered with the Charity Commission on 26th July 2011 and its registered charity number is 1143086.

The names of all Members of the Governing Body at the date of this report and of those in office during the year, together with details of the senior staff and advisers of the College, are given on pages 2 to 4.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The College is governed by its Charter and Statutes dated 12 January 1996.

Governing Body

The Governing Body is constituted and regulated in accordance with the College Charter and Statutes, the terms of which are enforceable ultimately by the Visitor, Sir Eric Anderson KT

New members of the Governing Body are elected on the basis of their contribution to the College and to the University of Oxford.

The Governing Body determines the ongoing strategic direction of the College and regulates its administration and the management of its finances and assets. It meets regularly under the chairmanship of the Principal and is advised by three committees.

Recruitment and training of Members of the Governing Body

New Members of the Governing Body are recruited by new academic appointments or from existing Fellows and inducted into the workings of the College, including Governing Body policy and procedures, by instruction.

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

Remuneration of Members of the Governing Body and Senior College Staff

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

The remuneration of senior college staff is set by Governing Body with reference to University pay scales.

Organisational management

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

- The Investment Committee
- The Management Committee
- The Remuneration Committee

Group structure and relationships

The College administer two special trusts, Daniel Jones Trust and Samuel Jones Trust.

The College has no subsidiary or associated undertakings.

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

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

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

- To advance learning, education and research in the arts and sciences within the University
- To provide for men and women who shall be members of the University and from whom no test or confession of faith will be required:

  1) A College in which they may work for degrees, diplomas and certificates of the University for the purpose of their engaging in advanced and other study and the conduct and publication of research; and

  2) Preparatory Instruction for the learned professions and for civil and commercial life

  3) A full and systematic course of education and training of Ministers of Religion, having regard especially to the Ministries of the General Assembly of Unitarian and Free Christian Churches in our United Kingdom and of the Non-Subscribing Presbyterian Church of Ireland
- To promote the Christian religion in its simplest and most intelligible form, and in particular the traditions of English Rational Dissent.

College Strategy

The College has 95 academic Fellows engaged in education and research. In order to support this work we provide excellent library facilities, IT support, meeting rooms and an academic and encouraging community in which good research can take place.

The College is engaged in recruiting, teaching, pastoral care and welfare of graduate and undergraduate students reading for Oxford first and higher degrees. We provide excellent facilities for these students including a comprehensive library, IT support, food, accommodation and an invigorating academic community in which they can thrive.

The College has concentrated on teaching subjects which can be a preparation for the learned professions and for those wishing to enter civil and commercial life. In particular, we teach the following subjects: law, medicine,engineering,education,politics,economics,philosophy,theology, business management, archeology, anthropology, english, history and languages.

The college employs a tutor in ministerial training, whose responsibility it is to teach a full and systematic course of education and training for Ministers of Religion. He is able to draw on other members of the College to help in this task. The College also devotes considerable funds to provide additional academic courses for our ministerial students.

The College provides study fellowships, through the Farmington Institute, for teachers of RE, Head Teachers, Chaplains to Her Majesty's Forces, Senior Members of Her Majesty's Forces, and Ministers of Religion. The College employs a full-time Chaplain and Director of Music in order to promote the Christian Religion within

the College. He holds regular services of worship in the College Chapel. Moreover the College allows the use of the Chapel by other Christian organisations.

The Criteria used to assess the success of the College in promoting its objects are:

The research of individual Fellows can be judged by those accepted to represent the University in the Research Assessment exercise. Moreover, when fellows are successful in the University's Recognition of Distinction exercise, this is a good indication that they are advancing education, learning and research.

Undergraduate results and graduate awards are also used by College to assess our success in providing opportunities for those wishing to work for degrees, diplomas and certificates of the University. We do note our former students who have gone in to the learned professions, and this is also an indication of success in the training which we offer. Similarly we note those who have become ministers of religion, having undertaken a systematic course of training for the Ministry.

The success in promoting the Christian Religion is harder to assess, but we do have written evidence from teachers who have held Farmington Scholarships and oral evidence from students.

Activities and objectives of the College

The College's activities are focused on furthering its stated objects and aims for the public benefit. These include:

1. The undertaking of research in a wide range of subjects including philosophy, law, history, english, medicine, human sciences, theology and engineering.
2. Providing courses and facilities for other educational groups, primary schools, secondary schools, chaplains to Her Majesty's Armed Forces and Universities.
3. The teaching and care of 83 undergraduate and 143 graduate students.
4. Training of four ministerial students.
5. 75 services held in the College chapel.
6. 45 people received Farmington awards
7. £1.622m raised for College activities.
8. Visits from two school parties and held several planning days for school teachers
9. Providing meeting facilities for other charities such as churches, Music at Oxford and school governors.
10. Making provision for the College chapel to be used by an independent trust to conduct weekly services of worship and for the Chapel to be used by other Colleges.
11. Weekly music concerts in the Chapel open to the public and arranged by the College's Director of music.

The provision of bursary support

Through the provision of scholarships, bursaries and hardship grants the College endeavours to assist Harris Manchester students who may have financial difficulties, to help meet the costs of College and University fees and accommodation. Each case is considered individually.

ACHIEVEMENTS AND PERFORMANCE

23 students graduated with a Bachelor of Arts Undergraduate Degree and of those six of these were awarded First Class Honours degree and 14 received an Upper Second Honours degree and 3 received a Lower Second Class Honours degree
19 Graduate students were awarded Doctoral degrees in the University of Oxford.
31 students received Masters Degrees
4 students qualified as medical doctors.
4 students were awarded Post Graduate Diplomas.
2 student qualified as a Minister of Religion.

4 students were awarded the Postgraduate Certificate in Education.
5 conferences were held for Chaplains of Her Majesty's Armed Forces

Work continues on a new building which will house a lecture suite and student accommodation and a small dining room.

Fund Raising

Fundraising was important in helping to achieve the objects of the College. £1.622m was raised.

The other major areas of support were:

- Bursaries and scholarships for students
- The provision of additional student accommodation
- Student hardship support.
- Supporting research projects.

Very little money was spent in raising these funds.

FINANCIAL REVIEW

During the year the College was in receipt of donations totalling £1.622m Of this figure £1,501m is for restricted purposes which include building work, student scholarships and administration of the Farmington Institute. Other income comprised £998k from student fees and £942k from student battels and conference income. Income also included £562k generated from the investment portfolio, of which £554k was released to unrestricted income to enable the college to meet its general running costs.

With the addition of £906k of net gains on investments the college generated net income in the year of £1,795k

The new requirement to include a Defined benefit pension scheme liability has resulted in a cumulative reserve of £230k, with the adjustment of £28k to the previous year's provision being released in to the accounts for the year. This has been deducted from the net assets of the College.

Reserves policy

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

Total funds of the College at the year-end amounted to £24,797k (2016: £23,002k). This includes endowment capital of £13,680k and unspent restricted income funds totalling £8,524. Free reserves at the year-end amounted to £2,593k (2016: £2,434), representing retained unrestricted income reserves which includes designated reserves of £337k for specific projects to be spent during the next financial year.

Risk management

The College is engaged in risk assessment on an ongoing basis. When it is not able to address risk issues using internal resources, the College takes advice from experts external to the College with specialist knowledge. Policies and procedures within the College are reviewed by the relevant College Committee, chaired by the Principal. Financial risks are assessed by the Bursar and Governing Body and investment risks are monitored by the Investment Committee. The Bursar and domestic staff heads meet regularly to review health and safety issues. Training courses and other forms of career development are available, when requested, to members of staff to enhance their skills in risk-related areas.

The Governing Body, who have ultimate responsibility for managing any risks faced by the College, have reviewed the processes in place for managing risk and the principal identified risks to which the College is exposed and have 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.

Investment policy, objectives and performance

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 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 to maintain diversification across a range of asset classes in order to produce an appropriate balance between risk and return. In line with this approach, the College statutes allow the College to invest permanent endowments to maximise the related return and to make available for expenditure each year an appropriate proportion of the unapplied return.

The investment policy and strategy are set by the Governing Body as advised by the Investment Committee from time to time and performance is regularly monitored by the Investment Committee. During the year the Governing Body made a decision to invest the majority of the endowment with OU Endowment Management in the Oxford Endowment Fund. 76% of the total portfolio is now held with OUEM

At the year end, the College's long term investments, combining the securities and property investments, totalled £13,680k

It is the Governing Body's policy to extract as income up to 4% of the value of the relevant investments at the year end and during the current year 4% was withdrawn although the investments yielded approximately 5% income.

The Governing Body will keep the level of income withdrawn under review to balance the needs and interests of current and future beneficiaries of the College's activities.

FUTURE PLANS

The College's future plans as agreed by the Governing Body are set out in of the College Development Plan. The core elements of this are:

- to continue to provide the best possible education for mature students of the University of Oxford
- to provide increased study space for tutors in order to increase the research community of the College
- to increase the number of rooms available for student residents and to continue with our programme of improving existing facilities
- to ensure through the provision of scholarships, bursaries and grants that finance is not a prohibitive factor in a students' decision to study at HMC

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

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Charity law requires the Governing Body to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law, 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 incoming or outgoing resources for that period. In preparing these financial statements, the Governing Body is required to:

- select the most suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards, 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 29 November 2017 and signed on its behalf by:

Rev Dr R Waller	Dr E Eve
Principal	Secretary

Report of the Auditor to the Members of the Governing Body of Harris Manchester College

We have audited the financial statements of Harris Manchester College for the year ended 31 July 2017 which comprise the Statement of Accounting Policies, the Statement of Financial Activities, the College Balance Sheet, the Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of Governing Body and auditor

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

We read all the financial and non-financial information in the Report of the Governing Body to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us 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.

Report of the Auditor to the Members of the Governing Body of Harris Manchester College

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

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

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

David Cadwallader & Co Limited
Chartered Certified Accountants & Statutory Auditor
Suite 3 Bignell Park Barns
Chesterton
Bicester
OX26 1TD

Date: 30 November 2017

David Cadwallader & Co Limited 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 Statement of Financial Activities (SOFA), the College Balance Sheet and the Statement of Cash Flows for the College.

The accounts of the affiliated student bodies (Harris Manchester College Junior and Middle Common Rooms) have not been consolidated as the College does not control these activities.

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

3. Accounting judgements and estimation uncertainty

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

In the view of the Governing Body, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements.

The College participates in a multi-employer defined benefit pension plan. In the judgement of the Governing Body there is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 19).

In the view of the Governing Body, no assumptions concerning the future or estimation uncertainly affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

With respect to the next financial year, the most significant areas of uncertainty that affect the carrying value of assets held by the College are the level of investment return and the performance of investment markets.

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.

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 accruals basis with interest recognised in the period to which the interest relates.

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.

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.

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

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	50 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.

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

9. Heritage Assets

The College has chosen to hold heritage assets at cost. The college has a number of assets, including items of art and historic texts that meet the definition of heritage assets under the SORP. The depreciated historic cost of the majority of these items is nil. Items purchased are recognised at cost and items donated to the College are recognised at fair value. The college has taken advantage of the exemption within FRS 102 not to disclose transactions before 1 January 2015 as obtaining fair values for these assets would be impracticable and the cost of obtaining such valuations would outweigh the benefits to the users of these financial statements

10. 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.

Where the investment property component of mixed use property cannot be measured reliably without undue cost or effort, the entire property is accounted for as property within tangible fixed assets.

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.

11. Other financial instruments

a. **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.

b. **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.

13. Foreign currencies

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the reporting date are recognised in the income and expenditure section of the SOFA [except when deferred and initially credited or charged in 'other recognised gains and losses' as qualifying cash flow hedges].

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 part of the total return arising from the capital that is allocated to income will be accounted for as unrestricted funds unless the donor has placed restrictions on the use of that income, in which case it will be accounted for as a restricted fund.

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

15. Pension costs

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

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

The College also operates a defined contribution pension scheme. Contributions to these arrangements are charged to the SOFA in the period in which they are payable.

Harris Manchester College
Statement of Financial Activities
For the year ended 31 July 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	**2017 Total £'000**	2016 Total £'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities:	1					
Teaching, research and residential		1,940	-	-	**1,940**	1,828
Public worship		-	-	-	**-**	-
Heritage		-	-	-	**-**	-
Other Trading Income	3	9	-	-	**9**	5
Donations and legacies	2	121	1,501	-	**1,622**	8,043
Investments						
Investment income	4	36	-	526	**562**	278
Total return allocated to income		-	-	-	**-**	-
Other income		-	-	-	**-**	-
Total income		**2,106**	**1,501**	**526**	**4,133**	10,154
EXPENDITURE ON:	5					
Charitable activities:						
Teaching, research and residential		2,437	730	13	**3,180**	3,164
Public worship		-	-	-	**-**	-
Heritage		-	-	-	**-**	-
Generating funds:						
Fundraising		57	-	-	**57**	56
Trading expenditure		-	-	-	**-**	-
Investment management costs		7	-	-	**7**	16
Total Expenditure		**2,501**	**730**	**13**	**3,244**	3,236
Net Income/(Expenditure) before gains		**(395)**	**771**	**513**	**889**	**6,918**
Net gains/(losses) on investments	10	-	-	906	906	745
Net Income/(Expenditure)		(395)	771	1,419	**1,795**	7,663
Transfers between funds	15	554	(10)	(544)	**-**	-
Other recognised gains/losses						
Gains/(losses) on revaluation of fixed assets		-	-	-	**-**	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	**-**	-
Net movement in funds for the year		159	761	875	1,795	7,663
Fund balances brought forward	15	**2,434**	**7,763**	**12,805**	**23,002**	15,339
Funds carried forward at 31 July		2,593	8,524	13,680	**24,797**	23,002

Harris Manchester College
College Balance Sheet
As at 31 July 2017

	Notes	2017 College £'000	2016 College £'000
FIXED ASSETS			
Tangible assets	9	**10,305**	9,763
Heritage assets	10	**-**	-
Property investments	10	**-**	-
Other Investments	10	**13,680**	12,805
Total Fixed Assets		**23,985**	22,568
CURRENT ASSETS			
Stocks		**10**	9
Debtors	11	**441**	281
Investments		**-**	-
Cash at bank and in hand		**1,722**	1,558
Total Current Assets		**2,173**	1,848
LIABILITIES			
Creditors: Amounts falling due within one year	12	**861**	876
NET CURRENT ASSETS/(LIABILITIES)		**1,312**	972
TOTAL ASSETS LESS CURRENT LIABILITIES		**25,297**	23,540
CREDITORS: falling due after more than one year	13	**270**	280
Provisions for liabilities and charges	14	**-**	-
NET ASSETS/(LIABILITIES) BEFORE PENSION ASSET OR LIABILITY		**25,027**	23,260
Defined benefit pension scheme liability	19	**230**	258
TOTAL NET ASSETS/(LIABILITIES)		**24,797**	23,002
FUNDS OF THE COLLEGE	15		
Endowment funds		**13,680**	12,805
Restricted funds		**8,524**	7,763
Unrestricted funds			
Designated funds		**1,831**	1,841
General funds		**992**	851
Revaluation reserve		**-**	-
Pension reserve		**(230)**	(258)
		24,797	23,002

The financial statements were approved and authorised for issue by the Governing Body of Harris Manchester College on 29 November 2017

Trustee:

Trustee:

Harris Manchester College
Statement of Cash Flows
For the year ended 31 July 2017

	Notes	2017 £'000	2016 £'000
Net cash provided by (used in) operating activities	22	**385**	1,984
Cash flows from investing activities			
Dividends, interest and rents from investments		**562**	278
Proceeds from the sale of property, plant and equipment		**-**	
Purchase of property, plant and equipment		**(814)**	(1,061)
Proceeds from sale of investments		**31**	-
Purchase of investments		**-**	
Net cash provided by (used in) investing activities		**(221)**	(783)
Cash flows from financing activities			
Repayments of borrowing		**-**	
Cash inflows from new borrowing		**-**	
Receipt of endowment		**-**	
Net cash provided by (used in) financing activities		**-**	-
Change in cash and cash equivalents in the reporting period		**164**	1,201
Cash and cash equivalents at the beginning of the reporting period		**1,558**	357
Change in cash and cash equivalents due to exchange rate movements		**-**	
Cash and cash equivalents at the end of the reporting period	23	**1,722**	1,558

1 INCOME FROM CHARITABLE ACTIVITIES

	2017	2016
Teaching, Research and Residential	**£'000**	£'000
Unrestricted funds		
Tuition fees - UK and EU students	438	360
Tuition fees - Overseas students	515	382
Other fees	45	69
Other HEFCE support	-	-
Other academic income	-	-
College residential income	942	1,017
	1,940	1,828
Restricted funds		
Tuition fees - UK and EU students	-	-
Tuition fees - Overseas students	-	-
Other fees	-	-
Other HEFCE support	-	-
Other academic income	-	-
College residential income	-	-
	-	-
Endowed funds		
Tuition fees - UK and EU students	-	-
Tuition fees - Overseas students	-	-
Other fees	-	-
Other HEFCE support	-	-
Other academic income	-	-
College residential income	-	-
	-	-
Total Teaching, Research and Residential	**1,940**	**1,828**
Public worship		
Unrestricted funds		
Choir school fees	-	-
Other	-	-
	-	-
Restricted funds		
Choir school fees	-	-
Other	-	-
	-	-
Endowed funds		
Choir school fees	-	-
Other	-	-
	-	-
Total Public worship	-	-
Heritage		
Unrestricted funds		
Heritage Income	-	-
Other charitable income	-	-
	-	-
Restricted funds		
Heritage Income	-	-
Other charitable income	-	-
	-	-
Endowed funds		
Heritage Income	-	-
Other charitable income	-	-
	-	-
Total Heritage	-	-
Total income from charitable activities	**1,940**	**1,828**

The above analysis includes £877k received from Oxford University from publicly accountable funds under the CFF Scheme (2016: £741k).

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 £14k (2016: £13k). These are not included in the fee income reported above.

2 DONATIONS AND LEGACIES

	2017 £'000	2016 £'000
Donations and Legacies		
Unrestricted funds	**121**	1,576
Restricted funds	**1,501**	1,467
Endowed funds	**-**	5,000
	1,622	8,043

3 INCOME FROM OTHER TRADING ACTIVITIES

	2017 £'000	2016 £'000
Subsidiary company trading income	**-**	-
Other trading income	**9**	5
	9	5

4 INVESTMENT INCOME

	2017 £'000	2016 £'000
Unrestricted funds		
Agricultural rent	-	-
Commercial rent	10	10
Other property income	14	6
Equity dividends	-	5
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	-	-
Bank interest	12	5
Other interest	-	-
	36	26
Restricted funds		
Agricultural rent	-	-
Commercial rent	-	-
Other property income	-	-
Equity dividends	-	-
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	-	-
Bank interest	-	-
Other interest	-	-
	-	-
Endowed funds		
Agricultural rent	-	-
Commercial rent	-	-
Other property income	-	-
Equity dividends	526	252
Income from fixed interest stocks	-	-
Interest on fixed term deposits and cash	-	-
Other investment income	-	-
Bank interest	-	-
Other interest	-	-
	526	252
Total Investment income	562	278

5 ANALYSIS OF EXPENDITURE

	2017 £'000	2016 £'000
Charitable expenditure		
Direct staff costs allocated to:		
Teaching, research and residential	1,269	1,166
Public worship	-	-
Heritage	-	-
Other direct costs allocated to:		
Teaching, research and residential	1,200	1,212
Public worship	-	-
Heritage	-	-
Support and governance costs allocated to:		
Teaching, research and residential	711	786
Public worship	-	-
Heritage	-	-
Total charitable expenditure	3,180	3,164
Expenditure on raising funds		
Direct staff costs allocated to:		
Fundraising	36	35
Trading expenditure	-	-
Investment management costs	-	-
Other direct costs allocated to:		
Fundraising	-	-
Trading expenditure	-	-
Investment management costs	-	9
Support and governance costs allocated to:		
Fundraising	21	21
Trading expenditure	-	-
Investment management costs	7	7
Total expenditure on raising funds	64	72
Total expenditure	3,244	3,236

The 2016 resources expended of £3236k respesented £2532k from unrestricted funds, £699k from restricted funds and £5k 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 £0k (2016 - £0k).

Included within the resources expended above are:	2017 Total £'000	2016 Total £'000
Impairment charges	-	-
Stock recognised as an expense in the year	-	-
Operating lease payments	-	-
Foreign exchange losses	-	-

6 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	**2017 Total £'000**
Financial administration	28	323	-	-	**351**
Domestic administration	-	-	-	-	**-**
Human resources	-	8	-	-	**8**
IT	-	117	-	-	**117**
Depreciation	-	272	-	-	**272**
Loss/(profit) on fixed assets	-	-	-	-	**-**
Bank interest payable	-	-	-	-	**-**
Other finance charges	-	(28)	-	-	**(28)**
Governance costs	-	19	-	-	**19**
	28	**711**	**-**	**-**	**739**

	Generating Funds £'000	Teaching and Research £'000	Public Worship £'000	Heritage £'000	**2016 Total £'000**
Financial administration	28	333	-	-	**361**
Domestic administration	-	-	-	-	**-**
Human resources	-	6	-	-	**6**
IT	-	105	-	-	**105**
Depreciation	-	250	-	-	**250**
Loss/(profit) on fixed assets	-	-	-	-	**-**
Bank interest payable	-	-	-	-	**-**
Other finance charges	-	42	-	-	**42**
Governance costs	-	50	-	-	**50**
	28	**786**	**-**	**-**	**814**

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 to the core operations of the College.

	2017 £'000	2016 £'000
Governance costs comprise:		
Auditor's remuneration - audit services	**10**	10
Auditor's remuneration - assurance services other than audit	**3**	1
Auditor's remuneration - tax advisory services	**-**	-
Auditor's remuneration - other services	**-**	2
Legal and other fees on constitutional matters	**6**	37
Other governance costs	**-**	-
	19	50

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.

7 GRANTS AND AWARDS

	2017 £'000	2016 £'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:		
Scholarships, prizes and grants	18	18
Bursaries and hardship awards	18	17
Grants to other institutions	-	-
Total unrestricted	36	35
Restricted funds		
Grants to individuals:		
Scholarships, prizes and grants	163	147
Bursaries and hardship awards	7	4
Grants to other institutions	-	-
Total restricted	170	151
Total grants and awards	206	186

The figure included above represents the cost to the College of the Oxford Bursary scheme. Students of this college received £92k (2016: £65k).Some of those students also received fee waivers amounting to £41k (2016: £33k).

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

8 STAFF COSTS

The aggregate staff costs for the year were as follows.	2017 £'000	2016 £'000
Salaries and wages	1,380	1,303
Social security costs	137	118
Pension costs:		
Defined benefit schemes	83	139
Defined contribution schemes	29	35
Other benefits	-	-
	1,629	1,595

The average number of employees of the College, excluding Trustees, on a full time equivalent basis was as follows.	2017	2016
Tuition and research	-	-
College residential	20	20
Public worship	1	1
Heritage	-	-
Fundraising	-	-
Support	10	10
Total	31	31

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

University Lecturers	5	5
CUF Lecturers	2	2
Other teaching and research	4	4
Other	3	4
Total	14	15

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	-	-
£70,001-£80,001	-	-
£80,001-£90,001	-	-
£90,001-£100,001	-	-
£100,001-£110,001	-	-

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

In defined benefits schemes	-	-
In defined contribution schemes	-	-

The College contributions to defined contribution pension schemes totalled	37	34

9 TANGIBLE FIXED ASSETS

College	Leasehold land and buildings £'000	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At start of year	-	11,301	175	798	**12,274**
Additions	-	685	15	114	**814**
Disposals	-	-	-	-	**-**
At end of year	**-**	**11,986**	**190**	**912**	**13,088**
Depreciation and impairment					
At start of year	-	1,679	144	688	**2,511**
Charge for the year	-	217	9	46	**272**
On disposals	-	-	-	-	**-**
Impairment	-	-	-	-	**-**
At end of year	**-**	**1,896**	**153**	**734**	**2,783**
Net book value					
At end of year	**-**	**10,090**	**37**	**178**	**10,305**
At start of year	-	9,622	31	110	**9,763**

The above includes:
£0k (2016:£0k) of plant and machinery held under finance leases.
£0k (2016:£0k) of fixures and fittings held under finance leases.

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 OTHER INVESTMENTS

All investments are held at fair value.

	2017 £'000	2016 £'000
Group investments		
Valuation at start of year	**12,805**	7,083
New money invested	**-**	5,000
Amounts withdrawn	**(31)**	(23)
Reinvested income	**-**	-
Investment management fees	**-**	-
(Decrease)/increase in value of investments	**906**	745
College investments at end of year	**13,680**	12,805

College investments comprise:	Held outside the UK £'000	Held in the UK £'000	**2017 Total £'000**	Held outside the UK £'000	Held in the UK £'000	2016 Total £'000
Equity investments	-	11,247	**11,247**	-	6,980	6,980
Global multi-asset funds	-	-	**-**	-	496	496
Property funds	-	141	**141**	-	254	254
Fixed interest stocks	-	-	**-**	-	3	3
Alternative and other investments	-	-	**-**	-	1,353	1,353
Fixed term deposits and cash	-	2,292	**2,292**	-	3,719	3,719
Total group investments	-	13,680	**13,680**	-	12,805	12,805

11 DEBTORS

	2017 College £'000	2016 College £'000
Amounts falling due within one year:		
Trade debtors	107	102
Amounts owed by College members	9	-
Amounts owed by Group undertakings	-	-
Loans repayable within one year	-	-
Prepayments and accrued income	67	57
Other debtors	258	122
Amounts falling due after more than one year:		
Loans	-	-
	441	281

12 CREDITORS: falling due within one year

	2017 College £'000	2016 College £'000
Bank overdrafts	-	-
Bank loans	-	-
Obligations under finance leases	-	-
Trade creditors	107	142
Amounts owed to College Members	41	-
Amounts owed to Group undertakings	-	-
Taxation and social security	54	46
College contribution	-	-
Accruals and deferred income	41	55
Other creditors	618	633
	861	876

13 CREDITORS: falling due after more than one year

	2017 College £'000	2016 College £'000
Bank loans	-	-
Obligations under finance leases	-	-
Other creditors	270	280
	270	280

14 PROVISIONS FOR LIABILITIES AND CHARGES

	2017 College £'000	2016 College £'000
At start of year	-	-
Charged in the Statement of Financial Activities	-	-
Settled in the year	-	-
At end of year	-	-

15 ANALYSIS OF MOVEMENTS ON FUNDS

	At 1 August 2016 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	**At 31 July 2017 £'000**
Endowment Funds - Permanent						
College Endowment Fund	7,389	202		(220)	550	**7,921**
Edward Robert Hamilton Wills Endowment	5,127	324		(324)	338	**5,465**
Endowment Funds - Expendable						
Scholarship Funds	289		(13)		18	**294**
Total Endowment Funds - College	12,805	526	(13)	(544)	906	13,680
Endowment funds held by subsidiaries	-	-	-	-	-	**-**
Total Endowment Funds - Group	12,805	526	(13)	(544)	906	**13,680**
Restricted Funds						
Development Funds	7,396	645	(208)			**7,833**
Scholarship Funds	339	360	(173)			**526**
Farmington Institute Fund	28	496	(349)	(10)		**165**
Total Restricted Funds - College	7,763	1,501	(730)	(10)	-	8,524
Restricted funds held by subsidiaries	-	-	-	-	-	**-**
Total Restricted Funds - Group	7,763	1,501	(730)	(10)	-	**8,524**
Unrestricted Funds						
Development Funds	1,841	-	(10)			**1,831**
Fixed asset designated Fund	85					**85**
Designated Revenue Funds	402		(65)			**337**
General funds	364	2,106	(2,454)	554		**570**
Revaluation reserve						**-**
Pension reserve	(258)		28		-	**(230)**
Total Unrestricted Funds - College	2,434	2,106	(2,501)	554	-	2,593
Unrestricted funds held by subsidiaries	-	-	-	-	-	**-**
Total Unrestricted Funds - Group	2,434	2,106	(2,501)	554	-	2,593
Total Funds	23,002	4,133	(3,244)	-	906	**24,797**

16 FUNDS OF THE COLLEGE DETAILS

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

Endowment Funds - Permanent:	
College Endowment Fund	A consolidation of gifts and donations where capital and income, or only the income, can be used for the general purposes of the charity. Part of these funds may have been designated for a particular purpose by the Governing Body.
Edward Robert Hamilton Wills Endowment	A specific donation to be used to enhance the permanent endowment of the College where the income can be used for the general purposes of the charity
Endowment Funds - Expendable:	
Scholarship Funds	A bequest where the use of the income is for a specific purpose so designated by the donor and which can only be used for that purpose or activity
Restricted Funds:	
Development Fund	A consolidation of gifts and donations where both income and capital can be used for replacement and maintenance of the College functional buildings
Scholarship Funds	A consolidation of gifts and donations where both income and capital can be used for student scholarships
Farmington Institute Fund	Restricted funds include income of £496,000 given as a grant by the Farmington Trust to support the charitable activities of the Farmington Institute. The charitable activities of the Institute were transferred to Harris Manchester College on 1 August 2015, the Farmington Trust having determined that its charitable objects would be best achieved through such a transfer.
Designated Funds	
Fixed asset designated	Unrestricted Funds which are represented by the fixed assets of the College and therefore not available for expenditure on the College's general purposes
Designated Revenue Funds	Designated Revenue Funds include £337,000 being the designated but unspent portion of a larger single donation in the year
Development Fund	Unrestricted Funds allocated by the Fellows for future costs of replacement and maintenance of the College functional buildings

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

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2017 Total £'000**
Tangible fixed assets	2,472	7,833	-	**10,305**
Property investments	-	-	-	**-**
Other investments	-	-	13,680	**13,680**
Net current assets	391	691	-	**1,082**
Long term liabilities	(270)	-	-	**(270)**
	2,593	8,524	13,680	**24,797**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	**2016 Total £'000**
Tangible fixed assets	2,367	7,396	-	**9,763**
Property investments	-	-	-	**-**
Other investments	-	-	12,805	**12,805**
Net current assets	347	367	-	**714**
Long term liabilities	(280)	-	-	**(280)**
	2,434	7,763	12,805	**23,002**

18 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:
Head of House
Professorial Fellow
Official Fellow
Fellow by Special Election
Research 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. Where possible 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 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 page 2-3 of the financial statements in the section, Governing Body, Officers and Advisers.

Remuneration paid to trustees

	2017		2016	
Range	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £	Number of Trustees/Fellows	Gross remuneration, taxable benefits and pension contributions £
£7,000-£7,999	1	7,968	1	7,889
£8,000-£8,999			1	8,444
£9,000-£9,999			2	19,508
£10,000-£10,999	3	31,504	1	10,435
£11,000-£11,999	3	34,909	2	22,916
£31,000-£31,999				
£38,000-£38,999				
£39,000-£39,999			1	39,849
£41,000-£41,999	1	41,924		
£42,000-£42,999			2	85,234
£43,000-£43,999	2	87,069		
£52,000-£52,999				
£53,000-£53,999			1	53,358
£54,000-£54,999	1	54,507		
£55,000-£55,999			1	55,197
£56,000-£56,999	1	56,385		
£63,000-£63,999				
£66,000-£66,999			1	66,128
£69,000-£69,999	1	69,571		
£70,000-£70,999			2	140,956
£71,000-£71,999	2	143,992		
£104,000-£104,999				
£106,000-£106,999			1	106,781
£109,000-£109,999	1	109,080		
Total	16	636,909	16	616,695

12 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

See also note 26 Related Party Transactions

Key management remuneration

The total remuneration paid to key management was £262k (2016: £260k).

Key management are considered to be Principal, Bursar, Senior Tutor, Academic Administrator

19 PENSION SCHEMES

The College participates in the Universities Superannuation Scheme ("the USS") and the Pensions Trust Growth Plan ("the PT") on behalf its staff. Both the USS scheme and Series 1-3 of the PT are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). Series 4 of the PT Scheme is a defined contribution scheme. The assets of USS and PT 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 £82,077 (2016 - £109,650) in relation to the USS. This represents contributions of £102,500 payable to the USS as adjusted by the positive change in the deficit funding liability between the opening and closing balance sheet dates of £20,423.

Qualified actuaries periodically value the USS scheme using the 'projected unit method', embracing a market value approach. The resulting levels of contribution take account of actuarial surpluses or deficits in each scheme. The financial assumptions were derived from market conditions prevailing at the valuation date. The results of the latest actuarial valuations and the assumptions which have the most significant effect on the results of the latest valuations and the determination of the contribution levels are for the scheme shown in the following table.

		USS
Date of valuation		31/03/2014
Date of valuation results published		24/07/2015
Value of liabilities		£46.9bn
Value of assets		£41.6bn
Funding Surplus/(Deficit)		£(5.3)bn
Principal assumptions		
	Investment return	5.2% pa
	Rate of increase in salaries	RPI +1% pa
	Rate of increase in pensions	CPI pa
Mortality assumptions		
	Assumed life expectancy as age 65 (males)	24.2yrs
	Assumed life expectancy as age 65 (females)	26.3 yrs
Funding Ratios		
	Technical Provisions basis	89%
	Statutory Pension Protection Fund basis	82%
	"Buy-out" basis	54%
	Estimated FRS102 Funding Level	77%
Recommended employer's contribution rate (as % of pensionable salaries):		18%
Effective date of next valuation:		31/03/2017

Notes

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). The valuation as at 31 March 2017 is underway.

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.

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

	USS	
Assumption	*Change in Assumption*	*Impact on USS liabilities*
Initial discount rate	increase / reduce by 0.25%	decrease / increase by £0.8bn
Discount rate in 20 years' time	increase / reduce by 0.25%	decrease / increase by £1.1bn
RPI inflation	increase / reduce by 0.1%	increase / decrease by £0.8bn
Rate of mortality	more prudent assumption (mortality used at last valuation, rated down by a further year)	increase by £0.5bn

Deficit Recovery Plans
In line with FRS 102 paragraph 28.11A, the College has recognised a liability for the contributions payable for the agreed deficit funding plan. The principle assumptions used in these calculations are tabled below:

Finish Date for Deficit Recovery Plan	31/03/31
Average staff number increase	0.00%
Average staff salary increase	1.70%
Average discount rate over period	1.90%
Effect of 0.5% change in discount rate	£6k
Effect of 1% change in staff growth	£12k

A provision of £161,094 has been made at 31 July 2017 (2016 - £181,517) 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

Pensions Trust Growth Plan

The pension charge for the year includes £708 (2016 - £29,607) in relation to the PT defined benefit scheme. This represents contributions of £7,846 payable to the PT as adjusted by the positive change in the deficit funding liability between the opening and closing balance sheet dates of £7,138.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 30 September 2025 applies.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

A provision of £69,638 has been made at 31 July 2017 (2016 - £76,776) 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.

Assumptions	31/07/2017	31/07/2016	31/07/2015
	% per annum	% per annum	% per annum
Rate of discount	1.32	1.25	2.17

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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	2017	2016
	£000's	£000's
Universities Superannuation Scheme	82	110
Pensions Trust Growth Plan Series 1 and 2	1	29
Pensions Trust Growth Plan Series 4	29	35
Total	112	174

Included in other creditors and accruals are pension contributions payable of £7k (2016: £7 k).

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

21 FINANCIAL INSTRUMENTS

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

	2017			2016		
	Income £'000	**Expense £'000**	**Gains / (losses) £'000**	Income £'000	Expense £'000	Gains / (losses) £'000
Financial assets measured at fair value through profit or loss	-	-	906	-	-	745
Financial liabilities measured at fair value through profit or loss	-	-	-	-	-	-
Financial assets measured at amortised cost	-	-	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-	-	-

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

	2017 £'000	2016 £'000
Net income/(expenditure)	1,795	7,663
Elimination of non-operating cash flows:		
Investment income	(562)	(278)
(Gains)/losses in investments	(906)	(745)
Endowment donations	-	(5,000)
Depreciation	272	250
(Surplus)/loss on sale of fixed assets	-	-
Decrease/(Increase) in stock	(1)	2
Decrease/(Increase) in debtors	(160)	(10)
(Decrease)/Increase in creditors	(25)	60
(Decrease)/Increase in provisions	-	
(Decrease)/Increase in pension scheme liability	(28)	42
Net cash provided by (used in) operating activities	**385**	1,984

23 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £'000	2016 £'000
Cash at bank and in hand	1,722	1,558
Notice deposits (less than 3 months)		
Bank overdrafts	-	-
Total cash and cash equivalents	1,722	1,558

24 FINANCIAL COMMITMENTS

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

	2017 £'000	2016 £'000
Land and buildings		
expiring within one year	-	-
expiring between two and five years	-	-
expiring in over five years	-	-
	-	-
Other		
expiring within one year	-	-
expiring between two and five years	-	-
expiring in over five years	-	-
	-	-

25 CAPITAL COMMITMENTS

The College had authorised commitments at 31 July 2017 for future capital projects totalling Nil (2016- £Nil) and contracted commitments of £710,477 (2016 - £1,506,477)

26 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

The College has made equity housing loans to the following Fellows who are employees on the basis the capital sums repayable are linked to the value of the property on which the loan is secured.
All joint equity properties are subject to sale on departure of the trustee from the College and are classified as endowment investments in the balance sheet

	2017	2016
	£'000	£'000
Dr J Hordern	66	66
Dr A Alvergne	75	75
	141	141

During the year trustee George Hudson managed the project to construct a new building on the College site.
He invoiced the College £480,950 during the year in relation to work completed on the project (2016: £399,523)
The costs are included in fixed asset additions
The Governing Body have had due regard to Charity Commission guidance on transactions with trustees.

H Henderson is also a Trustee of The Farmington Trust. Details of the arms length transactions with the Trust are given in note16

There were no other related party transactions in the year.

27 CONTINGENT LIABILITIES

At 31st July 2017, the College had no contingent liabilities

28 POST BALANCE SHEET EVENTS

There are no post balance sheet events that require disclosure.